ANNUAL REPORT 2021

CFI HOLDINGS LIMITED

FINANCIAL HIGHLIGHTS

For the 5 year period 30 September 2017 - 2021

	INFLATION-ADJUSTED				HISTORICAL				
	2021 ZWL	2020 ZWL	2019 ZWL	2018 ZWL	2021 ZWL	2020 ZWL	2019 ZWL	2018 ZWL	2017 ZWL
CONSOLIDATED RESULTS									
Revenue	9,300,135,351	5,205,692,944	4,002,156,478	3,197,475,835	7,834,014,139	1,920,324,644	177,397,474	61,290,915	42,534,742
Group (loss) profit before taxation	(196,814,609)	594,378,237	511,285,478	211,854,157	306,941,379	401,566,241	(10,673,059)	4,060,933	1,515,889
(Loss) profit attributable to equity holders of the parent	(387,289,335)	330,555,094	357,446,947	166,345,975	196,411,712	275,519,286	(12,170,040)	3,188,608	879,869
Total shareholders' equity (Group's net asset value)	2,839,227,089	3,136,744,674	2,827,723,048	2,448,666,397	2,591,286,578	1,537,641,991	145,699,516	46,937,338	43,736,917
Group's total assets	5,599,654,384	5,139,359,257	4,799,401,014	3,907,308,472	5,188,957,691	2,788,789,689	308,394,633	74,897,364	72,764,993
Cash generated from (utilised through) operating activities	83,068,888	(1,066,984,448)	(462,392,697)	279,059,151	(103,701,940)	(186,392,693)	(38,264,329)	5,349,154	1,441,684
Capital expenditure	142,075,955	109,814,637	62,564,842	79,985,888	107,019,874	34,134,256	1,963,403	1,533,212	477,031
Cash resources net of borrowing	(528,077,233)	(460,479,279)	(920,058,595)	(36,602,596)	(528,077,233)	(303,866,490)	(79,946,684)	(701,618)	(2,310,799)
ORDINARY SHARE PERFORMANCE									
Shares in issue	106,820,875	106,820,875	106,820,875	106,820,875	106,820,875	106,820,875	106,820,875	106,820,875	106,390,875
Earnings (loss) per share (ZWL cents)	(362.56)	310.14	335.00	44.00	183.87	258.51	(11.42)	2.99	0.83
Diluted earnings (loss) per share (ZWL cents)	(362.56)	310.14	335.00	44.00	183.87	258.51	(11.42)	2.99	0.83
Net asset value per share (ZWL)	26.58	29.37	26.00	1.00	24.26	14.39	1.36	0.44	0.41
Market price at year end (ZWL)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.67
Industrial index	8580.16	5213.3	232.78	387	8580.16	5213.3	232.78	86.97	418.96
FINANCIAL STATISTICS									
Net interest cover (times)	(0.04)	0.95	1.03	12.17	2.94	3.07	0.74	12.17	3.77
Ordinary shareholders' equity to total assets - %	50.70	61.03	58.92	62.67	49.94	55.14	47.24	62.67	60.11
Return on total assets - %	(6.92)	6.43	7.45	3.75	3.79	9.88	(3.95)	3.75	0.88
Return on ordinary shareholders' equity - %	(13.64)	10.54	12.64	6.79	7.58	17.92	(8.35)	6.79	1.11
Return on capital employed - %	(13.77)	11.79	12.64	7.03	7.58	17.92	(8.35)	7.03	2.03
Debt to equity ratio - %	26.82	15.92	34.49	3.13	29.39	21.42	58.17	3.13	8.66
Current asset ratio -%	174.06	185.22	257.95	185.10	147.93	123.91	140.05	185.10	164.88

N/A: The company was under Zimbabwe Stock Exchange suspension from 1 January 2018 until 11 October 2021, consequently market prices were unavailable at Statement of Financial Position dates.

CONTENTS

CFI Holdings Limited has its origins in the Farmers' Co-operative Society which commenced business in 1908, principally to market maize. The M.S. Kobenhavn, the largest sailing ship of its kind at the time, was chartered to carry 51 901 bags of maize from Beira to London.

OUR GOAL

"Our goal is to increase shareholder wealth by nurturing businesses that will continually outperform the market norm". In order to achieve this, CFI Holdings Limited is invested in highly focused, synergistic businesses that seek to maintain a balance of activities that offer substantial growth.

These activities include:-

❖ Retail	-	Farming inputs
	-	Building supplies and general hardware
	-	Veterinary products and technical services
❖ Farming	-	Cereal production (mainly maize and soya beans)
	-	Horticultural production
	-	Poultry breeding and rearing
❖ Milling	-	Stock feeds milling
	-	Maize and flour milling
	-	Vitamin and mineral supplements production
	-	Snack foods production
	-	Downpacking of various FMCG goods (rice, salt, matemba and other dry goods)
❖ Properties	-	Property management and development

OUR STRATEGIC INTENT

To offer ever improving quality in our products and services to satisfy the needs of all our stakeholders:

These include our:-

- ⇨ Customers
- ⇨ Employees
- ⇨ Suppliers
- ⇨ Regulatory authorities
- ⇨ Shareholders

CORPORATE INFORMATION

Directors	I. V. Pasi (Group Chairperson) S. Zinyemba (Deputy Group Chairperson) S. N. Chibanguza (Acting Group Chief Executive Officer)* C. Mutevhe (Acting Group Finance Director)* A. Denenga A. S. Hamilton (Alternate: R. L. Hamilton) P. Muzani * - Executive Directors
Group Company Secretary & Legal Officer	Panganayi Hare
Group Finance Manager	Muchanaka Zuwirai
Assistant Group Legal Officer & Acting Group Human Resources Manager	Rutendo Chidemo
Transfer Secretaries	First Transfer Secretaries (Private) Limited 1 Armagh Avenue, Eastlea, Harare, Zimbabwe Telephone: +263 (242) 782 869 / 72 fts@mercantileholdings.co.zw
Auditors	Baker Tilly Chartered Accountants (Zimbabwe)
Bankers	Agricultural Bank of Zimbabwe CBZ Bank Limited Central African Building Society (CABS) FBC Bank Limited Nedbank Limited Metbank Limited Steward Bank Limited People's Own Savings Bank (POSB)
Legal Advisors	Nyawo Ruzive Legal Practitioners 1 Wynne Street Harare, Zimbabwe
Registered Office	1 Wynne Street, Harare, Zimbabwe
Postal Address	P.O. Box 510, Harare, Zimbabwe
Telecommunications	Telephone +263 (242) 791260 / 790685 Telefax +263 (242) 790499 Email: panganayi@cfi.co.zw Website: www.cfigroup.co.zw

GROUP STRUCTURE

- CFI HOLDINGS LIMITED BOARD
  - CFI OPERATIONAL BOARD
    - Retail Division
      - Farm & City
      - Vetco
    - Farming Division
      - Glenara Estates
      - Hubbard Zimbabwe
      - Crest Breeders
      - Suncrest
    - Milling Division
      - Agrifoods
      - Agrimix
      - Victoria Foods
    - Properties Division
      - Saturday Retreat Estate

GROUP MANAGEMENT

GROUP EXECUTIVES

Shingirayi N. Chibanguza	Acting Group Chief Executive Officer
Chesternoel Mutevhe	Acting Group Finance Director
Panganayi Hare	Group Company Secretary & Legal Officer

CORPORATE SERVICES

Taurai Shava	Group Property & Development Manager
Muchanaka Zuwirai	Group Finance Manager
Rutendo Chidemo	Assistant Group Legal Officer / Acting Group Human Resources Manager
Edward Mandisodza	Acting Group Internal Audit Manager
Eve Muguza	Group ICT Manager
Munyaradzi Musinake	Group Logistics Manager
Tapiwa Nhari	Group Procurement Manager

DIVISIONAL MANAGEMENT

RETAIL DIVISION

CFI RETAIL & VETCO

Tanaka Hofisi	Finance Director

FARMING DIVISION

GLENARA ESTATES

Tapuwa Chukucha	Finance Manager

HUBBARD ZIMBABWE & SUNVALLEY ESTATE

Simbarashe Chikava	Finance Manager

MILLING DIVISION

AGRIFOODS & AGRIMIX

Wellington Chiremba	Acting Managing Director
Simbarashe Chikava	Finance Manager

VICTORIA FOODS

Chamunorwa Mhishi	Finance Manager
Lenmore Mushambi	Production Manager

PROPERTIES DIVISION

SATURDAY RETREAT

Taurai Shava	Group Property & Development Manager
Muchanaka Zuwirai	Finance Manager

LOT A OF THE REST

George Chambara	Finance Manager

NOTICE OF ANNUAL GENERAL MEETING (AGM)

NOTICE is hereby given that the twenty sixth (26th) Annual General Meeting ("AGM") of the Company will be held at Farm & City Boardroom, 1st Floor Farm & City Complex, No 1 Wynne Street, Harare on Wednesday 30 March 2022 at 11:00 am to consider the following business:

ORDINARY BUSINESS

1. To receive and adopt the financial statements for the year ended 30 September 2021, together with the reports of the directors and auditors thereon.
2. To elect directors in place of those retiring in accordance with the provisions of the Articles of Association. Mr S.D. Zinyemba and Ms Muzani retire from the Board by rotation as per Article 68 and 69, and being eligible, they offer themselves for re-election. (Each Director will be appointed through a separate resolution).
3. To confirm directors' fees for the year ended 30 September 2021.
4. To approve the remuneration of the auditors for the year ended 30 September 2020 and to appoint auditors for the ensuing year. Baker Tilly Zimbabwe has audited four (4) financial periods for the Group to date.

EXPLANATORY NOTES TO THE PROPOSED RESOLUTIONS

Election of Directors

At each AGM, one third of the directors (other than the Managing Director), or, if their number is not a multiple of three, then the number nearest to but not being less than one third shall retire. The directors retiring from office shall be eligible for re-election (Articles 68 and 69).

No person other than a director retiring at the meeting shall, unless recommended by other directors, be eligible for the office of director unless, not less than seven or more than twenty-one clear days before the date appointed for the meeting, there shall have been given to the Secretary notice in writing, signed by a member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected (Article 70).

In summary, the CFI Holdings Limited board comprises; Ms I. V. Pasi (Group Chairman), Messrs S. N. Chibanguza (Acting Group Chief Executive Officer), S. D. Zinyemba (Deputy Chairman), A. Denenga, A. S. Hamilton (Alternate: R. L. Hamilton) and Ms. P. Muzani.

Notes

1. In terms of the Companies& Other Business Entities Act (Chapter 24.31) a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on a poll and speak in his stead. A proxy need not be a member of the Company.
2. In terms of clause 50 of the Company's Articles of Association, instruments of proxy must be lodged at the registered office of the Company at least forty eight hours before the time appointed for holding of the meeting.
3. Members are requested to advise the Transfer Secretaries in writing of any change in address.

By order of the Board

P. Hare
Group Company Secretary
3 March 2022

ATTENDANCE AT ANNUAL GENERAL MEETING BY WEBINAR

In the interest of health and safety considerations given Corona Virus (COVID 19), shareholders who prefer to attend the meeting by webinar are welcome to do so and can be availed the electronic link from the Company Secretary on panganayi@cfi.co.zw and / or clivech@farmandcity.co.zw no later than 28 March 2022, 10:00 am.

Directors' Responsibility
The Company's Directors are responsible for the preparation and fair presentation of the Group's financial statements. The principal accounting policies applied in the preparation of these financial statements are consistent with those applied in the previous annual financial statements. No significant changes arise from new and revised IFRS which became effective for reporting periods commencing on or after 1 January 2021.

