

GMB

GRAIN MARKETING BOARD
ASSURING FOOD SECURITY



ANNUAL REPORT

2022-2023





2022- 2023 Annual Report

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Presentation of the Annual Report to the Minister by The Board Chairperson

**Minister of Lands, Agriculture, Fisheries,
Water and Rural Development**

1 Borrowdale Road
Ngungunyana Building
Harare;

Dear Minister

In accordance with Section 35(7) of the Public Finance Management Act [Chapter 22:19], I have the honour and pleasure in submitting to you the Grain Marketing Board's Annual Report for the year ended 31 March, 2023.

Ms J. Ndoro
Chairperson





STATEMENT OF DIRECTION

Vision

A hub of excellence in grain value chain management by 2030.

Mission

To ensure national food security through efficient and sustainable management of the Strategic Grain Reserve.

Values



Team Work
Working together as one GMB family.



Accountability
Taking responsibility for our business practices.



Customer Care
Consistent and timeous provision of quality goods and services as well as meeting our clients' expectations.



Integrity
Honesty, ethical and fairness by doing the right thing in a reliable way.



Transparency
Operating in a manner which is open, non-corrupt, professional and compliant to laid down rules, regulations and procedures.



Innovation
Creating new ideas, embracing continuous improvement in our people, processes and systems.

NB: These values are represented by the acronym TACITI



BOARD OF DIRECTORS



Ms J. Ndoro
Board Chairperson



Dr H. Mushonga
Vice Board Chairman



Mr C. T. Bwenje
Board Member



Ms R. K. Hove
Board Member



Mr T. Mukahlera
Board Member



Ms A. Sofalino
Board Member



Mr L. D. J. Belinsky
Board Member



Mr N. J. Swanepoel
Board Member



Dr P. Siwadi
Board Member



Mr R. Mutenha
Chief Executive Officer

COMPOSITION OF BOARD COMMITTEES

EFFECTIVE 01 APRIL, 2022 - 2023

1. RISK MANAGEMENT COMMITTEE

- Mr. C. T. Bwenje (Chairperson)
- Dr. H. Mushonga
- Ms. A. Sofalino
- Mr. R. Mutenha

2. AUDIT COMMITTEE

- Mr. T. Mukahlera (Chairperson)
- Dr H. Mushonga
- Ms. R. K. Hove
- External Member to be appointed

3. HUMAN RESOURCES AND REMUNERATION COMMITTEE

- Dr H. Mushonga (Chairperson)
- Ms. J. Ndoro
- Mr. N. J. Swanepoel
- Dr. P. Siwadi
- Mr. R. Mutenha

4. CORPORATE STRATEGIC PLANNING AND PROJECTS COMMITTEE

- Mr. L. D. J. Belinsky (Chairperson)
- Ms. J. Ndoro
- Mr. N. J. Swanepoel
- Dr. P. Siwadi
- Ms. A. Sofalino
- Mr. R. Mutenha

5. Finance Committee

- Ms. R. K. Hove (Chairperson)
- Mr. L. D.J. Belinsky
- Mr. T. Mukahlera
- Mr. C. T. Bwenje
- Mr. R. Mutenha



MANAGEMENT



Mr R. Mutenha
Chief Executive Officer



Mr C. Guta
Finance Director



Ms R. Gwanetsa
Corporate Secretary



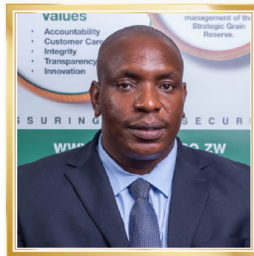
Mr F. Takaindisa
Operations Director



Mr A. Muzambi
Enterprise Risk Manager



Mrs M. Tagarira
Chief Internal Auditor



Mr Q. Shangai
Procurement Manager



Mr N. Kanyemba
Corporate Communications Manager



Ms N. Makoni
Human Resource and Administration Manager



Mr P. Muzvimbiri
Logistics Manager



Ms K. Dongo
Legal Manager



Mr C. Muchechemera
Quality Assurance Manager



Mr F. Zanza
Finance Manager



Mr T. Ganda
Computer Systems Manager



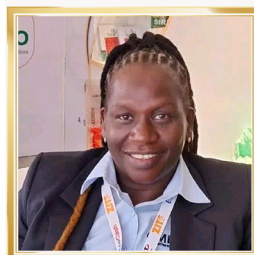
Eng L. Mudoti
Technical Services Manager



Mr F. Kamambo
Regional Manager Northern



Mr T. Makuvara
Regional Manager Eastern



Ms P. Mafa
Regional Manager Southern



Mr E. Nyika
Acting Business Development Manager





CORPORATE DETAILS

Registered Office

Dura Buildings

179-187 Samora Machel Avenue
Eastlea,
Harare

External Auditors

Auditor General

5th Floor, 48 Burroughs House
Cnr Fourth Street/ George Silundika Avenue
Harare

Bankers

Commercial Bank of Zimbabwe

Southerton Branch
Harare

First Bank Corporation

Charter House Branch
70 Samora Machel Avenue
Harare

AFC

Headquarters
Hurudza House
14 -16 Nelson Mandela Avenue
Harare

Standard Chartered Bank

Africa Unity Square
Harare

People's Own Savings Bank

Causeway Branch
Harare

NMB Bank

Southerton Branch
Harare

Legal Advisors

Kantor & Immerman Legal Practitioners

MacDonald House
10 John Landa Nkomo Avenue,
Harare
office@kantorimmerman.co.zw
Tel: 0242793626/ 9

Makuwaza Legal Practitioners

3rd Floor, Travel Centre
93 Jason Moyo Avenue
Harare
makuwazalaw@gmail.com
Tel: 0242794234/ 794855

Mushoriwa-Pasi Legal Practitioners

37 Lawson Avenue,
Milton Park
Harare
farai@mushoriwapasi.co.zw

Board Chairperson's Statement



Ms. J. Ndoro – Board Chairperson
Grain Marketing Board (GMB)

It is my honour to present the Grain Marketing Board's Annual Report for the year ended 31 March 2023. This year was marked by significant progress in consolidating our role as the custodian of Zimbabwe's food security, while navigating a complex economic environment.

Board Chairperson's Statement (Continued)

The Board is pleased to note that GMB's total assets grew to ZWL\$523.6 billion (inflation adjusted), up from ZWL\$496.8 billion in 2022.

This growth reflects prudent stewardship of resources, continued investment in infrastructure, and strengthened operational capacity. The expansion of inventories to ZWL\$71.8 billion underscores our commitment to ensuring grain availability and stability across the country.

We also acknowledge the increase in capital contributions to ZWL\$68.2 billion, which demonstrates the confidence of our stakeholders and Government in GMB's strategic direction.

While liabilities rose during the year, particularly accounts payable, the Board is confident that management's focus on efficiency, cost control, and improved service delivery will ensure sustainability.

Key achievements during the year include continued investment in silo rehabilitation and smart storage facilities to enhance national grain reserves, strengthened procurement and distribution systems, supported

by digitalisation and improved reporting, deepened collaboration with farmers, private sector players, and Government to incentivise grain value chains and support rural development.

The Board will continue to provide strategic oversight as GMB pursues innovation, efficiency, and sustainability. Our focus remains on safeguarding national food security, supporting farmers, and contributing to Zimbabwe's socio-economic development.

On behalf of the Board, I extend sincere appreciation to our stakeholders, partners, and the Government of Zimbabwe for their unwavering support.

Together, we will build a resilient Grain Marketing Board that serves the nation with integrity and excellence.



Ms. J. Ndoro
Board Chairperson
Grain Marketing Board

Chief Executive Officer's Statement



Mr R. Mutenha
Chief Executive Officer
Grain Marketing Board (GMB)

The financial year ended 31 March 2023 was marked by resilience and strategic progress for the Grain Marketing Board. Despite operating in a challenging macroeconomic environment characterised by inflationary pressures and supply chain disruptions, GMB continued to deliver on its mandate of assuring national food security while strengthening its financial and operational position.

Chief Executive Officer's Statement

	2021/22	2022/23	% Variance	Comment
Total Assets (ZWL '000 000)	313 335.59	523 648.47	67%	Increase
Sales Revenue (ZWL '000 000)	40 846.24	102 373.11	151%	Increase
Staff Costs (ZWL '000 000)	2 592.15	10 221.82	294%	Increase
Administration Expenses (ZWL '000 000)	4 143.94	26 172.70	532%	Increase
Selling and Distribution (ZWL '000 000)	4 996.51	14 317.26	187%	Increase
Annual Maize Intake	987 350	179 417	82%	Decrease
Annual Wheat Intake	208 739	149 639	28%	Decrease
Traditional Grains Intake	99 684	43 583	56%	Decrease
SGR Stock (Maize and Traditional Grains)	540 241	317 964	41%	Decrease

Our Statement of Financial Position reflects this stability and growth. Total assets increased to ZWL\$523.6 billion (inflation adjusted) from ZWL\$496.8 billion in the prior year, driven primarily by growth in inventories and sustained investment in property, plant, and equipment. Current assets rose significantly to ZWL\$76.2 billion, underscoring improved liquidity and operational capacity.

Non-current assets stood at ZWL\$447,5 billion, reflecting continued investment in infrastructure, particularly silo modernization and expansion projects.

Inventories increased from to ZWL\$71,8 billion, demonstrating GMB's strengthened role in grain procurement and storage.

Shareholder support remained strong, with capital contributions rising to ZWL\$68,2 billion, reinforcing confidence in GMB's strategic direction.