Cautionary Statement - Reliance on all Financial Statements prepared in Zimbabwe for 2019-2021
The Directors would like to advise users to exercise caution in their use of these financial statements due to the material and pervasive impact of the technicalities arising from functional currency changes in February 2019, its consequent impact on the usefulness of the financial statements for 2019 - 2021 financial periods combined with the adoption of International Accounting Standard (IAS) 29 (Financial Reporting in Hyperinflationary Economies), effective 1 July 2019.

Whilst Directors have exercised due care and applied reasonable judgements they deem appropriate in the preparation and presentation of these financial statements, the Directors advise the need for interpretation caution and remind users that there are significant challenges in ascertaining the underlying business performance in an environment of hyperinflation, multiple exchange rates and rapid changes in economic policies. The audit opinion on these financial statements has been modified by the independent auditors, Baker Tilly Zimbabwe Chartered Accountants as indicated in the audit opinion statement per pages 13-16.

Adoption of IAS 29 (Financial Reporting in hyperinflationary economies)
Effective July 2019, the Public Accountants and Auditors Board (PAAB) advised that conditions for adopting IAS 29 were satisfied. IAS 29 requires that inflation-adjusted financial statements become the entity's primary financial statements. Historical cost financial statements have been presented only as complementary financial information.

External Auditor's Audit Opinion
These Group financial statements have been audited by the Group's external auditors, Baker Tilly Chartered Accountants (Zimbabwe), who have issued an adverse opinion. The auditor's report on the Group's financial statements, provided on pages 13-16. The engagement partner on the audit is Mr. Courage Matsa (PAAB Number 607).

Economic Environment
The economic environment continued to be restrained by the impact of the COVID-19 pandemic as the country traded under varying degrees of lockdowns throughout the year. Fortunately, for the greater part of the year, the Group's businesses operated under normal trading conditions. The economic improvements registered at the beginning of the year, characterized by relatively stable exchange rates and declining inflation were negated by the impact of policy interventions taken through Statutory Instrument 127 of 2021, which saw Government impose fines and go as far as arresting business executives for alleged failure to adhere to updated foreign currency regulations. The increasing backlog in the disbursement of foreign currency allocated on the auction market resulted in market confidence declining, and the widening of the gap between the auction market exchange rate and the alternative market rates.

Annual inflation slowed down significantly to 52% by 30 September 2021 (Sept. 2020: 659%), whilst average monthly inflation declined to 3.9%, from 18.9% in the previous year. As the multi-currency regime continued, exchange rate dynamics in the economy influenced foreign currency liquidity and the proportion of foreign currency transactions in the formal market. The good 2020/2021 agricultural season and tobacco season impacted positively on consumer disposable incomes and this translated to improvements in aggregate demand in the economy, which were felt through strong sales volume growth across the Group's various products.

Financial Performance
The alternative market exchange rates premium over auction rates ranged between 15% and 95% during the period. This unfortunately imposed significant performance translation challenges on both historical and inflation adjusted accounts, given the conflict between IFRS and statutes. The distortions largely affect recorded revenues and profit for the period. The Group has under the circumstances limited its commentary to historical performance only.

Group historical revenues for the year increased by 308%, from ZWL 1.92 billion in the previous year, to ZWL 7.83 billion. The increase is partly attributable to aggregate demand improvement during the period following a good 2020/21 summer cropping season and a better 2021 tobacco season. The Group registered an average 80% increase in volumes sold in most of its key product lines. Victoria Foods was consolidated during the period following its exit from judicial management. Retail Operations contributed 91.4% (2020 - 96.9%), whilst milling operations (Victoria Foods) contributed 4.9%, and farming operations accounted for 3.7% (2020 – 3.1%) of the Group turnover.

The Group registered an operational income before depreciation, impairment and financing cost of ZWL494.6 million compared to ZWL603.2 million in prior year. The deterioration in performance is partly attributable to the impact of margin compressions following the economy's stabilization relative to prior year and in part a direct result of performance mistranslations imposed by the growing disparity between the auction rates and alternative market rates. The Group incurred higher depreciation expenses at ZWL 29.6 million against ZWL 7.9 million incurred in the prior period following the asset portfolio's revaluation at the end of prior year as well as the impact of capital expenditure of ZWL107.0 million incurred in the current year.

Interest expenses and mark to market financing costs declined by 35% to ZWL158.2 million, down from ZWL193.8 million incurred in prior year. The Group registered a profit before tax of ZWL306.9 million against ZWL401.6 million for prior year.

The Group invested ZWL107 million (2020 – ZWL34.1million) in capital expenditure for the different Strategic Business Units (SBUs). This expenditure covered refurbishments of various Farm & City Centre shops and piggery, poultry and irrigation infrastructure at Glenara Estates. Cashflows from operating activities increased due to an increase in the stockholding of retail merchandise.

IMPACT OF COVID 19 ON BUSINESS CONTINUITY AND STATEMENT OF SOLVENCY

The Group continues to enforce observance of WHO approved COVID-19 protocols throughout its operations in order to safeguard the health and welfare of its staff, customers, suppliers and all stakeholders.

It is difficult to assess, with absolute certainty, the full impact the pandemic will have on the Group's financial performance for the forthcoming financial period on the Business Continuity and Statement of Solvency. As of reporting date, the financial status of the Group remains healthy, and the impact of the COVID-19 pandemic has not created any issues from a solvency or liquidity perspective. Regrettably, the Group lost two of its staff members to COVID-19. Our thoughts and condolences are with their families.

Future Prospects

The return to the Board's control of all the Group's subsidiaries is a critical milestone in the Group's turnaround efforts. The Group is committed to playing its role in anchoring and underpinning food security in the country. Additional funds have been mobilized to recapitalise Victoria Foods, Agrifoods and the Poultry Division SBUs'. The Group looks forward to Government's assistance in resolving some legacy value chain constraints in the interest of supporting the resurgence of local agricultural production.

Priority will also be given to the development of low-cost housing delivery in Harare South in support of Government's Vision 2030 on housing. The scourge of land barons will need resolution to make way for progressive and orderly infrastructure deployment and service delivery to the various settlements. The Group has committed funding in FY2022 to fortify its land development portfolios.

The Board is encouraged by the positive trajectory the economy is on, and hopes that the mild resurgence in inflationary pressures will be contained through further policy alignments, collaborative dialogue with industry and other stakeholders in order to restore business confidence and safeguard significant achievements attained since the introduction of the auction system.

Your Board will be focused on strengthening its human capital base, improving business models to be adaptive to the changing environment and strengthening its operational systems in order to grow the businesses for shareholders' benefit.

UPDATE ON COMPANY LISTING SUSPENSION

The Company's suspension from trading on the Zimbabwe Stock Exchange (ZSE) was lifted on 6 October 2021, and trading in the Group's shares resumed on the 11th of October 2021. The Group's shareholders were directed to correct the residual matter concerning the free float threshold requirement in a period not exceeding 5 years in line with the provisions of SI 134 of 2019.

Acknowledgement and Appreciation

I wish to record my sincere appreciation to Management and Staff for their fortitude and resilience in serving the customers' various needs notwithstanding the challenges imposed by the ongoing COVID-19 pandemic. I also wish to thank our customers, staff, suppliers and financiers for their enduring support to the Group which has made this turnaround and consolidation to date possible. Lastly, I would also like to record my gratitude and appreciation to my fellow Board members for their valuable contributions, guidance and stewardship.

Ms. I V Pasi
Chairperson

DIVIDEND DECLARATION

In view of the significant resources needed to further capitalize Agrifoods and Victoria Foods, your Board will not declare a dividend for the year ended 30 September 2021.

P. Hare
COMPANY SECRETARY
BY ORDER OF THE BOARD
29 December 2021

OPERATIONS REVIEW

FARM & CITY

The introduction of the foreign currency auction system and the use of the United States Dollar (USD) as a mode of payment reinforced stability and assisted the business in sourcing various merchandise efficiently. Key revenue drivers' sales volumes improved by 84% relative to the prior period, due to a resurgence in construction activities, the relatively good 2020/2021 rain season and an improvement in product range. The improved performance is also accredited to growing demand for Agrifoods' stockfeed lines after its exit from judicial management in the prior year.

During the year, FCC opened new branches in Msasa and Masvingo, reopened Nyazura and Chipangayi branches, and refurbished the Bindura and Zvishavane branches in order to increase the trading space and range. The Harare Kenneth Kaunda branch has been converted into a Builders City and will open its doors to the public in the second quarter of FY2022.

GLENARA ESTATES

The Estate harvested 538 tonnes of soya beans and 4 173 tons of maize in the 2020/21 season. Farm profitability improved on the back of a 120% increase in table potato production during the period and improvement in yields as a result of the good rain season. The Estate invested further in irrigation infrastructure and critical farming equipment to underpin horticultural, piggery and poultry production going into the future.

In addition, pen fattening operations commenced in the last quarter of the year, while the farm's breeding capacity was maxed during the period.

PROPERTY DEVELOPMENT

SATURDAY RETREAT

An encouraging number of residents who had previously fallen into arrears on payments for their stands continued to regularise their payments and sign legal agreements in preparation for the development phase of the project. Town planning permits secured in prior year and other development preliminaries being pursued in the year will assist the Group in giving impetus to the development stage of the project.

SUNCREST PARK (FORMERLY MAITLANDS ZIMBABWE)

Crest Breeders continued to collect instalment payments for stand purchases during the period. During the period, the Group progressed preparations of title surveys and completion of engineering drawings.

LANGFORD ESTATES

The legal proceedings remain pending before the relevant tribunals. The market will be updated with further progress in due course.

MILLING OPERATIONS

AGRIFOODS

Stockfeed sales volumes doubled during the period on the back of recoveries in lost market share and encouraging success in targeted medium to large scale commercial farmers.

VICTORIA FOODS

The Company operated under care and maintenance for the greater part of the period until its exit from judicial management in September 2021. This marked an important milestone to the return of the Board's full control over all of its subsidiaries.

The Group looks forward to assuming its role in underpinning food security in the country and restoring equity in brands the market was used to under Victoria Foods, combined with innovations in product quality and performance.

POULTRY DIVISION

Crest Poultry Group's units Crest Breeders, Hubbard Zimbabwe and Suncrest Chickens remained under care and maintenance during the period. Joint ventures leveraging the Group's poultry infrastructure and brands are still being pursued.

S. N. Chibanguza
Acting Group Chief Executive Officer
29 December 2021

INTRODUCTION

The CFI Holdings Limited Group ("CFI") is committed to the principles of transparency, accountability, and integrity in its dealings with all its stakeholders. Directors and employees are required to observe the highest ethical standards, ensuring the business practices are conducted in a manner which, in all reasonable circumstances, is beyond reproach.

The primary objective of any system of corporate governance is to ensure that directors and managers, to whom the running of large corporations has been entrusted by the shareholders, carry out their responsibilities faithfully and effectively, placing the interests of the corporation ahead of their own. This process is facilitated through the establishment of appropriate reporting and control structures.

DECLARATION OF DIRECTORS

During the year under review, no Directors had any material interests which could cause significant conflict of interest with the Group's objectives.

BOARD STRUCTURE AND RESPONSIBILITIES

The Group's focus has been on aligning the Board's composition with the COBE and with the ZSE Listing Requirements and, in line with governance policy and international best practices of corporate governance. The Board of Directors of CFI includes non-executive directors who are chosen for their independence, business acumen and skills. As a holding company, CFI adopts a decentralised approach with regard to day-to- day running of its businesses. The board of the Group meets regularly and monitors the performance of executive management. It addresses a range of key issues and ensures that debate on matters of policy, strategy and performance is critical, informed and constructive.

AUDIT COMMITTEE

Members: S.D. Zinyemba (Chair), P. Muzani, A. Denenga

The Committee consists of three Non-Executive Directors, with the Acting Chief Executive Officer, and the Acting Group Finance Director attending ex-officio. An independent non-executive director chairs the Committee. The Board is satisfied with the level of competency of the Committee members. The internal and external auditors have unrestricted access to the committee and, in addition, representatives attend all audit committee meetings. The audit committee reviews the effectiveness of internal controls in the Group with reference to the findings of internal and external auditors. Other areas covered include the review of important accounting issues, specific disclosures in the financial statements, financial reports and major audit recommendations.

HUMAN RESOURCES AND REMUNERATION COMMITTEE

Members: I.V. Pasi (Chair), A.S. Hamilton (Alternate: R.L. Hamilton), P. Muzani and S.N. Chibanguza

The Committee consists of three non-executive directors and the Acting Group Chief Executive Officer, with the Human Resources Manager attending ex-officio. The Board is satisfied with the level of competency of the Committee members.

The terms of reference of the committee are to determine the Group's policy on the remuneration of executive directors including individual salaries, share options and other terms of the remuneration packages. The Committee also considers, at Board Level, remuneration levels across the Group and oversees general staff welfare issues.

FINANCE AND INVESTMENT COMMITTEE

Members: A. Denenga (Chair), S. Zinyemba, A.S. Hamilton (Alternate: R.L. Hamilton) and S.N. Chibanguza

The Committee consists of three non-executive directors and the Acting Chief Executive Officer, with the Acting Group Finance Director attending ex-officio. The Board is satisfied with the level of competency of the Committee members. The committee's objective is to assist the board of directors in fulfilling its overall responsibilities with respect to the financial affairs of the Group. Specific areas relate to the Group's investment policies and guidelines, capital needs and financing arrangements, major asset acquisitions or enhancement and asset disposals as well as evaluation of the Group's risk management framework.

NOMINATIONS COMMITTEE

Members: I. Pasi (Chair), S. Zinyemba, A. Denenga and S. N. Chibanguza

The Committee consists of three non-executive independent directors and the Acting Chief Executive Officer. The Board is satisfied with the level of competency of the Committee members.

The terms of reference of the committee are to consider the composition of the Board and its Committees and make appropriate recommendations to the Board regarding the retirement, appointment and replacement of Directors. The Committee also reviews recommends the appropriate changes to the Group's corporate governance policies

DIRECTORATE

Itai V. Pasi (34) Independent Non-executive Chair

Ms. Itai Valerie Pasi is a registered legal practitioner and co-founding partner of Mushoriwa Pasi Corporate Attorneys and is also an admitted attorney in Canada. She has over 10 years of private practice experience which includes experience in corporate and commercial law. She is the holder of a Bachelor of Business Science in Management Studies (Honours) and a Bachelor of Laws degree, both obtained from the University of Cape Town, South Africa. She also holds a Master of Business Administration degree, with merit, from the University of Gloucestershire, UK, as well as an Immigration Practitioner Diploma: Laws, Policies and Procedures from the Canadian Society of Immigration Consultants, Canada.

Shingirai D. Zinyemba (34) – Independent Non-executive Deputy Chair

Mr. Zinyemba is the co-founder of Bellevue Abattoir & Butcheries (Zimbabwe's leading meat processing, wholesale and retail firm), and currently serves as the Chief Executive Officer. He has previously worked for the Reserve Bank of Zimbabwe in Bank Licensing Supervision & Surveillance. His other directorships include BRM Enterprises (Pvt) Ltd, Best Results Construction (Pvt) Ltd, Zim Gardens Weddings (Pvt) Ltd, and Legend Safari Hotel (Pvt) Ltd. Mr. Zinyemba holds a Bachelor of Arts in International Business (NKU, USA), a Masters in Business Intelligence (CUT, ZW) and is currently pursuing a Doctorate in Business Administration.

Shingirai N. Chibanguza (36) – Acting Group Chief Executive Officer

Mr. Chibanguza is the current Acting Group Chief Executive Officer for CFI Holdings Limited. Previously having been the deputy Group Chief Executive Officer. Mr. Chibanguza is a businessman with over 17 years of experience in different fields including retail, hospitality, mining, manufacturing, farming, finance, logistics and properties, having worked for and founded several family businesses. Mr. Chibanguza sits on several boards and, has in the past sat on several Boards for listed companies including Rainbow Tourism Group Limited and Hwange Colliery Limited. He is a holder of a Master in Business Intelligence from Mt Carmel Institute of Business Intelligence (ZW).

Aaron Denenga (35) - Non-Executive Director
Aaron was born in Zimbabwe and attended Peterhouse in Marondera where he was the Head of School in 2003. He attended the University of Pretoria where he graduated with a Bachelors in Law. He has worked for the Regional office of the United Nations Office on Drugs and Crime as Assistant Regional Project Coordinator. He has also worked for Nisela Capital, a financial advisory firm based in Sandton, Pretoria with key work in Public Private Partnerships and Agricultural acquisitions. Aaron resigned from his post to take over the family farm in Beatrice, Zimbabwe where he has been awarded National Young Farmer of the Year for two consecutive years, 2017 - 2018, and is a spokesman for youth in farming. He is also a registered Financial Advisor in South Africa and a member of the Institute of Risk Management South Africa

Alexander S. Hamilton (32) – Non –executive Director
Alexander was born in the United Kingdom and is a director of several companies there. He is the founder of City Estates, Brighton & Hove and co-manages a billion dollar property portfolio. He is a skilled administrator holding several qualifications.

Richmond L. Hamilton (29) – Non-executive Director
Mr. Hamilton was born and educated in the United Kingdom. He has extensive international business experience and co-manages a billion dollar property portfolio. Mr. Hamilton also serves on a number of other boards internationally.

Primrose Muzani (28) – Non-executive Director
Mrs. Muzani has a long association with the organization with extensive experience of 11 years in the retail business. Mrs. Muzani is currently studying towards obtaining a Masters in Business Administration.

FINANCIAL STATEMENTS

The Directors of CFI are responsible for preparing financial statements and other information presented in the annual report in a manner that fairly presents the state of affairs and results of the operations of the Company and the Group. The external auditors are responsible for carrying out an independent examination of the financial statements in accordance with International Standards on Auditing and reporting their findings thereon. The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). They are based on appropriate accounting policies and are supported by reasonable and prudent judgement and estimates. The directors have no reason to believe that the Group's operations will not continue as going concerns in the year ahead given plans cited in note 31 on page 65.

INTERNAL CONTROL

The Group maintains internal controls and systems designed to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability for its assets. Internal auditors have been tasked to ensure adherence to internal controls and systems through a program that is designed to cover areas of risk.

TIP OFFS ANONYMOUS

The Group relaunched a Tip Offs Anonymous initiative in 2016 to which all stakeholders are able to confidentially report any inappropriate behaviour. All suppliers, customers and employees have easy access to this facility in order to deter fraud and any other malpractices.

STRATEGIC PLANNING PROCESS AND MANAGEMENT REPORTING

Annual strategic plans are compiled at business unit level and are reviewed by the CFI Board. There are comprehensive management reporting disciplines in place, which include the preparation of annual budgets by all operating units. These are reviewed and updated quarterly to reflect changes in the economy. The relevant company board of directors approve individual operational budgets, while the group budget is reviewed by the CFI Board. Monthly results and the financial status of operating units are reviewed against approved budgets.

WORKER PARTICIPATION

Each operating company in the Group has a workers council to deal with issues that affect employees directly and materially. These include collective bargaining mechanisms and structures to drive productivity improvements. These are designed to achieve good employer/employee relations through effective sharing of relevant information, consultation and the identification and resolution of conflict.

ENVIRONMENT

Environmental awareness is an integral element of the Group's operations. Business units are encouraged to protect and enhance the environment.

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DIRECTORS' RESPONSIBILITY AND APPROVAL OF FINANCIAL STATEMENTS

DIRECTORS' RESPONSIBILITY AND APPROVAL OF FINANCIAL STATEMENTS

The Directors of the Company are required by the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) to maintain adequate accounting records and to prepare financial statements that present a true and fair view of the state of affairs of the Company and the Group at the end of each financial year and of the profit and cash flows for the period. In preparing the accompanying financial statements, generally accepted accounting practices have been followed. Suitable accounting policies have been used and consistently applied, and reasonable and prudent judgements and estimates have been made.

The principal accounting policies of the Group are consistent with those applied in the previous year and conform to International Financial Reporting Standards (IFRS).

The Directors have satisfied themselves that the Group is in a sound financial position and has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

The Board recognises and acknowledges its responsibility for the Group's systems of internal financial control. The CFI Group maintains internal controls and systems that are designed to safeguard the assets of the Group, prevent and detect errors and fraud and ensure the completeness and accuracy of the Group's records. The Group's Audit Committee has met the external auditors to discuss their reports and the results of their work, which includes assessments of the relative strengths and weaknesses of key control areas. In a growing group of the size, complexity and diversity of CFI Holdings, it is not uncommon that occasional breakdowns in established control procedures may occur. Any such breakdowns have been reported to the Group's Audit Committee and ultimately, the Board.

PREPARER OF FINANCIAL STATEMENTS

These annual financial statements have been prepared under the supervision of Mr. Chesternoel Mutevhe. CA (Z), the Acting Group Financial Director, a Registered Public Accountant.

The financial statements for the year ended 30 September 2021, which appear on pages 16 to 64 have been approved by the Board of Directors and are signed on its behalf by:

I. V. Pasi
Group Chairperson

S. N. Chibanguza
Acting Group Chief Executive Officer

29 December 2021

COMPANY SECRETARY'S CERTIFICATION

I certify that, to the best of my knowledge and belief, the Company has lodged with the Registrar of Companies all such returns as are required to be lodged by the Public entity in terms of the Zimbabwe Companies and Other Business Entities Act (Chapter 24:31) of the Republic of Zimbabwe, and all such returns are true, correct and up to date.

Panganayi Hare
Group Legal Counsel and Company Secretary
29 December 2021

DIRECTORS' REPORT

REPORT OF DIRECTORS

The Directors have pleasure in presenting their report, together with the audited financial statements for the year ended 30 September 2021.

GROUP OPERATING RESULTS

The results for the year are set out in the attached financial statements, and are commented upon in the Reports of the Chairman and the Acting Group Chief Executive Officer.

SHARE CAPITAL

In terms of resolutions approved by shareholders at meetings in January 1997, February and October 2001, March 2004 and 15 September 2008, the unissued shares of the Company are controlled as follows:-

Set aside for issue to:-	
Zimbabwe Farmers Union buying scheme	1 600 000
Executive management share option scheme	10 907 380
Under the control of the directors	81 671 745
Unissued at 30 September 2021	**93 179 125**

During the year the authorised share capital remained at 93 179 125 ordinary shares of (ZWL) 1 cent each. No new shares were issued during the year (2020: Nil) and the number of shares in issue was 106 820 875 (2020: 106 820 875)

DUNNET INVESTMENTS (PRIVATE) LIMITED– EMPLOYEES' WORKERS TRUST

Dunnet Investments (Private) Limited is the workers' trust vehicle established in 1996 to provide a scheme for worker participation in both the equity and profits of the Company. Through the initial donation and subsequent shares bought in the Company, the Trust acquired a 2.61% shareholding in CFI Holdings Limited. Dividends received through its shareholding are administered by a Board of Trustees for the benefit of workers.

BORROWING POWERS

In terms of the Articles of Association, the borrowing powers of the Company and its subsidiaries (excluding inter-company borrowings) are limited in aggregate to a sum not exceeding three times the aggregate of the issued share capital of the Group including capital and revenue reserves.

The level of borrowings throughout the year was adequately covered in this respect. The Directors may exercise all the power of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

RESERVES

Movements in reserves are shown in the statement of changes in equity in the notes to these financial statements.

PROPERTY, PLANT AND EQUIPMENT

Capital expenditure for the year to 30 September 2021 was ZWL107.02 million (2020:ZWL34.13 million). Budgeted capital expenditure for the year ending 30 September 2022 is ZWL672.46 million.