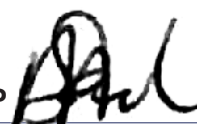
Revaluation reserves were maintained at ZWL\$441,1 billion, while accumulated funds reflect the impact of inflationary adjustments and operational challenges.

Current liabilities rose to ZWL\$26,7 billion, largely due to accounts payable, while non-current liabilities stood at ZWL\$958 million, reflecting obligations to foreign producer vendors.

These figures highlight both the opportunities and challenges we navigated during the year. The expansion of inventories and capital contributions demonstrates confidence in our grain marketing model, while the rise in liabilities underscores the need for continued efficiency and prudent financial management.

Looking forward, GMB remains committed to enhancing grain value chains through structured marketing models, strengthening partnerships with government, farmers, and private stakeholders, ensuring transparency, accountability, and sustainable growth.

On behalf of the Board, Management, and Staff, I extend my gratitude to the Government of Zimbabwe and our stakeholders and for their unwavering support. Together, we are building a resilient and sustainable grain marketing system that safeguards national food security and contributes to economic development.

PP 

Mr R. Mutenha
Chief Executive Officer
Grain Marketing Board (GMB)



Performance Highlights

Fig 1: Five Year Trend on Annual Maize Intake (mt)

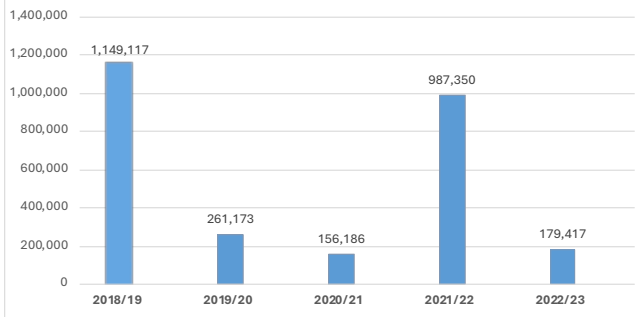


Fig 2: Year Trend on Traditional Grains Intake (Sorghum, Millet, Rapoko) mt

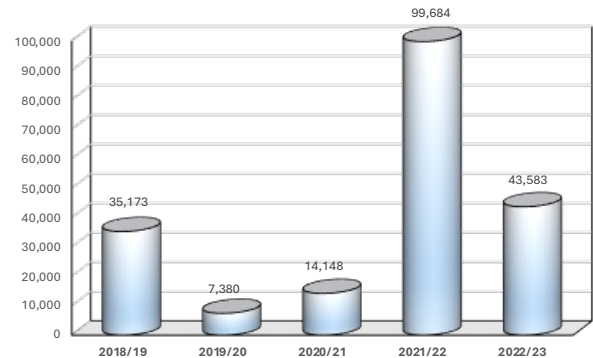


Fig 3: Closing Balance of Maize in Storage as at 31 March (mt)

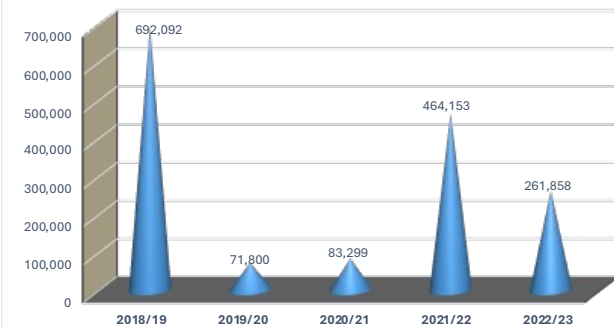


Fig 4: Annual Profit (Loss) for the year ended 31 March 2022 (ZWL Million)

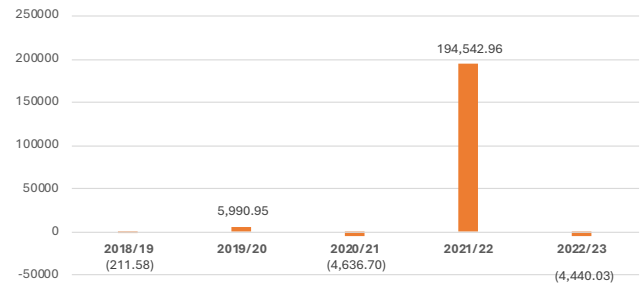


Fig 5: Five Year Annual Sales Trend (ZWL Million)

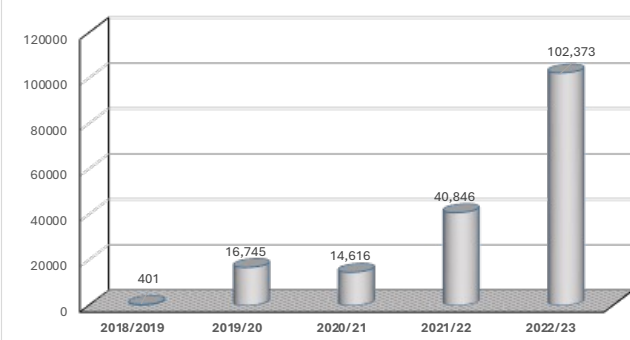


Fig 6: Operating Expenses For The Year (ZWL Million)

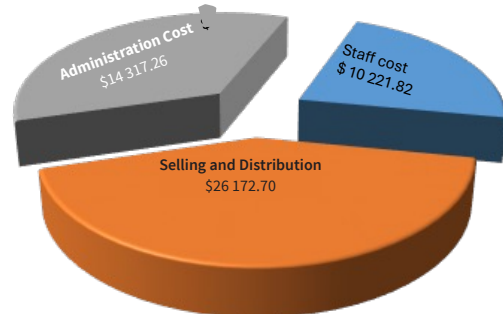
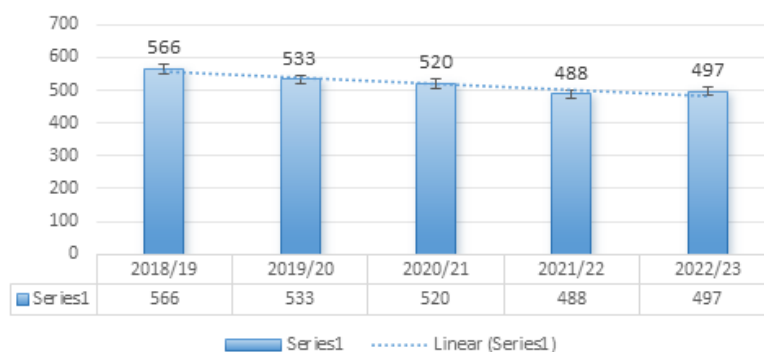
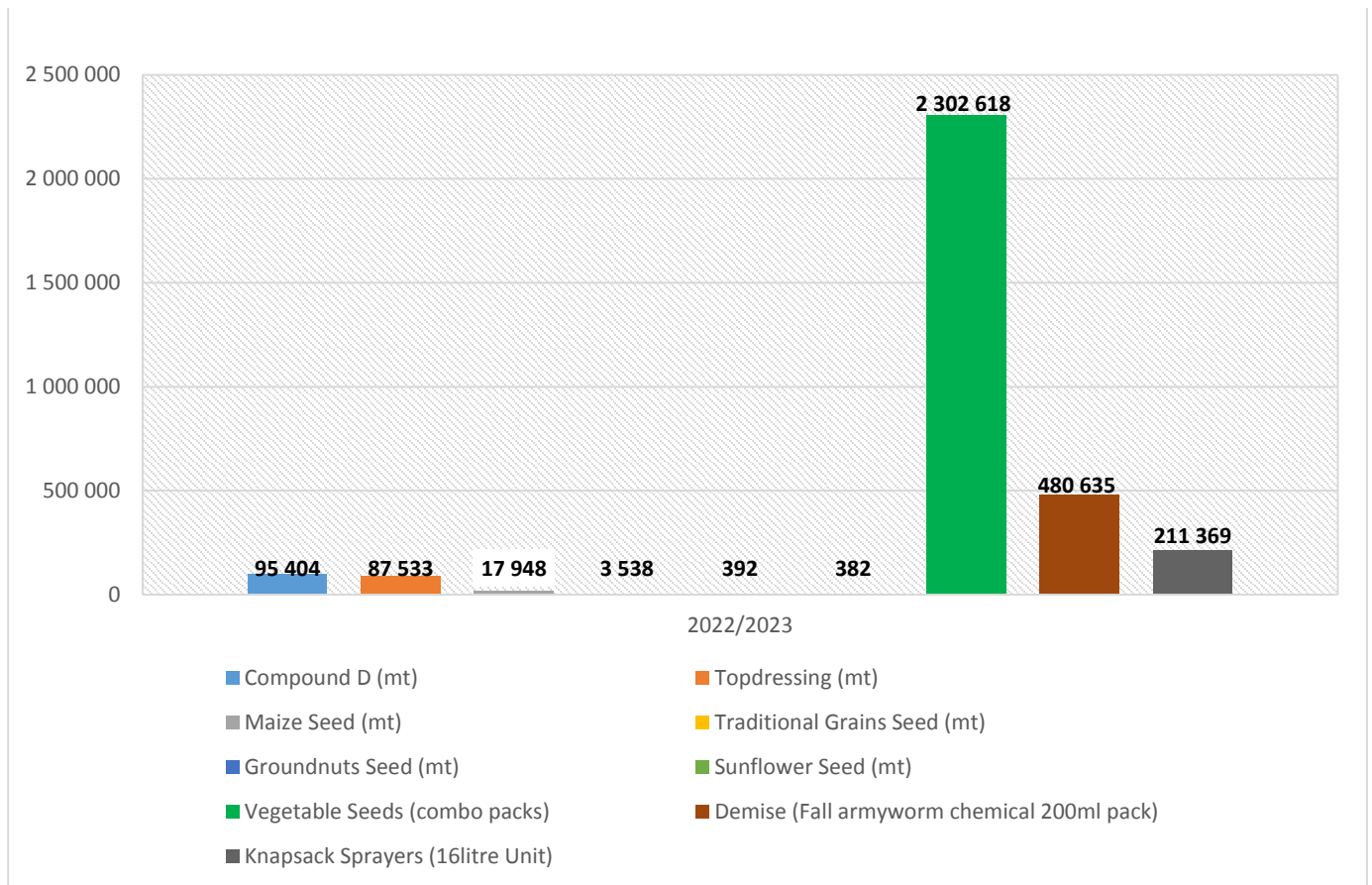