DIVIDENDS

In view of the need to conserve capital, the Board considers it inappropriate to declare a dividend for the period ended 30 September 2021.

DIRECTORATE AND THEIR INTERESTS

The names of the Directors of the Company during the year are set out under the Corporate Governance section. No Director confirmed having, during or at the end of the year, any material interest in any contract of significance in relation to the Group's businesses except as disclosed in note 31. Executive Directors have employment contracts with the Company or its subsidiaries. The direct and indirect beneficial interests of the Directors in the shares of the Company are given in note 26.2 to the financial statements

AUDITORS

Members will be asked to fix the remuneration of Baker Tilly Zimbabwe for the past audit and to confirm their appointment for the ensuing year.

ANNUAL GENERAL MEETING

The twenty sixth (26th) Annual General Meeting of the Company will be held at 11:00 am on Wednesday 30 March 2022 at the Farm & City Complex, 1st Floor – Farm & City Boardroom, 1 Wynne Street, Harare. Attendance by webinar is welcome by making appropriate arrangements through the Company Secretary's office no later than 28 March 2022.

I. V. Pasi
Group Chairperson
29 December 2021

S. N. Chibanguza
Acting Group Chief Executive Officer

Chartered Accountants
Celestial Office Park
Unit D & H Block 1
Borrowdale Road, Borrowdale,
Harare Zimbabwe

T: +263 242 369 730, 369 737,
301 598, 301 537

enquiries@bakertilly.co.zw
www.bakertilly.co.zw

Independent Auditor's Report

To the members of CFI Holdings Limited

Report on the Audit of the Inflation Adjusted Consolidated Financial Statements

Adverse Opinion

We have audited the inflation adjusted consolidated financial statements of CFI Holdings Limited set out on pages 17 to 22 which comprise the consolidated statement of financial position as at 30 September 2021, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the Group financial statements, including a summary of significant accounting policies and other explanatory notes as set out on pages 23 to 65.

In our opinion, because of the significance of the matters described in the Basis for Adverse Opinion section of our report, the inflation adjusted consolidated financial statements do not present fairly the financial position of CFI Holdings Limited as at 30 September 2021, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

Basis for Adverse Opinion

(a) **Impact of prior year Non-Compliance with International Accounting Standard 21– The Effects of Changes in Foreign Exchange Rates**

The basis for qualification is due to misstatements contained in the opening balances from prior years. The misstatements were due to non-compliance with IAS 21– The effects of changes in Foreign exchange rates. CFI Holdings Limited elected to comply with the requirements of Statutory Instrument 33 of 2019 (SI 33/19) which was issued on 20 February 2019. The entity was guided by Statutory Instrument 41 of 2019 (SI 41/19) which stated that in the case of inconsistency between local pronouncement and any international standard, the local pronouncement shall take precedence. Figures that were previously reported as USD prior to February 2019 were converted to the local reporting currency (ZWL) from the previous reporting currency (USD) at a rate of 1:1. This exchange rate did not represent the true market exchange rate that existed.

The effects of misstatements due to non-compliance with IAS 21 on the prior year financial statements and opening balances have not been quantified.

(b) Non-Compliance with IAS 21 – Impact of Exchange rates used on Opening Balances

The Group applied exchange rates other than interbank exchange rates to translate foreign denominated transactions from June 2020 to September 2020 and foreign denominated balances as at 30 September 2020. The directors were of the view that using interbank rates would not result in fair presentation hence a decision was taken to apply other rates which we could not verify and trace to a reliable source. We could not determine whether adjustments were necessary to amounts relating to opening balances as at 01 October 2020.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of financial statements section of our report. We are independent of CFI Holdings Limited in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (Parts A and B) (IESBA Code) and other independent requirements applicable to performing audits of financial statements in Zimbabwe. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

a. Impact of COVID 19 Pandemic

We draw attention to Note 33 to the inflation adjusted consolidated financial statements, which relates to the impact of COVID 19 pandemic on CFI Holdings Limited and measures directors have put in place in response to the pandemic. There are uncertainties in relation to further possible effects and impacts of the COVID 19 pandemic to the CFI Holdings Limited' operations in future. Our audit opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the inflation adjusted consolidated financial statements of the current year. Key audit matters are selected from the matters communicated with those charged with governance, but are not intended to represent all matters that were discussed with them. In addition to the matters described in the Basis for Adverse Opinion section of our report, we have determined the matters described below to be the key audit matters. These matters were addressed in the context of our audit of the financial statements as a whole. Our opinion on the consolidated inflation adjusted financial statements is not modified with respect to any of the key audit matters described below, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Hyperinflation Accounting (High risk area and significant judgement) Following the Public Accountants and Auditors Board (PAAB) designation of Zimbabwe as hyperinflationary economy, management also evaluated and determined the economy of Zimbabwe to be hyperinflationary. CFI Holdings Limited applied the requirements of IAS 29 – Financial reporting in Hyperinflationary Economies Hyperinflationary accounting was determined to be a matter of most significance to the audit due to high risk and the significance of the balances and transactions, and the complexity and subjectivity relating to the application of the Standard. IAS 29 requires significant judgments to be made by management considering the guidelines provided in IAS 29 are limited. The adoption of the Standard makes this a high risk area, the accounting is prone to errors in calculations and application of the Standard.	We obtained an understanding of the CFI Holdings Limited process for identifying hyperinflationary economies and evaluated the policy in relation to hyperinflation accounting. Our audit procedures included, among others: We assessed and tested the indicators of hyperinflation on the Zimbabwean economy by corroborating these with industry report and our own understanding of the economy; · We recomputed and tested the hyperinflation workings prepared by management by evaluating the rationale for the economic indicators included (such as the inflation rate, cumulative inflation rate, consumer price indices from various sources). · We tested the source data used by agreeing it to supporting schedules. · We assessed the reasonability of the assumptions used by comparing these to externally available industry, financial and economic data; and; · We tested restatement of statement financial position and income statement items for compliance to the requirements of IAS 29. · We assessed whether disclosures in the financial statements appropriately reflected the effects of the adoption of IAS 29. We found that the inflation adjusted consolidated financial statements have been properly restated in terms of IAS 29.

Other Information
The directors are responsible for the other information. The other information comprises the Directors Report. Other information does not include the inflation adjusted financial statements and our auditor's report thereon.

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

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

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

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

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the planning and performance of the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the inflation adjusted consolidated financial statements, including the disclosures, and whether the inflation adjusted consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the inflation adjusted consolidated financial statements.

We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for the audit opinion.

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

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

From the matters communicated with the Directors, we determine those matters that were significant in the audit of the inflation adjusted financial statements of the current period and therefore the key audit matters. We describe those matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Zimbabwe Stock Exchange (“ZSE”) Listing Requirements

On 11 October 2021, an indefinite suspension on the ZSE due to non-compliance with listing requirements was lifted with a five-year moratorium to allow the entity to address the free float requirements. Notwithstanding the lifting of the suspension by the ZSE, CFI Holdings Limited remains non-compliant with regards listing requirements around free float threshold, appointment of a substantive Chief Executive Officer and Financial Director.

Companies and Other Business Entities Act (Chapter 24:31)

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion section of our report, the accompanying inflation adjusted financial statements have not in all material respects, been properly prepared in compliance with the disclosure requirements of and in the manner required by the Companies and Other Business Entities Act (Chapter 24:31).

The engagement partner on the audit resulting in the Independent Auditor's report is Courage Matsa.

Baker Tilly

Partner: Courage Matsa
PAAB Practising Number: 0607
Baker Tilly Chartered Accountants Zimbabwe
Celestial Office Park,
Unit D & H Block, Borrowdale Road,
Harare

Date: 29 December 2021

GROUP STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 September 2021

	Notes	INFLATION ADJUSTED 2021 ZWL	INFLATION ADJUSTED 2020 ZWL	HISTORICAL 2021 ZWL	HISTORICAL 2020 ZWL
Sales		9,271,492,860	5,133,050,410	7,797,485,774	1,856,851,788
Change in fair value of biological assets		28,642,491	72,642,534	36,528,365	63,472,856
REVENUE		**9,300,135,351**	**5,205,692,944**	**7,834,014,139**	**1,920,324,644**
Cost of sales		(8,100,882,626)	(4,245,595,286)	(6,203,401,728)	(1,047,519,667)
GROSS PROFIT		**1,199,252,725**	**960,097,658**	**1,630,612,411**	**872,804,977**
Other operating income	4	209,783,898	185,121,954	183,898,853	62,869,956
Selling, marketing and distribution expenses		(56,546,603)	(49,374,592)	(47,512,695)	(21,595,100)
Administration and other operating expenses		(1,361,177,748)	(638,730,965)	(1,301,968,917)	(318,785,323)
OPERATING (LOSS) PROFIT	5	**(8,687,728)**	**457,114,055**	**465,029,652**	**595,294,510**
Share of profits from joint ventures		2,173,664	14,365,233	129,035	103,609
Net financing cost	6	(199,176,029)	(483,305,546)	(158,217,308)	(193,831,878)
Monetary gain		8,875,484	606,204,495	-	-
(LOSS) PROFIT BEFORE TAX		**(196,814,609)**	**594,378,237**	**306,941,379**	**401,566,241**
Income tax expense	8	(190,474,726)	(263,823,143)	(110,529,667)	(126,046,955)
(LOSS) PROFIT FOR THE YEAR		**(387,289,335)**	**330,555,094**	**196,411,712**	**275,519,286**
OTHER COMPREHENSIVE (LOSS) INCOME, NET OF INCOME TAX					
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS					
Effect of changes in tax rates		-	6,891,216	-	597,281
Gain on property revaluation, net of taxes		-	-	732,402,503	1,009,448,510
Gain on equity investment designated as at FVTOCI		-	-	68,422,364	115,274,900
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		**-**	**6,891,216**	**800,824,867**	**1,125,320,691**
TOTAL COMPREHENSIVE (LOSS) PROFIT FOR THE YEAR		**(387,289,335)**	**337,446,310**	**997,236,579**	**1,400,839,977**
(LOSS) PROFIT ATTRIBUTABLE TO:					
Equity holders of the parent		**(387,289,335)**	**330,555,094**	**196,411,712**	**275,519,286**
TOTAL COMPREHENSIVE (LOSS) PROFIT ATTRIBUTABLE TO:					
Equity holders of the parent		**(387,289,335)**	**337,446,310**	**997,236,579**	**1,400,839,977**
Earnings (loss) profit per share:					
Basic earnings (loss) profit per share (cents)	10	(362.56)	309.45	183.87	257.93
Diluted earnings (loss) profit per share (cents)	10	(362.56)	309.45	183.87	257.93
Headline (losses) earnings per share (cents)	10	(362.56)	309.45	183.87	257.93

COMPANY STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 September 2021

	INFLATION ADJUSTED		HISTORICAL	
	2021 ZWL	2020 ZWL	2021 ZWL	2020 ZWL
Sales	-	-	-	-
REVENUE	-	-	-	-
Cost of sales	-	-	-	-
GROSS PROFIT	-	-	-	-
Other operating income	7,899,155	6,789,886	7,737,118	4,439,742
Dividend received from subsidiaries	200,492,738	-	165,573,324	-
Administration and other operating expenses	(55,992,131)	(45,845,146)	(45,856,691)	(16,654,547)
OPERATING PROFIT (LOSS)	**152,399,762**	**(39,055,260)**	**127,453,751**	**(12,214,805)**
Net financing income	39,090,631	23,197,793	34,033,221	14,844,177
Monetary (loss) gain	(17,262,325)	294,811,797	-	-
PROFIT BEFORE TAX	**174,228,068**	**278,954,330**	**161,486,972**	**2,629,372**
Income tax (expense) credit	(9,867,851)	1,904,699	(9,027,351)	-
PROFIT FOR THE YEAR	**164,360,217**	**280,859,029**	**152,459,621**	**2,629,372**
OTHER COMPREHENSIVE INCOME, NET OF INCOME TAX				
ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS				
Gain on property revaluation	-	-	927,141	1,571,583
Other comprehensive income for the year, net of income tax	**-**	**-**	**927,141**	**1,571,583**
TOTAL COMPREHENSIVE PROFIT FOR THE YEAR	**164,360,217**	**280,859,029**	**153,386,762**	**4,200,955**
PROFIT ATTRIBUTABLE TO:				
Equity holders of the parent	**164,360,217**	**280,859,029**	**152,459,621**	**2,629,372**
TOTAL COMPREHENSIVE PROFIT ATTRIBUTABLE TO:				
Equity holders of the parent	**164,360,217**	**280,859,029**	**153,386,762**	**4,200,955**
Earnings per share:				
Basic earnings per share (cents)	153.87	262.93	143.59	3.93
Diluted earnings per share (cents)	153.87	262.93	143.59	3.93
Headline earnings per share (cents)	153.87	262.93	143.59	3.93

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - INFLATION ADJUSTED

For the year ended 30 September 2021

	Notes	GROUP 2021 ZWL	GROUP 2020 ZWL	COMPANY 2021 ZWL	COMPANY 2020 ZWL
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	11	2,665,356,173	2,171,380,371	3,599,000	3,314,938
Investments in subsidiaries		-	-	4,042,630,276	,896,213,250
Investments in joint ventures	12.2	1,747,286	(426,377)	(30,266,271)	(30,266,269)
Investments in unlisted shares	12.1	211,766,542	211,766,542	798,477	798,478
Trade and other receivables	14	-	-	101,702,511	71,254,308
TOTAL NON-CURRENT ASSETS		**2,878,870,001**	**2,382,720,536**	**4,118,463,993**	**3,941,314,705**
CURRENT ASSETS					
Inventories and biological assets	13	2,145,999,777	2,416,909,331	-	-
Trade and other receivables	14	318,293,916	287,387,480	1,038,168	1,609,814
Investments in listed shares		22,992,308	13,589,106	-	-
Bank balances and cash		233,498,382	38,752,804	83,393	1,327,251
TOTAL CURRENT ASSETS		**2,720,784,383**	**2,756,638,721**	**1,121,561**	**2,937,065**
TOTAL ASSETS		**5,599,654,384**	**5,139,359,257**	**4,119,585,554**	**3,944,251,770**
EQUITY AND LIABILITIES					
CAPITAL AND RESERVES					
Issued share capital	15	55,729,562	55,729,562	55,729,562	55,729,562
Share premium		5,391,352	5,391,352	5,391,352	5,391,352
Share options reserve		8,138,903	8,138,903	8,138,903	8,138,903
Non-distributable reserves	16	3,196,608,511	2,933,488,929	3,798,967,189	3,798,967,189
Accumulated (losses) profits		(426,641,239)	133,995,928	(62,683,278)	(227,043,496)
TOTAL EQUITY		**2,839,227,089**	**3,136,744,674**	**3,805,543,728**	**3,641,183,510**
NON-CURRENT LIABILITIES					
Deferred tax liabilities	17.1	541,946,291	507,600,546	201,260,505	191,392,654
Trade and other payables	18	3,862,344	6,722,628	79,292,692	96,723,615
Long term borrowings	19	651,450,868	-	-	-
TOTAL NON-CURRENT LIABILITIES		**1,197,259,503**	**514,323,174**	**280,553,197**	**288,116,269**
CURRENT LIABILITIES					
Trade and other payables	18	1,306,640,917	860,711,490	33,431,198	14,864,960
Short term borrowings	19	92,310,516	444,868,327	-	-
Bank overdraft		17,814,231	54,363,757	-	-
Current tax liabilities	20	146,402,128	128,347,835	57,431	87,031
TOTAL CURRENT LIABILITIES		**1,563,167,792**	**1,488,291,409**	**33,488,629**	**14,951,991**
TOTAL EQUITY AND LIABILITIES		**5,599,654,384**	**5,139,359,257**	**4,119,585,554**	**3,944,251,770**

I. V. Pasi
Group Chairperson

S. N. Chibanguza
Acting Group Chief Executive Officer

C. Mutevhe
Acting Group Finance Director

29 December 2021

CONSOLIDATED STATEMENT OF FINANCIAL POSITION - HISTORICAL

For the year ended 30 September 2021

	Notes	GROUP 2021 ZWL	GROUP 2020 ZWL	COMPANY 2021 ZWL	COMPANY 2020 ZWL
ASSETS					
NON-CURRENT ASSETS					
Property, plant and equipment	11	2,665,356,173	1,432,876,053	3,599,000	2,187,500
Investments in subsidiaries		-	-	221,098,560	74,681,533
Investments in unlisted shares	12.1	211,766,542	139,743,000	15,305	15,305
Investments in joint ventures	12.2	(596,707)	(725,742)	(580,135)	(580,135)
Trade and other receivables	14	-	-	101,702,511	47,020,133
TOTAL NON-CURRENT ASSETS		**2,876,526,008**	**1,571,893,311**	**325,835,241**	**123,324,336**
CURRENT ASSETS					
Inventories and biological assets	13	1,737,647,077	992,711,747	-	-
Trade and other receivables	14	318,293,916	189,644,635	1,038,168	1,062,303
Investments in listed shares		22,992,308	8,967,339	-	-
Bank balances and cash		233,498,382	25,572,657	83,393	875,842
TOTAL CURRENT ASSETS		**2,312,431,683**	**1,216,896,378**	**1,121,561**	**1,938,145**
TOTAL ASSETS		**5,188,957,691**	**2,788,789,689**	**326,956,802**	**125,262,481**
EQUITY AND LIABILITIES					
CAPITAL AND RESERVES					
Issued share capital	15	1,068,209	1,068,209	1,068,209	1,068,209
Share premium		103,340	103,340	103,340	103,340
Share options reserve		156,004	156,004	156,004	156,004
Non-distributable reserves	16	2,386,999,555	1,348,169,505	75,571,293	74,644,152
Accumulated profits (losses)		202,959,470	188,144,933	125,608,407	(26,851,214)
TOTAL EQUITY		**2,591,286,578**	**1,537,641,991**	**202,507,253**	**49,120,491**
NON-CURRENT LIABILITIES					
Deferred tax liabilities	17.1	379,190,109	264,600,228	11,668,224	2,448,177
Trade and other payables	18	3,862,344	4,436,207	79,292,694	63,827,118
Long term borrowings	19	651,450,868	-	-	-
TOTAL NON-CURRENT LIABILITIES		**1,034,503,321**	**269,036,435**	**90,960,918**	**66,275,295**
CURRENT LIABILITIES					
Trade and other payables	18	1,306,640,917	567,976,435	33,431,200	9,809,264
Short term borrowings	19	92,310,516	293,564,951	-	-
Bank overdraft		17,814,231	35,874,196	-	-
Current tax liabilities	20	146,402,128	84,695,681	57,431	57,431
TOTAL CURRENT LIABILITIES		**1,563,167,792**	**982,111,263**	**33,488,631**	**9,866,695**
TOTAL EQUITY AND LIABILITIES		**5,188,957,691**	**2,788,789,689**	**326,956,802**	**125,262,481**

I. V. Pasi
Group Chairperson

S. N. Chibanguza
Acting Group Chief Executive Officer

C. Mutevhe
Acting Group Finance Director

29 December 2021

GROUP STATEMENT OF CHANGES IN EQUITY

For the year ended 30 September 2021

INFLATION ADJUSTED	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT					
	Share Capital	Share Premium	Share options reserve	Non Distributable Reserves	Accumulated (Losses) Profits	Total equity
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Balance at 30 September 2019	**55,729,562**	**5,391,352**	**8,138,903**	**4,159,351,466**	**(1,400,888,578)**	**2,827,722,705**
Acquisition of control of subsidiaries	-	-	-	655,629,668	(684,054,007)	(28,424,339)
Profit for the year	-	-	-	-	330,555,093	330,555,093
Other comprehensive income for the year	-	-	-	6,891,215	-	6,891,215
Elimination of revaluation reserves- IAS29	-	-	-	(1,888,383,420)	1,888,383,420	-
Balance at 30 September 2020	**55,729,562**	**5,391,352**	**8,138,903**	**2,933,488,929**	**133,995,928**	**3,136,744,674**
Acquisition of control of subsidiaries	-	-	-	263,119,582	(173,347,832)	89,771,750
Loss for the year	-	-	-	-	(387,289,335)	(387,289,335)
Balance at 30 September 2021	**55,729,562**	**5,391,352**	**8,138,903**	**3,196,608,511**	**(426,641,239)**	**2,839,227,089**
HISTORICAL						
Balance at 30 September 2019	**1,068,209**	**103,340**	**156,004**	**190,245,290**	**(45,873,327)**	**145,699,516**
Acquisition of control of subsidiaries	-	-	-	32,603,524	(41,501,026)	(8,897,502)
Profit for the year	-	-	-	-	275,519,286	275,519,286
Other comprehensive income	-	-	-	1,125,320,691	-	1,125,320,691
Balance at 30 September 2020	**1,068,209**	**103,340**	**156,004**	**1,348,169,505**	**188,144,933**	**1,537,641,991**
Acquisition of control of subsidiaries	-	-	-	238,005,182	(181,597,175)	56,408,007
Profit for the year	-	-	-	-	196,411,712	196,411,712
Other comprehensive income for the year	-	-	-	800,824,868	-	800,824,868
Balance at 30 September 2021	**1,068,209**	**103,340**	**156,004**	**2,386,999,555**	**202,959,470**	**2,591,286,578**

COMPANY STATEMENT OF CHANGES IN EQUITY

INFLATION ADJUSTED						
Balance at 30 September 2019	**55,729,562**	**5,391,352**	**8,138,903**	**3,798,967,189**	**(507,902,524)**	**3,360,324,483**
Profit for the year	-	-	-	-	280,859,029	280,859,029
Balance at 30 September 2020	**55,729,562**	**5,391,352**	**8,138,903**	**3,798,967,189**	**(227,043,495)**	**3,641,183,511**
Profit for the year	-	-	-	-	164,360,217	164,360,217
Balance at 30 September 2021	**55,729,562**	**5,391,352**	**8,138,903**	**3,798,967,189**	**(62,683,278)**	**3,805,543,728**
HISTORICAL						
Balance at 30 September 2019	**1,068,209**	**103,340**	**156,004**	**73,072,569**	**(31,065,254)**	**43,334,868**
Profit for the year	-	-	-	-	4,214,040	4,214,040
Other comprehensive income	-	-	-	1,571,583	-	1,571,583
Balance at 30 September 2020	**1,068,209**	**103,340**	**156,004**	**74,644,152**	**(26,851,214)**	**49,120,491**
Profit for the year	-	-	-	-	152,459,621	152,459,621
Other comprehensive income	-	-	-	927,141	-	927,141
Balance at 30 September 2021	**1,068,209**	**103,340**	**156,004**	**75,571,293**	**125,608,407**	**202,507,253**

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the year ended 30 September 2021