Fig 7: Five Year Trend on Human Capital Reduction (Number of Permanent Employees)



Summary Inputs Distributed During The Seasons 2022/2023



Summary Financial Performance

Statement of Profit or Loss and Other Comprehensive Income

for the year ended March 31, 2023

	Note	INFLATION ADJUSTED		HISTORICAL COST	
		March-2023 ZWL\$	March-2022 ZWL\$	March-2023 ZWL\$	March-2022 ZWL\$
Revenue	14	102 373 111 790	65 443 597 936	80 659 271 690	32 585 201 139
Cost of sales	15	(75 854 321 127)	(51 322 856 981)	(60 135 539 938)	(30 189 915 871)
Gross profit		26 518 790 664	14 120 740 955	20 523 731 752	2 395 285 268
Interest income	16	2 030 989 051	181 126 133	1 180 807 588	105 921 715
Other income	17	988 957 901	401 991 360	810 942 824	6 076 015 907
Total Income		29 538 737 615	14 703 858 448	22 515 482 164	8 577 222 889
Less expenses		(50 711 781 890)	(4 282 818 187)	(33 769 722 391)	(9 470 884 665)
Staff costs	18	(10 221 822 753)	(3 543 593 037)	(5 832 609 617)	(2 072 276 630)
Administration expenses	19	(26 172 702 926)	5 942 938 526	(19 564 448 324)	(3 490 909 979)
Selling and distribution expenses	20	(14 317 256 211)	(6 682 163 676)	(8 372 664 451)	(3 907 698 056)
Profit / (loss) before finance costs and tax		(21 173 044 276)	10 421 040 261	(11 254 240 228)	(893 661 775)
Finance costs	21	(4 516 225)	(8 117 881)	(2 641 068)	(4 747 299)
Profit / (loss) before tax		(21 177 560 501)	10 412 922 379	(11 256 881 295)	(898 409 075)
Income tax (expense)/ credit	12	(3 604 101 991)	(3 038 621 001)	2 107 661 983	(40 631 467)
Monetary gain/(loss)		20 341 633 230	(23 471 786 265)	-	-
Loss for the year		(4 440 029 262)	(16 097 484 887)	(9 149 219 313)	(939 040 542)
Other comprehensive incomes					
Net revaluation surplus		-	195 596 805 702	-	193 520 321 390
Revaluation surplus		-	259 825 724 896	-	257 067 376 980
Tax on revaluation		-	(64 228 919 194)	-	(63 547 055 589)
Total comprehensive profit/(loss) for the year		(4 440 029 262)	179 499 320 815	(9 149 219 313)	192 581 280 849



Ms J. Ndoro
Board Chairperson



Mr R. Mutenha
Chief Executive Officer

DIRECTORS' REPORT

The Board of Directors have the pleasure of presenting their Annual Report and the Consolidated Audited Financial Statements of Grain Marketing Board for the year ended 31 March 2023.

Market Review

GMB continued implementing its core mandate of ensuring food security through the sustainable management of the strategic grain reserves.

Operating and Financial Results

The results are set out in the attached financial statements and the performance highlights are also presented in this report. The Chairman's statements and the Chief Executive Officer's report present comments on specific issues or the organisation's operations and financial performance.

Business Model

The GMB will continue to monitor the business

environment for business opportunities that present growth prospects whilst putting much of its efforts on the management of the Strategic Grain Reserves.

Consolidated Results

The GMB's financial results and activities during the year under review are shown in the Statement of Comprehensive Income and in the Notes to the Financial Statements.

Auditors

Shareholders will be requested to approve the External Auditors remuneration for the financial year ended 31 March 2023 and to appoint Auditors for the ensuing year at the Annual General Meeting.

Annual General Meeting

The Annual General Meeting will be held as advised.

DIRECTORS' RESPONSIBILITY STATEMENT FOR FINANCIAL REPORTING

The Directors are responsible for the preparation, presentation and integrity of the financial statements and all the information contained in the report. The information contained in these financial statements has been prepared in accordance with the accounting policies described in note 2 of the financial statements and they incorporate full and responsible disclosure to ensure that the information contained therein is both reliable and relevant.

The Directors are also responsible for the systems of internal control. These are designed to provide reasonable, but not absolute assurance as to the reliability of the financial statements and to safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatements and losses. The systems are implemented and monitored by suitably trained personnel, with an appropriate segregation of authority and duties. Nothing has come to the attention of the Directors to indicate that a material breakdown in the functioning of these controls, procedures and systems has occurred during the period under review.

The Directors are of the opinion, based on the information and explanations given by Management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

These financial statements are prepared on the going concern basis. The Directors have reviewed the cash flow forecast for the year to 31 March 2022 and, in light of this review and the current financial position, they are satisfied that the GMB has or had access to adequate resources to continue in operational existence for the foreseeable future.

The Auditor General, has audited the financial statements and their report appears on page 29 to 32 The financial statements set out on pages 33 to 47, which have been prepared on the going concern basis, were approved by the Directors on 25/02/2025 and were signed on their behalf by:



Ms. J. Ndoro
(Board Chairperson)

PP 

Mr. R. Mutenha
(Chief Executive Officer)

CORPORATE GOVERNANCE STATEMENT

Introduction

GMB is committed to maintaining the highest standards of Corporate Governance and is guided by the Public Entities Corporate Governance Act [Chapter 10:31] as read together with the Public Finance and Management Act [Chapter 22:19] and the Grain Marketing Act [Chapter 18:14].

Good corporate governance is the responsibility of the Board and as such, the Board will continue to review and improve its governance practice to ensure full compliance with legal and regulatory requirements. The Board of Directors and employees are required to observe the highest levels of corporate ethical standards, ensuring that business practices are conducted in a manner which, in all reasonable circumstances, is beyond reproach.

Directorate

The Board is composed of nine Non-Executive Directors in compliance with section 5 (1) of the Grain Marketing Act [Chapter 18:14]. There is one ex-officio Executive Director, the Chief Executive. The Board holds a skills mix consisting of finance, agriculture, law, administration and human resources.

Functioning of the Board

The Board is governed by a Board Charter which clearly defines its roles and responsibilities. The Board is responsible for providing strategic direction, maintenance of sound risk management and internal control systems, performance of the GMB and exercising good oversight and stewardship. It discharges its responsibilities through regularly scheduled Board and Committee meetings. The Board has reserved specific matters to itself for determination and approval, which include strategic issues, the annual budget, approval of financial statements and approval of employees conditions of service.

Board Committees

For the Board to effectively implement its mandate, it relies on the functions of Committees, which were set up in terms of the Public Entities and Corporate Governance Act and its subsidiary legislation. The Board operates through the following Committees:

1. Risk Management (RM) Committee
2. Audit Committee (AC)
3. Corporate Strategic Planning and Projects (CSPP) Committee
4. Finance (FM) Committee
5. Human Resources and Remuneration (HRR) Committee

The RMC and AC were separated in 2021 in compliance with PECCA.

The table below shows Board and Committees attendance by Members during the period under review.

BOARD AND COMMITTEE ATTENDANCE

FOR THE PERIOD APRIL 2022 – MARCH 2023

	Main Board	AC	CSPP	FC	RM	HRR
NO. OF MEETINGS HELD	7	4	4	4	4	4
Ms J. Ndoro	7	N/A	N/A	N/A	N/A	4
Dr H. Mushonga	7	4	N/A	N/A	4	4
Ms R.K. Hove	4	2	N/A	2	N/A	N/A
Mr N. Swanepoel	5	N/A	2	N/A	N/A	2
Mr L.D.J. Belinsky	5	N/A	2	1	N/A	N/A
Mr T. Mukahlera	7	4	N/A	4	N/A	N/A
Mr C. T. Bwenje	6	N/A	N/A	3	3	N/A
Dr P. Siwadi	7	N/A	4	N/A	N/A	4
Ms A. Sofalino	6	N/A	4	N/A	4	N/A

Rights

To facilitate the exercise of their responsibilities, all Directors have unrestricted access to information as and when they so require. The Directors may consult independent professional advisors and obtain expert or independent professional advice at GMB's cost, provided that approval is granted by the Board Chairman before seeking such services.

Internal Control

The Board is responsible for ensuring the effectiveness of the GMB internal controls. Such controls are designed to manage the risk of failure, to achieve business and social objectives and to give reasonable assurance against material misstatements or loss.

The GMB Internal Audit Department reports to the Board through the Audit Committee and it contributes to monitoring of internal control systems as part of the Combined Assurance Model.

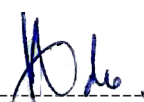
Performance Management

In compliance with Government policy, the GMB adopted and is implementing the Integrated Results Based Management (IRBM) system. The Board monitors and evaluates the performance of the GMB using the IRBM system. The IRBM system allows continuous alignment

of employee performance with overall business strategy and objectives as well as achievement of targeted results.