	Notes	INFLATION ADJUSTED 2021 ZWL	INFLATION ADJUSTED 2020 ZWL	HISTORICAL 2021 ZWL	HISTORICAL 2020 ZWL
CASH FLOWS FROM OPERATING ACTIVITIES					
(Loss) profit before tax		(196,814,609)	594,378,236	306,941,379	401,566,241
Adjustments for:-					
Impairment of property, plant and equipment		-	48,168,948	-	4,335,408
Depreciation expense		116,398,263	84,134,146	77,737,754	7,903,215
Change in fair value of biological assets		(28,642,491)	(72,642,534)	(36,528,365)	(63,472,856)
Share of profit in joint venture		(2,173,664)	(14,365,233)	(129,035)	(103,609)
Net interest paid		199,176,029	439,968,843	158,217,308	193,831,878
Loss on disposal of property, plant and equipment		-	58,494	-	38,600
OPERATING CASH FLOWS BEFORE WORKING CAPITAL CHANGES		**87,943,528**	**1,079,700,900**	**506,239,041**	**544,098,877**
Decrease (increase) in inventories		299,552,052	43,521,158	(708,406,961)	(830,847,093)
(Increase) decrease in trade and other receivables		(30,906,436)	78,446,248	(128,649,282)	(157,861,894)
Increase in trade and other payables		444,207,317	310,556,003	738,044,558	523,752,155
Acquisition of control of subsidiaries previously under judicial management		(269,467,519)	(488,576,565)	(181,550,492)	(42,404,325)
CASH GENERATED FROM OPERATING ACTIVITIES		**531,328,942**	**1,023,647,745**	**225,676,864**	**36,737,720**
Net interest paid		(199,176,029)	(439,968,843)	(158,217,308)	(29,298,535)
Taxes paid		(249,084,025)	(64,849,229)	(171,161,496)	(193,831,878)
NET CASH GENERATED FROM (UTILISED BY) OPERATING ACTIVITIES		**83,068,888**	**518,829,673**	**(103,701,940)**	**(186,392,693)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisition of control of subsidiaries previously under judicial management		812,315	64,153,386	536,040	5,574,482
Proceeds from sales of stock market investments		4,780,029	-	3,947,501	-
Acquisition of listed investments		(14,183,231)	(13,589,106)	(17,972,470)	(8,967,339)
Purchase of property, plant and equipment		(142,075,955)	(109,814,637)	(107,019,874)	(34,134,256)
NET CASH (UTILISED IN) GENERATED FROM INVESTING ACTIVITIES		**(150,666,842)**	**(59,250,356)**	**(120,508,803)**	**(37,527,113)**
CASH FLOWS FROM FINANCING ACTIVITIES					
Net proceeds from (settlement of) long term loans		651,450,868	(486,531,399)	651,450,868	(42,276,190)
Short term loans repaid		(352,557,811)	(41,663,073)	(201,254,435)	251,288,761
NET CASH GENERATED (UTILISED IN) FROM FINANCING ACTIVITIES		**298,893,057**	**(528,194,472)**	**450,196,433**	**209,012,571**
NET INCREASE IN (DECREASE) CASH AND CASH EQUIVALENTS		**231,295,103**	**(68,615,156)**	**225,985,690**	**(14,907,235)**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**(15,610,952)**	**53,004,203**	**(10,301,539)**	**4,605,696**
CASH AND CASH EQUIVALENTS AT END OF YEAR		**215,684,151**	**(15,610,953)**	**215,684,151**	**(10,301,539)**
REPRESENTED BY:-					
Bank balances and cash		233,498,382	38,752,804	233,498,382	25,572,657
Bank overdraft		(17,814,231)	(54,363,756)	(17,814,231)	(35,874,196)
		215,684,151	**(15,610,952)**	**215,684,151**	**(10,301,539)**

* The movement in the company balances includes changes in the investment in subsidiaries per note 12.1

1.1 GENERAL INFORMATION

CFI Holdings Limited (the Company) is a company incorporated in Zimbabwe whose shares are publicly traded on the Zimbabwe Stock Exchange. The Company was suspended from trading its shares from 1 January 2018 up to and until 11 October 2021, when the suspension was lifted. The address of its registered office and its principal place of business is disclosed on page 3 of this Annual Report. The principal activities of the Company, its subsidiaries and joint ventures (together the Group) is the holding of investments, the letting of properties, the wholesaling and retailing of consumer goods, the manufacture of stock feeds, the provision of animal health requisites, the operation of maize and wheat mills, poultry breeding, production, processing, selling and the development and management of real estate.

Victoria Foods (Private) Limited and Amtec Manufacturing (Private) Limited exited judicial management on 10 September 2021. The two entities had been under the management of Mr. Reggie Saruchera of Grant Thornton since 26 August 2016. There were delays encountered in resolving legacy foreign-currency denominated obligations. Control had however in essence passed effective 1 October 2020 after the requisite funds to settle foreign creditors had been paid into the judicial manager's account. Consequently, Victoria Foods and Amtec Manufacturing were consolidated by the Group effective from 1 October 2020.

1.1.2 Currency

The financial statements are presented in Zimbabwe dollars (ZWL), which is the functional currency of the Company and the Group.

1.2 ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

1.2.1 New and revised IFRSs adopted during the current year

In the current year, the Group applied the following standards:

Impact of the initial application of Interest Rate Benchmark Reform

The Group adopted the Phase 1 amendments Interest Rate Benchmark Reform—Amendments to IFRS 9/IAS 39 and IFRS 7 and the Phase 2 amendments Interest Rate Benchmark Reform—Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16.

Phase 1 amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments are amended as a result of the interest rate benchmark reform.

Phase 2 amendments enables the Group to reflect the effects of transitioning from interbank offered rates (IBOR) to alternative benchmark interest rates (also referred to as 'risk free rates' (RFRs) without giving rise to accounting impacts that would not provide useful information to users of financial statements.

The effects of adopting the Phase 2 amendments are as follows:

- When the contractual terms of the Group's bank borrowings are amended as a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the basis immediately preceding the change, the Group changes the basis for determining the contractual cash flows prospectively by revising the effective interest rate. If additional changes are made, which are not directly related to the reform, the applicable requirements of IFRS 9 are applied to the other changes.
- When a lease is modified as a direct consequence of the interest rate benchmark reform and the new basis for determining the lease payments is economically equivalent to the previous basis, the Group re-measures the lease liability to reflect the revised lease payments discounted using a revised discount rate that reflects the change in the basis for determining the contractual cash flows.
- When changes are made to the hedging instruments, hedged item and hedged risk as a result of the interest rate benchmark reform, the Group updates the hedge documentation without discontinuing the hedging relationship and, in the case of a cash flow hedge, the amount accumulated in the cash flow hedge reserve is deemed to be based on the overnight bank interest rate.
- For the Group's fair value hedges of a non-contractually specified benchmark component of interest rate risk, on transition to the alternative benchmark rate, if that risk rate is not separately identifiable at the date of designation, it will be deemed to have met the separately identifiable requirement at that date, if the Group reasonably expects the term specific interest rate component will be separately identifiable within a period of 24 months from the date the alternative benchmark rate is first designated, regardless of the term for which the risk is designated in that hedge. The 24-month period applies on a rate-by-rate basis.

The adoption of both Phase 1 and Phase 2 amendments has had no significant impact on the Group's financial statements because the Group does not apply hedge accounting to its interest rate benchmark exposures.

1.2.1 New and revised IFRSs adopted during the current year (Continued)

Impact of the initial application of COVID -19 - Related Rent Concessions beyond 30 June 2021—Amendment to IFRS 16

In the prior year, the Group early adopted Covid-19-Related Rent Concessions (Amendment to IFRS 16) that provided practical relief to lessees in accounting for rent concessions occurring as a direct consequence of COVID-19, by introducing a practical expedient to IFRS 16. This practical expedient was available to rent concessions for which any reduction in lease payments affected payments originally due on or before 30 June 2021.

In March 2021, the Board issued Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16) that extends the practical expedient to apply to reduction in lease payments originally due on or before 30 June 2022.

In the current financial year, the Group has applied the amendment to IFRS 16 (as issued by the Board in May 2021) in advance of its effective date.

The practical expedient permits a lessee to elect not to assess whether a COVID-19-related rent concession is a lease modification. A lessee that makes this election shall account for any change in lease payments resulting from the COVID-19-related rent concession applying IFRS 16 as if the change were not a lease modification.

The practical expedient applies only to rent concessions occurring as a direct consequence of COVID-19 and only if all of the following conditions are met:

- The change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change
- Any reduction in lease payments affects only payments originally due on or before 30 June 2022 (a rent concession meets this condition if it results in reduced lease payments on or before 30 June 2022 and increased lease payments that extend beyond 30 June 2022)
- There is no substantive change to other terms and conditions of the lease

In the current financial year, the application of the amendment to IFRS 16 (as issued by the IASB in May 2021) has had no significant impact on the Group's financial statements.

1.2.2 New and revised IFRSs in issue but not yet effective

At the date of authorisation of these financial statements, the Group has not applied the following new and revised IFRSs that have been issued but are not yet effective:

Standard reference	Standard title
IFRS 17 (including the June 2020 amendments to IFRS 17	Insurance Contracts
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IFRS 3	Reference to the Conceptual Framework
Amendments to IAS 16	Property, Plant and Equipment—Proceeds before Intended Use
Amendments to IAS 37	Onerous Contracts—Cost of Fulfilling a Contract
Annual Improvements to IFRS	Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Standards 2018-2020 Cycle Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8	Definition of Accounting Estimates
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction

1.2.2 New and revised IFRSs in issue but not yet effective (Continued)

The directors do not expect that the adoption of the Standards listed above will have any material impact on the financial statements of the Group in future periods, except as noted below:

IFRS 17 Insurance Contracts
IFRS 17 establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes IFRS 4 Insurance Contracts.

IFRS 17 outlines a general model, which is modified for insurance contracts with direct participation features, described as the variable fee approach. The general model is simplified if certain criteria are met by measuring the liability for remaining coverage using the premium allocation approach.

The general model uses current assumptions to estimate the amount, timing and uncertainty of future cash flows and it explicitly measures the cost of that uncertainty. It takes into account market interest rates and the impact of policyholders' options and guarantees.

In June 2020, the Board issued Amendments to IFRS 17 to address concerns and implementation challenges that were identified after IFRS 17 was published. The amendments defer the date of initial application of IFRS 17 (incorporating the amendments) to annual reporting periods beginning on or after 1 January 2023. At the same time, the Board issued Extension of the Temporary Exemption from Applying IFRS 9 (Amendments to IFRS 4) that extends the fixed expiry date of the temporary exemption from applying IFRS 9 in IFRS 4 to annual reporting periods beginning on or after 1 January 2023.

IFRS 17 must be applied retrospectively unless impracticable, in which case the modified retrospective approach or the fair value approach is applied.

For the purpose of the transition requirements, the date of initial application is the start of the annual reporting period in which the entity first applies the Standard, and the transition date is the beginning of the period immediately preceding the date of initial application.

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures—Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.
The amendments to IFRS 10 and IAS 28 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method, are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the re-measurement of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

The effective date of the amendments has yet to be set by the Board; however, earlier application of the amendments is permitted. The directors of the Company anticipate that the application of these amendments may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Noncurrent
The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items.

The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counter party of cash, equity instruments, other assets or services.

The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.

Amendments to IFRS 3 Business Combinations—Reference to the Conceptual Framework
The amendments update IFRS 3 so that it refers to the 2018 Conceptual Framework instead of the 1989 Framework. They also add to IFRS 3 a requirement that, for obligations within the scope of IAS 37, an acquirer applies IAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of IFRIC 21 Levies, the acquirer applies IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date.

1.2.2 New and revised IFRSs in issue but not yet effective (Continued)

Finally, the amendments add an explicit statement that an acquirer does not recognise contingent assets acquired in a business combination.

The amendments are effective for business combinations for which the date of acquisition is on or after the beginning of the first annual period beginning on or after 1 January 2022. Early application is permitted if an entity also applies all other updated references (published together with the updated Conceptual Framework) at the same time or earlier.

Amendments to IAS 16 Property, Plant and Equipment—Proceeds before Intended Use

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 Inventories.

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets—Onerous Contracts—Cost of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

Annual Improvements to IFRS Standards 2018-2020—Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture

The Annual Improvements include amendments to four Standards:

a) **IFRS 1 First-time Adoption of International Financial Reporting Standards**

The amendment provides additional relief to a subsidiary which becomes a first-time adopter later than its parent in respect of accounting for cumulative translation differences. As a result of the amendment, a subsidiary that uses the exemption in IFRS 1:D16(a) can now also elect to measure cumulative translation differences for all foreign operations at the carrying amount that would be included in the parent's consolidated financial statements, based on the parent's date of transition to IFRS Standards, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. A similar election is available to an associate or joint venture that uses the exemption in IFRS 1:D16(a).

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

1.2.2 New and revised IFRSs in issue but not yet effective (Continued)

b) IFRS 9 Financial Instruments

The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.

The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.

c) IFRS 16 Leases.

The amendment removes the illustration of the reimbursement of leasehold improvements

Since the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.

d) IAS 41 Agriculture

The amendment removes the requirement in IAS 41 for entities to exclude cash flows for taxation when measuring fair value. This aligns the fair value measurement in IAS 41 with the requirements of IFRS 13 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pretax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

The amendment is applied prospectively, i.e. for fair value measurements on or after the date an entity initially applies the amendment.

The amendment is effective for annual reporting periods beginning on or after 1 January 2022, with earlier application permitted.

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements—Disclosure of Accounting Policies

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material.

The Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2023, with earlier application permitted and are applied prospectively. The amendments to IFRS Practice Statement 2 do not contain an effective date or transition requirements.

Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors—Definition of Accounting Estimates

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty".

The definition of a change in accounting estimates was deleted. However, the Board retained the concept of changes in accounting estimates in the Standard with the following clarifications:

- A change in accounting estimate that results from new information or new developments is not the correction of an error
- The effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors

The Board added two examples (Examples 4-5) to the Guidance on implementing IAS 8, which accompanies the Standard. The Board has deleted one example (Example 3) as it could cause confusion in light of the amendments.

1.2.2 New and revised IFRSs in issue but not yet effective (Continued)

The amendments are effective for annual periods beginning on or after 1 January 2023 to changes in accounting policies and changes in accounting estimates that occur on or after the beginning of that period, with earlier application permitted.

Amendments to IAS 12 Income Taxes—Deferred Tax related to Assets and Liabilities arising from a Single Transaction
The amendments introduce a further exception from the initial recognition exemption. Under the amendments, an entity does not apply the initial recognition exemption for transactions that give rise to equal taxable and deductible temporary differences.

Depending on the applicable tax law, equal taxable and deductible temporary differences may arise on initial recognition of an asset and liability in a transaction that is not a business combination and affects neither accounting nor taxable profit. For example, this may arise upon recognition of a lease liability and the corresponding right-of-use asset applying IFRS 16 at the commencement date of a lease.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.

The Board also adds an illustrative example to IAS 12 that explains how the amendments are applied.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognises:

- A deferred tax asset (to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised) and a deferred tax liability for all deductible and taxable temporary differences associated with:
  – Right-of-use assets and lease liabilities
  – Decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset
- The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at that date

The amendments are effective for annual reporting periods beginning on or after 1 January 2023, with earlier application permitted.

2.1 ACCOUNTING POLICIES

The principal accounting policies of the Group and Company adopted in the preparation of these financial statements are, in all material respects, consistent with those applied in previous years and conform to the standards issued by the International Accounting Standards Board (IASB). The effect of standards and interpretations adopted in current year has been disclosed per note 1.2. Full compliance with IFRS was last achieved in 2018 financial year, while partial compliance was achieved for 2019 to 2021 due to non-compliance with IAS 21.

The consolidated financial statements have been prepared in compliance with the Companies and Other Business Entities Act (Chapter 24:31), except for items stated under the Basis for Auditors Opinion.

2.2 GOING CONCERN

The Directors have satisfied themselves that based on the assessments fully explained per note 31, the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they are satisfied that it is appropriate to adopt the going concern basis in preparing the consolidated inflation adjusted financial statements.

2.3 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The consolidated inflation-adjusted financial statements have been prepared based on the statutory records that are maintained under the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets. Fair value is the price that would be received from selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share- based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in IAS 2 or value in use in IAS 36.

2.3 BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Continued)

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are those, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.4 CONSOLIDATON

Basis of consolidation
The consolidated financial statements incorporate the financial statements of CFI Holdings Limited and entities (including structured entities) controlled by the Company and its subsidiaries.

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences, recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained; and
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

2.4 CONSOLIDATON (Continued)

Investment in Subsidiaries
The investments in subsidiaries are accounted for at cost or deemed cost in the Company's separate financial statements. These comprise of investments in shares that the directors intend to hold on a continuing basis in the Company's business. The investments are stated at cost less provision for impairment. A review for the potential impairment of an investment is carried out if events or changes in circumstances indicate that the carrying amount may not be recoverable.

Interests in joint ventures
A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with IFRS 5. Under the equity method, an investment in a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. When the Group's share of losses of a joint venture exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS9. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the joint venture.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

Where the Group entity undertakes its activities under joint venture arrangements directly, the Group's share of jointly controlled assets and any liabilities incurred jointly with other ventures are recognised in the financial statements of the relevant entity and classified according to their nature. Liabilities and expenses incurred directly in respect of interests in jointly controlled assets are accounted for on an accrual basis. Income from the sale or use of the Group's share of the output of jointly controlled assets, and its share of joint venture expenses, are recognised when it is probable that the economic benefits associated with the transactions will flow to/from the Group and their amount can be measured reliably.

Joint arrangements that involve the establishment of a separate entity in which each venture has an interest are referred to as jointly controlled entities. The Group reports its interests in jointly controlled entities using proportionate consolidation, except when the investment is classified as held for sale, in which case it is accounted for under IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations. The Group's share of the assets, liabilities, income and expenses of jointly controlled entities are combined with the equivalent items in the consolidated financial statements on a line by-line basis.

2.4 CONSOLIDATON (Continued)

Interests in joint operations

A joint operation is a joint arrangement whereby parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. When a Group entity undertakes its activities under joint operations, the Group as a joint operator recognises in relation to its interest in a joint operation:

- Its assets, including its share of any assets held jointly;
- Its liabilities, including its share of any liabilities incurred jointly;
- Its revenue from the sale of its share of the output arising from the joint operation;
- Its share of the revenue from the sale of the output by the joint operation; and
- Its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the IFRSs applicable to the particular assets, liabilities, revenues and expenses.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as the sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When the Group entity transacts with a joint operation in which a Group entity is a joint operator (such as the purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset (or disposal group) and its sale is highly probable.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non- controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment, or a portion of an investment, in an associate or joint venture, the investment or the portion of the investment that will be disposed of is classified as held for sale when the criteria described above are met, and the Group discontinues the use of the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate or a joint venture that has not been classified as held for sale continues to be accounted for using the equity method. The Group discontinues the use of the equity method at the time of disposal when the disposal results in the Group losing significant influence over the associate or joint venture.

After the disposal takes place, the Group accounts for any retained interest in the associate or joint venture in accordance with IAS 39 unless the retained interest continues to be an associate or a joint venture, in which case the Group uses the equity method (see the accounting policy regarding investments in associates or joint ventures above).

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

2.5 REVENUE RECOGNITION

The Group applies IFRS 15, Revenue from Contracts with Customers in terms of which revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties, such as Value Added Tax. The Group recognises revenue when it transfers control over a product or service to a customer. There are no other performance obligations related to the sale.

The Group's revenues are earned mainly from the following activities:

- Retail business sales - the Retail business of the Group principally sells goods bought from manufacturers for re-sale with little or no value addition.
- Sales of agricultural produce;
- Sales of land for residential and commercial development;
- Land development costs recoveries;
- Rentals from properties leased out to third parties;

The application of IFRS 15 requires the Group to make judgements that affect the determination of the amount and timing of revenue from contracts with customers. These include:

- determining the timing of satisfaction of performance obligations,
- determining the transaction price allocated to them,
- determining the standalone selling prices.

Products are primarily sold separately, with the stand-alone selling prices determined based on the list prices at which the Group sells the products. The below is a description of the Group's major revenue streams;

Products and services	Nature, timing of satisfaction of performance obligations and significant payment terms
Retail shop merchandise	Revenue is recognised when a customer takes possession of a commodity. This usually occurs after the customer has formally accepted and paid for the commodity. Almost all sales are paid for in full at the point of sale, with limited credit terms offered to a few selected customers. The amount of revenue recognised for retail sales is adjusted for expected returns, which are estimated based on the historical data for specific goods. Returned goods are exchanged only for new goods or store credit – i.e. no cash refunds are offered. Commission on sale of consignment stocks is recognised only when the related consignment stocks are sold to third parties. Discount received is recognised when supplier payments are made within the discountable period and a credit note is received from the supplier.
Agricultural produce	Revenue is recognised when a customer has formally accepted the products and signed or paid for the sale. The amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data for specific god.
Revenue from land	Revenue arising from sales of stands under instalments by Crest Breeders (Private) Limited t/a Saturday Retreat and related sales in 2015 was recognised then in accordance with IAS18, after discounting it at a rate of 11%, in line with the cost of the Group's long term borrowings. Recoveries from stand beneficiaries for land development costs is recognised based on formally signed agreements with customers for the service work done. Late settlement fees and administration charges on accounts in payment default are recognised as income based on signed acceptance of the late settlement fees or administration fees levied to the customer.
Rental income	Rental income from operating leases is recognised 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 recognised on a straight-line basis over the lease term.

2.5 REVENUE RECOGNITION (Continued)

Other income
Dividend income from investments is recognised when the shareholder's right to receive payment has been established, provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

Interest income is accrued based on signed contracts on a time basis, by reference to the principal outstanding and at the effective interest applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying mount on initial recognition.

2.6 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.\

2.7 EMPLOYEE BENEFITS

Short-term employee benefits
The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

Retirement benefit costs and termination benefits
Payments to defined contribution retirement benefit plans are charged as and when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans, where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

A liability for a termination benefit is recognised at the earlier of when the Group can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

2.8 SHARE-BASED PAYMENTS

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity settled share-based transactions are set out in the detailed note 15.2.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the shares that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve. The Group measures fair value using the Black-Scholes pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counter-party renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement the fair value of the liability is re-measured, with any changes in fair value recognised in profit or loss for the year.

2.9 TAXATION

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

Current tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other 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 Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax
Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises 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.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting 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 based on tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

Current and deferred tax for the period
Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Valued added tax
Revenues, expenses and assets are recognised net of the amount of value added tax except:

where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and receivables and payables that are stated with the amount of value added tax included. The net amount of value added tax recoverable from, or payable to, the tax authority is included as part of receivables or payables in the statement of financial position.

2.10 PROPERTY, PLANT AND EQUIPMENT

Initial recognition
Each item of property plant and equipment is initially recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity, and the cost of the item can be reliably measured. Each item that qualifies for recognition is measured initially at cost, being the cash equivalent of the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Such costs exclude the day to day servicing. Assets held under finance leases are initially recognised as assets of the Group 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.

2.10 PROPERTY, PLANT AND EQUIPMENT (Continued)

Subsequent Recognition

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes with the exception of milling properties and the abattoir buildings, are stated in the consolidated Statement of Financial Position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment. Milling properties and the abattoir buildings are carried at depreciated replacement cost. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of the reporting period. Plant and machinery, motor vehicles and furniture and fittings are stated at cost less accumulated depreciation.

Freehold land is not depreciated. Depreciation on revalued buildings is recognised in profit or loss. On the subsequent sale or retirement of a revalued property, the attributable revaluation surplus remaining in the properties revaluation reserve is transferred directly to retained earnings. No transfer is made from the revaluation reserve to retained earnings except when an asset is derecognised.

Assets held under finance lease are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.