Going Concern

The Directors are confident that the GMB has adequate resources to continue discharging its mandate for the foreseeable future. Accordingly, the financial statements have been prepared on the basis that the GMB is a going concern.



Ms J. Ndoro
CHAIRPERSON



Mr R. Mutenha
CHIEF EXECUTIVE OFFICER



REPORT OF THE AUDITOR-GENERAL



REPORT OF THE AUDITOR-GENERAL TO THE MINISTER OF LANDS, AGRICULTURE, FISHERIES, WATER, CLIMATE AND RURAL DEVELOPMENT AND THE BOARD OF DIRECTORS IN RESPECT OF THE FINANCIAL STATEMENTS FOR GRAIN MARKETING BOARD FOR THE YEAR ENDED MARCH 31, 2023

Report on the Audit of the Financial Statements

I have audited the financial statements of Grain Marketing Board, as set out on pages 33 to 45, which comprise the statement of financial position as at March 31, 2023, and the statement of profit or loss and other comprehensive income, statement of changes in reserves and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

Qualified Opinion

In my opinion, except for the effects of the matters discussed in the Basis for Qualified Opinion section of my report, the accompanying 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 International Financial Reporting Standard (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 is any indication that assets may be impaired. This was contrary to the requirements of International Accounting Standard 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. International Accounting Standard (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.

I conducted my audit in accordance with International Standards on Auditing (ISAs) and International Standards

Key Audit Matters

Key Audit Matters are those matters that, in my professional judgment, were of most significance in my audit of the financial statements of Grain Marketing Board

for the year ended March 31, 2023. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on

these matters. In addition to the matters described in the Basis of Qualified Opinion section I have determined the matters described below to be the key audit matters to be communicated in my report.

Key audit matter	How the matter was addressed in the audit
Existence and valuation of inventories. Refer to note 6 to the financial statements. The Board held large quantities of strategic grain reserves, including maize, wheat and traditional grains, stored across its extensive national depots and silo network valued at ZWL\$71,8 billion (2022: ZWL\$46.6 billion) as at March 31, 2023. Inventories are significant to the financial statements and are a key component of the entity's mandate to ensure national food security. Due to the wide geographic spread of depots and the mix of storage methods (silos, sheds, warehouses, and open storage in some rural depots), there is an increased risk relating to the existence of inventories. The valuation of inventories also involves significant judgement. The Board uses Government-gazetted prices to determine cost and assesses net realisable value. Because of the magnitude of inventory, the number of depots nationwide and judgement involved in valuation and impairment assessments, was considered a key audit matter.	My procedures included but were not limited to: • Evaluated the design and implementation of controls around inventory management. • Observed the year-end inventory count at selected depots with specific consideration cover those locations with material inventories. • Tested the completeness and accuracy of inventory records by reconciling depot count sheets, stack cards, silo bin cards and stock summary reports to the central inventory management system (SAP). • Performed pricing and net realizable value tests for a sample of inventory items. • Evaluated the adequacy and appropriateness of disclosures made in the financial statements. The inventory balance was fairly stated.
Valuation of trade and other receivables. Refer to note 7 to the financial statements. The Board disclosed trade and other receivables amounting to ZWL\$2 billion as at March 31, 2023. The determination of expected credit losses requires the Board to apply significant judgments and assumptions relating to the financial condition of the counterparty, expected future cash flows and forward-looking macroeconomic conditions in line with International Financial Reporting Standard (IFRS) 9 — "Financial Instruments" Accordingly, the valuation of trade and other receivables was considered a Key Audit Matter.	The audit procedures that I performed to address the risk of material misstatement relating to the valuation of trade receivables included the following: • Assessed the reasonableness of the expected credit loss model and related parameters, including probability of default, loss given default, risk exposure, and significant increase in credit risk; • Assessed the forward-looking information management used to determine expected credit losses, including the forecasts of macroeconomic variables and the assumptions of multiple macroeconomic scenarios. • Evaluated the models and the related assumptions used in individual impairment assessment and analysed the amount, timing and likelihood of management's estimated future cash flows. • Evaluated the adequacy and appropriateness of disclosures made in the financial statements. Based on evidence gathered, I found the valuation, presentation and disclosure of trade receivables to be appropriate.

REPORT OF THE AUDITOR-GENERAL (CONTINUED)

Other Information

The GMB's Management is responsible for the Other Information. The Other Information comprises all the information in the Grain Marketing Board's annual report other than the financial statements and my auditor's report thereon ("the Other Information").

My opinion on the financial statements does not cover the Other Information and I do not express any form of assurance conclusion thereon. In connection with my audit of the Board's financial statements, my responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed on the Other Information that I obtained prior to the date of this auditor's report, I conclude that there is a material misstatement of this Other Information, I am required to report that fact. I have nothing to report in this regard.

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

The GMB's management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) and in a manner required by the Grain Marketing Board Act [Chapter 8:14] and the Public Finance Management Act [Chapter 22: 9], and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has

no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Board's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with ISAs and ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs and ISSAIs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management;

Report of the Auditor-General (continued)

- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit. I also provide those charged with governance with a statement that I have complied with the relevant ethical requirements

regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In my opinion, the financial statements of Grain Marketing Board have, in all material respects, been properly prepared in compliance with the disclosure requirements of the Grain Marketing Board Act [Chapter 18:14], the Public Instruments Finance Management Act [Chapter 22:19], and other relevant Statutory Instruments.

02 March, 2026.


R. Kujinga
Acting Auditor General

STATEMENT OF FINANCIAL POSITION

as at March 31, 2023

		INFLATION ADJUSTED		HISTORICAL COST	
Note		March-2023 ZWL\$	March-2022 ZWL\$	March-2023 ZWL\$	March-2022 ZWL\$
Assets					
Non-current assets		447 490 039 638	442 617 475 113	250 424 837 353	257 933 855 550
Property, plant and equipment	4	442 712 120 010	441 369 653 903	248 226 280 308	257 799 683 544
Investment property	5	116 280 000	116 280 000	68 000 000	68 000 000
Investment in subsidiary	6	1 131 541 210	1 131 541 210	66 172 006	66 172 006
Deferred tax asset	13	3 530 098 418	-	2 064 385 039	-
Current assets		76 158 435 055	54 150 326 916	58 364 533 162	29 354 553 369
Inventories	7	71 770 250 386	46 578 266 112	54 078 236 746	24 927 135 558
Trade and other receivables	8	2 037 555 928	1 257 117 129	1 994 875 473	734 470 945
Prepayments	9	109 447 309	6 315 346	50 239 511	3 690 533
Cash and cash equivalents	10	2 241 181 432	6 308 628 329	2 241 181 432	3 689 256 333
Total Assets		523 648 474 693	496 767 802 029	308 789 370 515	287 288 408 919
Reserves and liabilities					
Reserves		495 971 480 420	487 913 451 245	282 005 719 420	284 050 539 895
Capital contribution		68 189 507 443	55 691 449 006	34 955 107 267	27 850 708 429
Revaluation reserves		441 101 175 206	441 101 175 206	257 254 115 555	257 254 115 555
Capital reserves		706 288 904	706 288 904	2 049 200	2 049 200
Accumulated fund		(14 025 491 133)	(9 585 461 871)	(10 205 552 602)	(1 056 333 289)
Non-current liabilities		958 224 944	634 369 037	327 463 711	370 740 654
Foreign producer vendors	11.2	958 224 944	560 365 464	327 463 711	327 463 711
Deferred tax	12.3	-	74 003 573	-	43 276 943
Current Liabilities		26 718 769 329	8 219 981 747	26 456 187 384	2 867 128 370
Accounts payable	11	26 086 353 656	4 657 454 148	26 086 353 656	2 637 269 196
Current tax payable	12	237 615 619	3 449 006 615	138 956 502	138 956 502
Provisions	13	394 800 054	113 520 984	230 877 226	90 902 672
Total reserves and liabilities		523 648 474 693	496 767 802 029	308 789 370 515	287 288 408 919

26/01/2025.


C. GUTA,
(FINANCE DIRECTOR).

26/01/2025.


R. MUTENHA
(CHIEF EXECUTIVE OFFICER).

25/02/2025.


J. NDORO,
(BOARD CHAIRPERSON).

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2023

Inflation adjusted	Capital contribution ZWL\$	Revaluation reserve ZWL\$	Capital reserve ZWL\$	Accumulated fund ZWL\$	Total ZWL\$
Balance as at April 1, 2021	27 743 535 322	186 738 575	706 288 904	6 512 023 016	35 148 585 817
Balance as at April 1, 2021	27 743 535 322	186 738 575	706 288 904	6 512 023 016	35 148 585 817
Capital contribution for the period	27 947 913 684	-	-	-	27 947 913 684
Revaluation surplus	-	440 914 436 631	-	-	440 914 436 631
Loss for the period				(16 097 484 887)	(16 097 484 887)
Balance as at March 31, 2022	55 691 449 006	441 101 175 206	706 288 904	(9 585 461 871)	487 913 451 245
Balance as at April 1, 2022	55 691 449 006	441 101 175 206	706 288 904	(9 585 461 871)	487 913 451 245
Capital contribution for the period	12 498 058 437	-	-		12 498 058 437
Loss for the period	-	-	-	(4 440 029 262)	(4 440 029 262)
Balance as at March 31, 2023	68 189 507 443	441 101 175 206	706 288 904	(14 025 491 133)	495 971 480 420
Historical cost	Capital contribution ZWL\$	Revaluation reserve ZWL\$	Capital reserve ZWL\$	Accumulated fund ZWL\$	Total ZWL\$
Balance as at April 1, 2021	8 144 197 942	186 738 575	2 049 200	(117 292 747)	8 215 692 970
Capital contribution for the period	19 706 510 487	-	-	-	19 706 510 487
Loss for the period	-	-	-	(939 040 542)	(939 040 542)
Revaluation surplus	-	257 067 376 980	-		257 067 376 980
Balance as at March 31, 2022	27 850 708 429	257 254 115 555	2 049 200	(1 056 333 289)	284 050 539 895
Balance as at April 1, 2022	27 850 708 429	257 254 115 555	2 049 200	(1 056 333 289)	284 050 539 895
Capital contribution for the period	7 104 398 839	-	-	-	7 104 398 839
Loss for the period	-	-	-	(9 149 219 313)	(9 149 219 313)
Balance as at March 31, 2023	34 955 107 267	257 254 115 555	2 049 200	10 205 552 602	282 005 719 420

STATEMENT OF CASH FLOWS

for the year ended March 31, 2023

Note	INFLATION ADJUSTED		HISTORICAL COST	
	March-2023 ZWL\$	March-2022 ZWL\$	March-2023 ZWL\$	March-2022 ZWL\$
Cash flows from operating activities	(15 465 631 786)	(19 380 223 923)	(8 946 136 281)	(18 311 205 335)
Net cash flows before working capital changes	(7159 183 415)	12 078 933 555	1 176 053 998	85 962 781
Profit / (Loss) before tax	(21 177 560 501)	10 412 922 379	(11256 881 295)	(898 409 075)
Adjusted for:				
Depreciation	10 429 517 627	123 438 362	10 357 907 213	87 693 509
Gain on exchange of currencies	-	(46 307 374)	-	(26 922 892)
Interest received	(2 030 989 051)	(181 126 133)	(1180 807 588)	(105 921 715)
Finance cost	4 516 225	8 117 881	2 641 068	4 747 299
Allowance for credit losses	5 223 468	4 761 035	(3 054 660)	(2 784 231)
Provisions	281 279 070	107 458 478	139 974 554	62 841 215
Allowance for damaged stock	5 328 829 746	1 649 668 926	3 116 274 705	964 718 670
Changes in working capital	(8 306 448 370)	(31 459 157 478)	(10 122 190 279)	(18 397 168 116)
Increase in inventory	(28 857 000 585)	(34 493 175 664)	(32 267 375 893)	(20 171 447 757)
Increase in trade receivables	(775 215 330)	(807 386 953)	(1 257 349 868)	(472 156 113)
(Increase)/decrease in prepayments	(103 131 963)	10 321 042	(46 548 978)	6 035 697
Increase in trade and other payables	21 428 899 508	3 831 084 097	23 449 084 460	2 240 400 057
Cash flows from investing activities	(102 545 799)	(713 738 722)	396 303 612	(417 398 664)
Net cash outflow from investing activities	(1 342 466 107)	(941 172 229)	(784 503 976)	(550 393 117)
Purchase of property, plant and equipment	-	46 307 374	-	27 072 738
Sale of property, plant and equipment	2 030 989 051	181 126 133	1 180 807 588	105 921 715
Interest received				
Cash flows from financing activities	12 493 542 212	33 690 015 052	7 101 757 771	19 701 763 188
Net cash flow from financing activities	12 498 058 437	33 698 132 933	7 104 398 839	19 706 510 487
Capital contribution	(4 516 225)	(8 117 881)	(2 641 068)	(4 747 299)
Interest paid				
Net increase in cash and cash equivalents	(3 074 635 373)	13 596 052 407	(1 448 074 899)	973 159 188
Cash and cash equivalents at the beginning of the period	6 308 628 329	5 095 425 023	3 689 256 333	2 716 097 145
Effects of inflation on cash and cash equivalents	(992 811 521)	(12 382 849 101)	-	-
Cash and cash equivalents at the end of the period	2 241 181 432	6 308 628 329	2 241 181 432	3 689 256 333

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

1. NATURE OF BUSINESS

Grain Marketing Board was established in terms of the Grain Marketing Board 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. Its registered address is 179-187 Samora Machel Avenue, Dura Buildings, Eastlea, Harare.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The financial statements for the year ended March 31, 2023 have been prepared in conformity with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB).

2.2 Basis of measurement

The financial statements of the Board are based on historical cost convention and have been adjusted to take account of the effects of inflation in accordance with the provisions of International Accounting Standard (IAS) 29 – “Financial Reporting in Hyperinflationary Economies”. The Public Accountants and Auditors Board (PAAB) pronounced that the economy is trading under conditions of hyperinflation in line with IAS 29 “Financial Reporting in Hyperinflationary Economies”. Management have applied the guidelines provided by PAAB. Management made various assumptions to produce the inflation adjusted financial information. The conversion factors have been computed from the consumer price index (CPI) data as provided by Zimbabwe Statistical Agency (ZIMSTATS) on their website and also as circulated by PAAB. Below is the table of Consumer Price Index movements for year the current and previous year.

Month	Index	Conversion factor	Month	Index	Conversion factor
Mar-23	4 766.10	1	Mar-22	2 759.8	1.727

2.3 Functional and presentation currency

These financial statements are presented in Zimbabwean Dollar (ZWL\$) as prescribed under Statutory Instrument 33 of 2019 and in compliance with local laws as well as relevant guidance provided by the Public Accountants and Auditors Board on March 21, 2019.

In February 2019, the Government issued Statutory

Instrument 33 of 2019 (S133 of 2019) which directed that all assets and liabilities that were denominated in United States dollars (USD) before February 22, 2019 be deemed to have become RTGS dollars at a rate of 1:1 to the USD. The financial reporting and audit guidance on currency considerations under the environment prevailing issued by the Public Accountants and Auditors Board (PAAB) on March 21, 2019 urged preparers of the financial statements to comply with the laws and regulations of the country. The statement of financial position was translated as at February 22, 2019.

All transactions post this date were translated to ZWL\$ at the official interbank rate prevailing at the time of transacting. The functional currency of the Board changed in February 2019 to ZWL\$ from USD as a consequence of the above. In the same year the Board changed its presentation currency to ZWL\$.

2.4 Accounting judgments, estimates, and assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Significant judgments include the following:

2.4.1 Useful lives and residual values of property, plant and equipment

The Board assesses useful lives and residual values of property, plant and equipment each year taking into account past experience and technology changes. The depreciation rates are set out in note 3.4.3 and no changes to these useful lives have been considered necessary during the year. Management has set residual values for all classes of property, plant and equipment at zero.

2.4.2 Impairment and provision policies

At each statement of financial position date, the Board reviews the carrying amount of its assets to determine whether there is an indication that those assets suffered any impairment. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment (if any). If the recoverable amount of an asset is estimated to be less

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended March 31, 2023

than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment is recognized as an expense immediately, unless the relevant asset is carried at a revalued amount, in which case the impairment is treated as a revaluation decrease. In the event that, in the subsequent period, an asset that has been subject to an impairment loss is no longer considered to be impaired, the value is restored and the gain is recognized in the statement of comprehensive income. The restoration is limited to the value which would have been recorded had the impairment adjustment not taken place.

2.4.3 Allowance for credit losses

The Board uses the simplified approach when conducting the credit loss assessment for its receivables. At each statement of financial position date, the Board recognizes a credit loss for its trade receivables once evidence that collection is almost impossible. The Board has recognized a credit loss of:

Current	31-60 days	61- 90 days	91+ days
1%	2%	4%	7%

2.4.4 Fair value measurement

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- i In the principal market for the asset or,
- ii In the absence of a principal market, in the most advantageous market for the asset.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset, assuming that market participants act in their economic best interest.

2.4.5 Going concern

The Directors and management have assessed the ability of the Board to continue as a going concern and believe the preparation of the financial statements on a going concern basis is still appropriate.

2.5 Allowance for damaged stocks

The board estimates a 5% allowance for damaged stocks based on grain stocks available as at end of each financial year.

2.6 New and revised standards and interpretations

2.6.1 New standards, interpretations and amendments issued

and became effective during the year under review applicable to the Board for the financial year beginning April 1, 2022

i. Amendment to International Accounting Standard (IAS) 37 - “Provisions, Contingent Liabilities and Contingent Assets”

The amendment clarifies which costs an entity includes in assessing whether a contract will be loss-making. This assessment is made by considering unavoidable costs, which are the lower of the net cost of exiting the contract and the ‘costs to fulfil the contract’. Under the amendment, costs to fulfil a contract include incremental costs and the allocation of other costs that relate directly to fulfilling the contract.

Effective date is June 1, 2022.

ii. Amendments to International Accounting Standard (IAS) 16 - “Property, Plant and Equipment”- Proceeds before intended use

In May 2021, the International Accounting Standard Board issued IAS 16 - “Property, Plant and Equipment” - Proceeds before Intended Use, which prohibits entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment.

iii. Amendments to International Accounting Standard (IAS) 37 - “Provisions, Contingent Liabilities and Contingent Assets”: Onerous contracts costs of fulfilling a contract

In May 2021, the IASB issued amendments to IAS 37 - “Provisions, Contingent Liabilities and Contingent Assets” to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a “directly related cost approach”. The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual reporting periods beginning on or after January 1, 2022.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended March 31, 2023

at fair value, are presented in the statement of financial position as deferred income under non-current liabilities and are recognized as income on a systematic and rational basis over the useful life of the asset. Non-monetary grants are valued at nominal amounts based on management estimates.

2.4 Property, plant and equipment

These comprises of land, building and storage installations, water supply road and drainage, machinery and equipment, computer accessories, furniture and office equipment, vehicles and work in progress.

2.4.1 Initial recognition

The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if:

- (a) it is probable that future economic benefits associated with the item will flow to the entity; and
- (b) the cost of the item can be measured reliably.

2.4.2 Subsequent measurement

Buildings held for use in the production or supply of goods or services, or for administrative purpose, are stated at revalued amounts in the statement of financial position less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with Board's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Fixtures and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Tarpaulins are treated as property, plant and equipment in line with the industry practice.

A revaluation surplus is recorded in other comprehensive income and credited to the asset revaluation surplus in equity. However, to the extent that it reverses a revaluation deficit of the same asset previously recognised in profit or loss, the increase is recognised in profit and loss. A revaluation deficit is recognised in the statement of profit or loss, except to the extent that it offsets an existing surplus on the same asset recognised in the asset revaluation reserve.

Accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being disposed is transferred to retained earnings.

2.4.3 Depreciation

Depreciation is not provided on freehold land. Assets held under finance lease are depreciated over their expected useful lives on the same basis as owned assets or where shorter, the term of the relevant lease.

Residual value of all assets is assessed at nil. Depreciation on depreciable assets is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

Building and storage installations	2.5% - 7.5%
Roads, drainage, water supply and fencing	2.5% - 10%
Rail facilities	5%
Plant and machinery	7.5% - 20%
Furniture and Office Equipment	10% - 25%
Motor vehicles	25%

2.4.4 Derecognition

An item of property, plant and equipment is derecognised upon disposal or loss when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the profit and loss section of the statement of profit or loss and other comprehensive income in the year the asset is derecognised.

2.5 Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

2.5.1 Initial recognition

Investment property is initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalized borrowing costs.

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended March 31, 2023

2.5.2 Subsequent measurement

Subsequently the investment property is measured under fair value model. Any gains or losses on disposal of an investment property is recognised in profit or loss. When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

The fair value of the investment property is based on a valuation by an independent valuer who holds a recognized and relevant professional qualification and has recent experience in the location and category of the investment property being valued. The rental income from investment property is recognized in profit or loss.

2.6 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported on in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Board's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax is recognized on differences between the carrying amounts of assets and the liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary differences arise from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Board intends to settle its current tax assets and liabilities on a net basis.

2.7 Inventory

The inventory for the Board include grains, storage and dispatch bags, stores items and finished goods like shelled groundnuts. Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated cost of completion and costs to be incurred in marketing, selling and distribution.

2.8 Leases

The Board leases out some properties to its subsidiary company Silo Food Industries (SFI) and third parties. Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All other leases are classified as operating leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Assets held under finance leases are recognized as assets of the Board at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are charged to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Board's

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended March 31, 2023

general policy on borrowing costs.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

2.9 Provisions

The provisions comprise of leave pay, bonus, audit fees and pension. Provisions are recognized when the Board has a present legal or constructive obligation as a result of past events, such that there is a probability that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate to the amount of such obligation can be made. Obligations payable at the demand of the creditor or within one year of the statement of financial position date are treated as current liabilities in the statement of financial position. Obligations payable after one year from the statement of financial position date are treated as non-current liabilities in the statement of financial position.

2.10 Employee benefits

Employee benefits are the consideration given by the Board in exchange for services rendered by employees. Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Board's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

i. Short term employee benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Board has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Defined contribution plan

Obligations for contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii. Termination benefits

Termination benefits are expensed at the earlier of when the Board can no longer withdraw the offer of

those benefits and when the Board recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

iv. Post-employment benefits

The Board's obligations are limited to specific contributions as legislated from time to time in terms of the National Social Security Act [Chapter 17:04]. The Board's obligations are currently 3.5% of pensionable earnings.

2.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability of another. Financial assets and financial liabilities are recognized when the company becomes party to the contractual provisions of the instrument.

2.11.1 Recognition

Financials assets and liabilities are recognized on the Board's statement of financial position when the Board becomes a part to the contractual provision of the instrument.

Non-derivative financial instruments carried in the statement of financial position comprise cash and cash equivalents, trade and other receivables and other payables. These instruments are recognized initially at fair value plus any directly attributable transaction cost.

Classification and measurement

The Board has classified its financial assets as follows;

Component	Classification
Trade and other receivables	Amortised cost
Cash and cash equivalents	Amortised cost

2.11.2 Trade and other receivables

The inputs credit scheme receivables account is constantly assessed to ensure that the balance reflects the amounts expected to be recovered from the farmers. Where recoverability is in doubt, an allowance for credit losses is made which in effect reduces the carrying amount of the receivables and the capital contribution account (which represents the monetary value of capital injected by the government towards the inputs credit scheme).

A receivable is recognized by the Board when the goods are delivered to the customer as this represents the point

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended March 31, 2023

in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. For some customers' payment of the transaction price is due immediately at the point the customer purchases the goods.

3.11.2.1 Impairment of receivables

The Board's expected credit losses on receivables are calculated on the basis of simplified approach. The expected credit loss is measured at an amount equal to lifetime credit losses applied on a portfolio of trade receivables with shared characteristics. The portfolio basis of assessing changes in the credit risk is most applicable since the Board has a large number of trade receivables on which it is not practically possible to monitor or obtain forward looking information on each customer. Expected credit losses are recognised using an allowance for credit loss in profit or loss with the corresponding amount recognised in the statement of financial position, with a reduction in the carrying amount of the asset in the statement of financial position.

2.11.3 Cash and cash equivalents

For statement of cash flows, cash and cash equivalents comprise bank balance and are subject to an insignificant risk of changes in value.

2.11.4 Financial liabilities

The Board financial liabilities comprise of accounts payables. Payables are classified at fair value through profit or loss.

2.11.5 Trade and other payables

Trade and other payables comprise amounts due to suppliers for goods and services received before the end of the reporting period but not yet paid for. The amounts are unsecured and are usually paid within the agreed credit terms.

Trade and other payables are recognized initially at fair value and subsequently measured at fair value through profit or loss. Liabilities are derecognized when the obligation is discharged, cancelled, or expires.

2.12 Nature and extent of risks arising from financial instruments

The following analysis gives the extent to which the financial instruments held by the Board exposes it to various forms of risk.

2.12.1 Credit risk

The risk that one party to the financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk for the Board is primarily on receivables. The Finance Division manages and controls or limits these risks through formulation of credit policies, including obtaining collateral and independent review of the credit exposures.

2.12.2 Interest rate risk

The Board's grain bills have variable interest rates thereby exposing the Board to fair value interest rate risk, whilst the overdrafts and money market investments are at floating rates. Exposure to interest rate risk on borrowings and investments is monitored on a proactive basis.

2.12.3 Foreign currency transaction and balances

While the Board records are maintained in Zimbabwe Dollars (ZWL), some of its transactions are conducted in other major foreign currencies. Transactions in foreign currencies are translated to the Zimbabwe Dollar at rates of exchange ruling at the time of the transactions. Transaction and translation gains and losses arising on conversion or settlement are dealt with in the statement of comprehensive income in determination of the operating income.

2.12.4 Reputational risk

Reputational risk is the risk of negative public opinion leading to a loss in confidence and or severance of business relationship due to perception by the public that the Board is not conducting its business in a sound manner. The Board manages reputational risk due through its evaluation and control of the major risks. Due to delayed payment to farmers, the public now has negative perception of Grain Marketing Board and its ability to pay farmers timely.

2.12.5 Climate change

The effects of climate change are increasingly becoming a global concern for all businesses. Grain Marketing Board which is a strategic grain reserve is susceptible to the impact of climate change. Grain Marketing Board was affected by the late onset of the rain season, hail and wind among unfavorable weather perils that impacted the performance of the farming community and eventually the board during the financial year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended March 31, 2023

4. Property, plant and equipment

Inflation adjusted

	Land	Buildings and Storage Installations	Water Supply Road & Drainage	Machinery & Equipment	& Computer Accessories	Furniture and office Equipment	Vehicles	Work-in Progress	2023 TOTAL	2022 TOTAL
	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$
Closing carrying amount	4 358 919 862	47 035 263 799	50 790 386	386 728 183 953	75 950 443	146 378 336	1 545 249 101	1 428 918 023	441 369 653 903	3 249 965 215
Gross carrying amount	4 358 919 862	47 606 765 393	51 969 798	387 224 303 267	153 266 104	160 658 865	1 623 106 070	1 428 918 023	442 607 907 383	3 984 727 245
Accumulated depreciation	-	(571 501 594)	(1 179 411)	(496 119 315)	(77 315 662)	(14 280 529)	(77 856 969)	-	(1 238 253 480)	(734 762 030)
Disposals for the year	-	-	-	-	-	-	-	-	-	(256 237)
Revaluation	-	-	-	-	-	-	-	-	-	435 868 980 614
Additions for the year	-	-	9 123	6 277 548	140 250 510	29 465 959	503 276 706	663 186 262	1 342 466 107	941 172 229
Transfer to investment property	-	-	-	-	-	-	-	-	-	(116 280 000)
Depreciation	-	(2009 392 558)	(3 491 746)	(7929 574 324)	(55 066 499)	(33 755 989)	(398 236 512)	-	(10 429 517 627)	(123 438 362)
Closing carrying amount	4 358 919 862	47 035 263 799	50 799 509	386 734 461 501	216 200 952	175 844 294	2 048 525 807	2 092 104 285	442 712 120 010	441 369 653 903
Gross carrying amount	4 358 919 862	49 616 157 951	55 470 666	395 160 155 139	348 583 113	223 880 813	2 524 619 289	2 092 104 285	454 379 891 118	442 607 907 383
Accumulated depreciation	-	(2580 894 152)	(4 671 157)	(8425 693 638)	(132 382 160)	(48 036 518)	(476 093 481)	-	(11 667 771 108)	(1 238 253 480)

Historical cost

	Land	Buildings and Storage Installations	Water Supply Road & Drainage	Machinery & Equipment	& Computer Accessories	Furniture and office Equipment	Vehicles	Work-in Progress	March 2023 TOTAL	March 2022 TOTAL
	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$	ZWL\$
Opening carrying amount	1 943 848 462	27 614 785 479	29 505 597	226 769 898 296	98 479 218	81 873 000	940 091 600	321 201 893	257 799 683 545	337 756 803
Gross carrying amount	1 943 848 462	27 628 233 169	30 057 085	226 875 486 751	106 428 848	83 929 590	956 528 617	321 201 893	257 945 714 415	396 094 165
Accumulated depreciation	-	(13 447 690)	(551 488)	(105 588 455)	(7 949 630)	(2 056 590)	(16 437 017)	-	(146 030 870)	(58 337 362)
Additions	-	-	5 331	3 668 444	81 958 928	17 219 177	294 102 454	387 549 642	784 503 976	550 393 117
Disposals for the year	-	-	-	-	-	-	-	-	-	(149 846)
Revaluation surplus	-	-	-	-	-	-	-	-	-	257 067 376 980
Transfer to investment property	-	-	-	-	-	-	-	-	-	(68 000 000)
Depreciation	-	(1974 538 244)	(2 659 554)	(7938 472 635)	(41 981 014)	(30 348 141)	(369 907 625)	-	(10 357 907 213)	(87 693 509)
Closing carrying amount	1 943 848 462	25 640 247 235	26 851 374	218 835 094 105	138 457 132	68 744 036	864 286 429	708 751 535	248 226 280 308	257 799 683 544
Gross carrying amount	1 943 848 462	27 628 233 169	30 062 416	226 879 155 195	188 387 776	101 148 767	1 250 631 071	708 751 535	258 730 218 391	257 945 714 415
Accumulated depreciation	-	(1987 985 934)	(3 211 042)	(8044 061 090)	(49 930 644)	(32 404 731)	(386 344 642)	-	(10 503 938 083)	(146 030 870)

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended March 31, 2023

	INFLATION ADJUSTED	INFLATION ADJUSTED	HISTORICAL COST	HISTORICAL
	March - 2023 ZWL\$	March - 2022 ZWL\$	March - 2023 ZWL\$	March - 2022 ZWL\$
5 Investment Property	116 280 000	116 280 000	68 000 000	68 000 000
Opening balance	116 280 000	116 280 000	68 000 000	68 000 000
Fair value adjustment	-	-	-	-
6 Investment in subsidiary	1 131 541 210	1 131 541 210	66 172 006	66 172 006
Opening carrying amount	1 131 541 210	1 131 541 210	66 172 006	66 172 006
7 Inventories	71 770 250 386	46 578 266 112	54 078 236 746	24 927 135 558
Grains	73 671 637 996	47 429 476 816	56 757 810 474	25 296 209 911
Storage and Dispatch Bags	4 065 609 780	1 483 818 380	1 679 824 183	872 829 700
Finished Goods	-	4 434 660	-	4 434 660
Stores and other	65 058 102	32 010 097	22 044 876	18 829 369
<u>less</u> Allowance for damaged stocks	(6032 055 492)	(2371 473 841)	(4381 442 788)	(1265 168 082)
8 Trade and other receivables	2 037 555 928	1 257 117 129	1 994 875 473	734 470 945
8.1 Local trade receivables	1 645 968 681	799 295 661	1 624 628 453	466 878 042
Trade customers	412 280 821	263 165 244	412 280 821	154 205 457
Customer receivables - Transporters	532 564	74 257	532 564	43 394
Storage Rentals	59 834 228	17 807 753	59 834 228	10 406 410
VAT Receivable	591 510 454	445 158 332	591 510 454	259 510 750
Ministry of Agriculture	57 576 266	98 526 187	57 576 266	57 576 266
Payroll receivables	524 234 347	-	524 234 347	-
Social Welfare	-	5 854 685	-	3 421 333
<u>less</u> Allowance for credit losses	(21 340 227)	(31 290 797)	(21 340 227)	(18 285 568)
8.2 Grain Bags receivables	368 553 302	456 218 154	368 553 302	266 657 301
Grain Bags debtors	368 553 302	456 218 154	368 553 302	266 657 301
8.3 Other receivables	1 693 717	1 603 314	1 693 717	935 603
Staff debtors	1 693 717	1 603 314	1 693 717	935 603
9 Prepayments	109 447 309	6 315 346	50 239 511	3 690 533
Staff Vendors	5 134 230	6 315 346	309 662	3 690 533
Petty cash vendors	79 522 843	-	35 516 920	-
Withholding tax	24 790 236	-	14 412 928	-
10 Cash and cash equivalents	2 241 181 432	6 308 628 329	2 241 181 432	3 689 256 333
Bank	2 241 181 432	6 308 628 329	2 241 181 432	3 689 256 333

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended March 31, 2023

	INFLATION ADJUSTED		HISTORICAL COST	
	Mar-23 ZWL\$	Mar-22 ZWL\$	Mar-23 ZWL\$	Mar-22 ZWL\$
11 Accounts payable	26 086 353 656	4 657 454 148	26 086 353 656	2 637 269 196
Trade payables	117 319 836	70 787 013	117 319 836	38 485 491
Transporters	3 757 345 259	1 297 137 278	3 757 345 259	758 087 319
Local producer vendors	2 196 077 464	499 283 108	2 196 077 464	177 622 757
Utility bills	187 911 636	43 511 888	187 911 636	27 749 446
Vat payable	23 227 492	-	23 227 492	-
Other payables	571 859	2 811 541	571 859	1 642 995
Payroll payables	238 419 754	479 549 342	238 419 754	315 266 184
Contract liabilities - customers	19 565 432 521	2 264 191 515	19 565 432 521	1 318 316 503
GMB funeral fund	47 835	182 462	47 835	98 501
11.1 Non current liabilities	958 224 944	560 365 464	327 463 711	327 463 711
Foreign Producer vendors	958 224 944	560 365 464	327 463 711	327 463 711
12 Income Tax expense	(3 604 101 991)	69 479 809	(2 107 661 983)	40 631 467
Current year charge	-	56 238 494	-	32 888 008
Deferred tax				
Movement in temporary differences	(3604 101 991)	13 241 315	(2107 661 983)	7 743 459
12.1 Income tax reconciliation				
Profit/Loss before tax	(21 177 560 501)	1 536 279 517	(11 256 881 295)	(898 409 075)
Adjustment for non-taxable or non-deductable items	5 384 407 837	1 638 841 891	3 148 776 513	958 387 071
Adjustment for non-taxable or non-deductable items	2 030 989 051	-	1 180 807 588	-
Capital allowances claimed	-	124 939 622	-	73 064 106
Taxable profit /(loss)	13 762 163 613)	227 501 995	(6 927 297 195)	133 042 102
Tax thereon at standard rate	(4 208 715 696)	56 238 493	(2 181 444 640)	32 888 008
13 Deferred tax (assets)/liabilities	(3 604 101 990)	74 003 573	(2 107 661 983)	43 276 943
Deferred tax on property, plant and equipment	66 927 613	74 003 573	39 138 955	43 276 943
Deferred tax on provisions	59 240 731	-	34 643 702	-
Unused tax losses	(3 730 270 334)	-	(2 181 444 640)	-
Deferred tax on prepayments	-	-	-	-
13.1 Deferred tax reconciliation				
Analysis of temporary differences	(3 530 098 418)	74 003 573	(2 064 385 039)	43 276 943
Opening balances	74 003 573	60 762 258	43 276 943	35 533 484
Unused tax losses	(3 730 270 335)	-	(2 181 444 640)	-
Movement in temporary difference through P/L	126 168 345	13 241 315	73 782 658	7 743 459
	(3 530 098 418)	74 003 573	(2 064 385 039)	43 276 943
13.2 Income tax liability				
Opening balance	237 615 619	181 377 125	138 956 502	106 068 494
Charge of the year	-	56 238 494	-	32 888 008
Less amount paid	-	-	-	-
Closing balance	237 615 619	237 615 618	138 956 502	138 956 502

Notes to the Financial Statements *(continued)*

for the year ended March 31, 2023

	INFLATION ADJUSTED	INFLATION ADJUSTED	HISTORICAL COST	
	Mar-23 ZWL\$	Mar-22 ZWL\$	Mar-23 ZWL\$	March - 2022 ZWL\$
13 Provisions	394 800 053	113 520 984	230 877 226	90 902 671
Executive provision for bonus	14 208 445	280 947	8 309 032	165 261
Executive provision for leave pay	2 000 581	1 812 780	1 169 929	1 066 335
Executive provision for post employment benefits	85 500	85 000	50 000	50 000
Provision for bonus	238 247 375	10 530 276	139 325 950	8 553 557
Provision for leave pay	132 990 652	93 586 943	77 772 314	76 817 517
Provision for Audit Fees	7 267 500	7 225 038	4 250 000	4 250 000
14 Revenue	102 373 111 790	65 443 597 936	80 659 271 690	38 427 501 139
Grain Sales	85 637 329 920	53 623 614 764	65 814 019 918	31 543 302 802
SGR government support revenue	15 585 192 393	10 048 756 000	13 854 780 818	5 842 300 000
Empty bags	1 150 589 478	1 771 227 173	990 470 954	1 041 898 337
15 Cost of sales	75 854 321 127	51 322 856 981	60 135 539 938	30 189 915 871
Grain and Bag Sales	75 854 321 127	51 322 856 981	60 135 539 938	30 189 915 871
16 Other income	988 957 901	401 991 360	810 942 824	233 715 907
Rental Income	136 537 310	18 540 087	133 841 576	10 779 120
Rental Income -GMB staff	28 764 018	23 949 299	26 724 638	13 924 011
Profit on disposal of fixed assets	-	46 307 374	-	26 922 892
Miscellaneous revenue - SGR	678 028 345	75 672 179	523 119 666	43 995 453
Commission earned	5 998 131	14 352 602	5 975 464	8 344 536
Finance arrangement	-	1 124	-	653
Miscellaneous revenue	-	1 053 912	-	612 740
Staff loan interest	-	3 799	-	2 209
Storage service revenue	-	15 303 398	-	8 897 324
Bad debts recovered	-	4 757 122	-	2 765 769
Foreign exchange gains	-	86 958 219	-	50 557 104
Revenue - Farmer card	139 630 097	115 092 244	121 281 480	66 914 095
17 Interest Income	2 030 989 051	181 126 133	1 180 807 588	105 921 715
Interest income	2 030 989 051	181 126 133	1 180 807 588	105 921 715
18 Staff costs	10 221 822 753	3 543 593 037	5 832 609 617	2 072 276 630
Basic salaries	3 172 642 120	1 569 703 601	1 734 248 784	917 955 322
Pension	481 447 732	181 861 816	279 911 472	106 351 939
Medical aid	349 743 145	117 405 358	203 339 038	68 658 104
Other payroll costs	5 470 083 683	1 306 814 526	3 180 281 211	764 219 021
Labour costs	95 218	86 976	55 360	50 863
Pension fund administration costs	18 601 599	10 072 041	10 814 883	5 890 082
Staff training	3 663 362	3 393 402	2 129 862	1 984 446
Medical expenses	15 473 569	10 571 576	8 996 261	6 182 208
GMB funeral fund employer contribution	19 548	142 592	11 365	83 387
Cash in lieu of leave	178 875 340	229 895 190	103 997 290	134 441 632
Staff welfare	427 306 792	76 059 537	248 434 181	44 479 262
Staff allocations	103 870 646	35 277 355	60 389 911	20 630 032
Severance pay - general staff	-	2 309 066	-	1 350 331

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended March 31, 2023

	INFLATION ADJUSTED	INFLATION ADJUSTED	HISTORICAL COST	HISTORICAL
	Mar-23	Mar-22	Mar-23	Mar-22
	ZWL\$	ZWL\$	ZWL\$	ZWL\$
Administration costs	26 172 702 926	5 942 938 526	19 564 448 324	3 490 909 979
Audit fees	-	995 152	-	581 960
Bank charge	959 925 036	638 167 217	561 359 669	373 197 203
Changes in allowance for credit losses	5 223 468	(4 761 036)	3 054 660	(2 784 231)
Changes in damaged stock provision	5 328 829 746	1 649 668 926	3 116 274 705	964 718 670
Cleaning and sanitation	39 926 410	24 999 566	23 348 778	14 619 629
Computer consumables	140 409 975	111 624 741	82 111 096	65 277 626
Conferences and seminars	109 135 883	10 059 582	63 822 154	5 882 796
Depreciation	10 429 517 627	123 438 362	10 357 907 213	87 693 509
Directors' fees	29 724 895	2 156 430	17 382 980	1 261 070
Donation expense	10 671 500	70 186 425	6 240 643	41 044 693
Electricity	474 986 049	95 430 632	277 769 620	55 807 387
Entertainment	3 975 213	1 314 140	2 324 686	768 503
Foreign travel and subsistence	12 623 076	588 121	7 381 916	343 930
Fuels	450 515 122	164 820 754	263 459 136	96 386 406
General hardware	21 261 033	164 981	12 433 353	96 480
Grain fumigation costs	153 615 121	32 120 645	89 833 404	18 784 003
Grain storage costs	(1 354 845)	92 667 381	(792 307)	54 191 451
Hire of transport and equipment	86 472 562	5 728 482	50 568 750	3 349 990
Insurance and licences	681 351 532	92 587 031	398 451 188	54 144 462
Intermediated Money Transfer Tax (IMTT)	1 379 932 380	1 180 412 308	806 978 000	690 299 595
Legal fees and costs	34 415 200	137 462 828	20 125 848	80 387 619
Local travel and subsistence	517 541 403	249 674 125	302 655 791	146 008 260
Local travel and subsistence-executive managers	38 217 084	9 615 567	22 349 172	5 623 138
Relocation expense	774 220	-	452 760	-
Postage	7 702 560	1 040 901	4 504 421	608 714
Printing and stationery	113 062 748	64 447 603	66 118 566	37 688 657
Professional services	534 673 428	56 130 517	312 674 519	32 824 864
Protective clothing	131 893 286	48 565 582	77 130 577	28 400 925
Rates and water	654 040 952	172 944 737	382 480 089	101 137 273
Rent payable	1 182 818 434	249 625 299	691 706 687	145 979 707
Repairs and maintenance- commercial	451 387 877	437 399 541	263 969 519	255 789 205
Repairs and maintenance - motor vehicles	502 800 726	137 289 716	294 035 512	80 286 384
Repairs and maintenance- strategic grain reserve	844 180 367	188 238 326	493 672 729	110 080 892
Security	365 550	-	213 772	-
Social welfare	-	732 778	-	428 525
Software and licence	318 005 356	14 080 885	185 968 044	8 234 436
Sport and recreation	164 160	-	96 000	-
Stock loss	(44 656 493)	(253 014 004)	(26 114 908)	(147 961 406)
Subscriptions	80 614 805	8 050 824	47 143 161	4 708 084
Teas and refreshments	205 239 401	77 851 508	120 023 041	45 527 198
Telephones	239 959 050	40 740 342	140 326 930	23 824 761
Uniforms	42 761 029	9 691 612	25 006 450	5 667 609

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

for the year ended March 31, 2023

		INFLATION ADJUSTED	INFLATION ADJUSTED	HISTORICAL COST	HISTORICAL
		March-2023 ZWL\$	March-2022 ZWL\$	March-2023 ZWL\$	March-2022 ZWL\$
20	Selling and distribution costs	14 317 256 211	6 682 163 676	8 372 664 451	3 907 698 056
	Promotions	35 180 126	8 119 269	20 573 173	4 748 111
	Advertising	128 802 078	51 527 494	75 322 853	30 133 037
	Internal transport out - commercial	5 596 489 620	1 137 378 454	3 272 800 948	665 133 599
	Internal transport out - SGR	8 512 542 427	5 460 475 603	4 978 094 987	3 193 260 587
	Port costs (SGR)	44 241 960	24 662 855	25 872 491	14 422 722
21	Finance charges	4 516 225	8 117 881	2 641 068	4 747 299
	Bank interest expenses	4 516 225	8 117 881	2 641 068	4 747 299

22 RELATED PARTIES

22.1 Nature of relationships

Name of entity	Relationship	Interested party
Strategic Grain Reserve	Manager	Government of Zimbabwe
Inputs credit scheme	Manager	Government of Zimbabwe
Silo Food Industries	Subsidiary	Grain Marketing Board
GMB pension fund	Contributor	Grain Marketing Board
GAMAS	Contributor	Grain Marketing Board
Vital wear	Project	Grain Marketing Board
Amajuba plantation	Project	Grain Marketing Board

		INFLATION ADJUSTED		HISTORICAL COST	
		March-2023 ZWL\$	March-2022 ZWL\$	March-2023 ZWL\$	March-2022 ZWL\$
23.2	Transactions with related parties				
23.2.1	GMB pension fund contributions	449 142 795	130 339 575	262 656 605	76 221 974
	Executive management	29 505 822	8 278 876	17 254 867	4 841 448
	Senior management	148 833 260	40 488 377	87 036 994	23 677 413
	Middlie to operational	270 803 713	81 572 323	158 364 745	47 703 113
23.2.2	Directors remuneration	29 724 895	2 156 430	17 382 980	1 261 070
	Board fees and allowances	29 724 895	2 156 430	17 382 980	1 261 070
23.2.3	Key management remuneration	471 302 221	601 437 909	457 630 568	351 718 075
	Short tem benefits	469 233 765	598 798 313	385 000 000	350 174 452
	Long term benefits	2 068 456	2 639 596	72 630 568	1 543 624

24 Subsequent events

On April 5, 2024, Statutory Instrument (SI) 60 of 2024 was issued. The SI introduced a new currency called the Zimbabwe Gold (ZWG) and also specified, that for accounting and other purposes, all assets and liabilities, that were immediately before the effective date, valued in Zimbabwe dollar shall on and after the effective date be deemed to be valued in ZWG at a rate of 2 498.7242 to the Zimbabwe dollar. The introduction of the new currency did not have any effect on the financial statements of the current reporting period and as a result, no adjustments were done.

NOTES

This image shows a single sheet of white paper with horizontal green ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

This image shows a full page of blank, lined paper. It features approximately 30 horizontal green lines spaced evenly apart, typical of standard notebook paper. The lines extend across the entire width of the page, leaving small margins at the top and bottom. There are no vertical lines or other markings present.

This image shows a single sheet of white paper with horizontal green ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



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