Depreciation

Depreciation is recognised so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The various rates of depreciation are as follows:

Buildings and improvements - 20 - 40 years
Leasehold improvements - the lesser of period of lease and 10 years
Plant and machinery - 3 - 20 years
Motor vehicles - 5 - 10 years
Office equipment, computers and software - 3 - 10 years

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment

Impairment of property, plant and equipment is assessed in terms of the accounting policy set out in note 2.11.

2.11 IMPAIRMENT OF NON-FINANCIAL ASSETS

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment is treated as a revaluation decrease.

Where an impairment subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment is treated as a revaluation increase.

2.12 INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Costs, including an appropriate portion of fixed and variable overhead expenses, are assigned to inventories by the method most appropriate to the particular class of inventory, with the majority being valued on a first in-first-out and weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Land in development and developed stands
The Group is involved in residential stands development by way of conversion of its land previously designated as farm-land through providing water, sewer, roads, storm-water drainage and other property development amenities.

Agricultural activities
Agricultural activities comprise the breeding of broiler and layer day old chicks from imported grandparent stock and the raising thereof into adult chickens as well as the growing of maize, wheat and other vegetable produce.

Biological assets
Biological assets are living animals or plants. All biological assets are stated at their fair value less estimated point of sale costs. The fair value is determined in line with the age of the animals or plants.

Agricultural produce
Agricultural produce comprises the harvested product of the enterprise's biological assets. This is measured at its fair value less estimated point of sale costs at the point of harvest.

Growing crops and vegetable produce are measured at fair value less estimated point-of-sale costs. The fair value of growing crops is determined by reference to market prices by leading crop producers at reporting date discounted for the stage of growth and expected yield to maturity. The fair value of vegetable produce is determined based on market prices by leading vegetable wholesalers in Zimbabwe. All costs incurred in acquiring biological assets are capitalised.

Changes in the fair value of biological assets
Changes in the fair value of biological assets are recognised in income. Due to the short term growth cycle of the Group's biological assets, the ageing profile remains relatively constant from year to year and accordingly, the Group has not disclosed the change relating to growth of biological assets as encouraged by IAS 41. The majority of this change is expected to relate to price changes.

2.13 CASH AND CASH EQUIVALENTS

This represents cash on hand, at bank and other short-term highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of change in value.

2.14 FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised in the statement of financial position when the Group has become a party to the contractual provisions of the instruments. Purchases and sales of financial instruments are recognised on trade date, being the date on which the Group commits to purchase or sell the instrument.

Financial assets
Financial assets are initially recognised at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs and subsequently as set out below.

Trade and other receivables
Trade receivables are initially recognised at fair value. They are subsequently carried at amortised cost using the effective interest rate method (EIR), taking into account impairment via the determination of an allowance for any uncollectable amounts. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The allowance for uncollectable amounts is established when there is objective evidence that the Group will not be able to collect all amounts due in accordance with the original terms of the credit given and includes an assessment of recoverability based on historical trend analyses and events that exist at reporting date. Bad debts are written off to profit or loss when identified.

2.14 FINANCIAL INSTRUMENTS (Continued)

Cash and cash equivalents
Cash and cash equivalents are initially measured at fair value, and subsequently at amortised cost. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits net of bank overdrafts.

De-recognition of financial assets
A financial asset (or, where applicable a part of a financial asset or part of a Group of similar financial assets) is de-recognised when: The rights to receive cash flows from the asset have expired;
The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
(a) The Group has transferred substantially all the risks and rewards of the asset, or
(b) The Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset.

In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continual involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets
Financial assets, other than those at fair value through profit or loss, are assessed for impairment at each reporting date and impaired where there is objective evidence that the carrying amount of the asset will not be recovered.

A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred loss event) and the loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial re-organisation and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Assets carried at amortised cost
For financial assets carried at amortised cost, the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of a financial asset is reduced through the use of an allowance account and changes to this allowance account are recognised in profit or loss. Subsequent recoveries of amounts previously written of are recognised in other income.

Financial liabilities
Financial liabilities include trade and other accounts payables, bank overdrafts and interest bearing loans. These are initially measured at fair value including transaction costs and subsequently carried at amortised cost using the effective interest rate method. Gains or losses are recognised in profit or loss when the liabilities are derecognised as well as through the amortisation process.

Trade and other payables
Trade payables are liabilities to pay for goods or services that have been received or supplied and have been invoiced or formally agreed with the supplier. Trade and other payables are subsequently measured at amortised cost.

De-recognition of financial liabilities
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.14 FINANCIAL INSTRUMENTS (Continued)

Offsetting of financial instruments
Financial assets and liabilities are offset and the net amount reported in the consolidated statements of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all its liabilities.

2.15 PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows when the effect of the time value of money is material. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Onerous contracts
Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Restructurings
A restructuring provision is recognised when the Group has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with the ongoing activities of the entity.

2.16 FOREIGN CURRENCY TRANSLATIONS

Transactions in currencies other than the Zimbabwe dollar are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary assets and liabilities that are denominated in other currencies are retranslated at the rates prevailing on the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in statement of profit or loss and other comprehensive income for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

2.17 SEGMENT INFORMATION

The Company's operating businesses are organised and managed separately according to the nature of the products provided, with each segment representing a strategic business unit that offers different products and serves different markets. The basis of segment reporting is representative of the internal structure used for management reporting purposes.

2.18 KEY MANAGEMENT

Key management includes executive directors and divisional management as outlined on page 5.

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS MADE BY MANAGEMENT

3.1 Functional currency considerations and the Effect of changes in foreign exchange rates

3.1.1 Functional Currency

The Group's consolidated financial statements are presented in Zimbabwean Dollars, which was determined to be the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group applied this judgement after Government promulgated Statutory Instrument 33 of 2019 (SI 33) on 22 February 2019, giving legal effect to the reintroduction of the Zimbabwe Dollar (ZWL) as legal tender and prescribing that for accounting and other purposes, certain assets and liabilities on this effective date would be deemed to be Zimbabwe Dollars at a rate which was at par with the United States Dollar (USD).

3.1.2 Exchange Rates

The Group entered into foreign currency transactions throughout the year. Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. In determining transactional and closing exchange rates, the Group made use of the prevailing interbank rates.

3.2 Hyperinflation

These financial statements have been prepared in accordance with IAS 29 together with International Financial Reporting Interpretations Committee (IFRIC) 7 (Applying the Restatement Approach under IAS 29), as if the economy had been hyperinflationary from 1 October 2018. As noted in the audited financial statements for the year ended 30 September 2019, the Group adopted the Zimbabwe Consumer Price Index ("CPI") as the general price index to restate transactions and balances. Appropriate adjustments and reclassifications, including restatements for changes in the general purchasing power of the Zimbabwe dollar and for the purposes of fair presentation in accordance with IAS 29 have been made in these financial statements to the historical cost financial information. Comparative amounts in the Group financial results have been restated to reflect the change in the general price index from 1 October 2018 to the end of the reporting period.

The following indices and the resultant conversion factors were used:

	Indices	Conversion factor
CPI as at 30 September 2021	3,341.99	1.0000
CPI as at 30 September 2020	2 205.32	1.5154
CPI as at 30 September 2019	290.39	11.5085

3.3 Investments in subsidiaries

Values for investments in subsidiaries are deemed costs for the investments based on net asset values of the subsidiaries as at 30 September 2018.

3.4 Determination of revenue from sale of stands

Revenue arising from sales of stands under instalments by Crest Breeders (Private) Limited t/a Saturday Retreat in 2015 was discounted in accordance with IAS18. A discount rate of 11% was initially applied, in line with the cost of the Group's long term borrowings at that time. Cumulative average monthly instalments of US$304,175 over an estimated effective recovery period of 80 months was used to discount expected inflows over the tenure of the project, where a future value of US$24.4 million (total invoiced sales) was expected to be recovered. In the current period the net effect of the unwinding of the revenue is reflected as net interest income on mortgage debtors under other operating income (see note 4).

In 2015 the Group provided for 10% of total invoiced land sales as potentially unrecoverable debtors. However, since all unpaid mortgage accounts expired and became past due after 31 March 2018, management in 2019 fully provided for all mortgage accounts receivables past due in terms of IFRS9 under the expected credit loss model.

Stand sales were affected by Reston Developers (Private) Limited and Maitlands Zimbabwe (Private) Limited in prior periods. As at Statement of Financial Position date, the Group was still in the process of servicing the stands and will only be able to secure certificates of compliance once development permit stipulations are fully met. Consequently, the amounts received by the Group have been treated as customer deposits (liabilities) in the financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS MADE MANAGEMENT (Continued)

3.5 Joint arrangements

3.5.1 Classification of Reston Developers (Private) Limited and Maitlands Zimbabwe (Private) Limited as joint ventures

Reston Developers (Private) Limited and Maitlands Zimbabwe (Private) Limited are both limited liability Companies in which the Group has participated in joint arrangements with other shareholders. In prior years, particularly since dollarisation, both entities' operational activities were nominal. Activities for the joint venture operations are treated under the equity accounting method.

Both entities made losses in the current and prior periods. The Directors have not limited their share in the losses in the current period given that operationally, they will be required to contribute the Group's assets to fund the proportionate share of deficits in the joint ventures should this be necessary. The directors are confident that the losses will be reversed in the immediate future financial periods given promising business plans which are in place for the joint ventures. See attendant disclosures on the joint ventures per note 12.3.

3.6 Classification of Glenara joint arrangement as a joint operation

Glenara undertook a joint arrangement under the legal entity Glenara Estates (Private) limited trading as Glenpol Agriculture in current and prior periods incorporating horticultural, cattle breeding and pen-fattening activities. The arrangement is such that joint operators to Glenara Estates have joint control of the arrangement and only have rights to the assets, and obligations for the liabilities as opposed to the net assets for Glenara Estates. The attendant disclosures on the joint venture are as per note 12.2.

3.7 Directors' valuation of farming land, farming improvements and land in development

Agricultural land held where the Group conducts its poultry operations at Sunvalley Estate, Glenara Estates and Hubbard Zimbabwe is carried at nil value.

In current year, the directors re-valued the net book value of its farming improvements by reference to movements in consumer price index (CPI) during the period under review. Farming improvements on agricultural land are carried at 20% of the restated depreciated cost in line with prior years directors' policy, in view of the significant underutilisation of the assets, which has remained the case as at reporting date.

The policy however excludes the PTA loan funded environment controlled poultry houses constructed at Glenara Estates in 2012, which are carried at depreciated replacement cost, with no further adjustments.

In January 2015, the Group concluded negotiations with the Government of Zimbabwe regarding 1 057 hectares of land under Crest Breeders (Saturday Retreat and New Cerney) that illegal settlers had occupied resulting in a restitution settlement that saw Crest Breeders being compensated for the land by an estimated 8 500 stand occupiers at a rate of US$4/m2. At the time of settlement, 657 hectares of the land was occupied whilst 401 hectares was unoccupied. The Group signed agreement of sale contracts with the stand purchasers in the occupied areas which allowed the Group to recover agreed compensation amounts due over a three year period from March 2015. Consequently, the funds due per the agreed instalments are categorised as mortgage debtors falling in the non-current and current assets categories on the statement of financial position. Land in the occupied portion of Saturday Retreat that remained unregistered has been carried as land in development. Although contractually, customers should have fully paid for stands purchased by March 2018, a significant number had not yet done so. The unoccupied portion of Saturday Retreat is classified as inventory based on the 30 September 2015 EPG valuation assessment, which the Directors have re-valued at year end.

Various litigations against the company have been raised by parties opposed to the Government sanctioned settlement and in the process additional land previously unoccupied at the time of settlement has been occupied. The Group has not impaired its land value given the prospects of success in reaching a settlement on the contested land.

3.8 Directors' valuation of unquoted investments and non-current asset held for sale

The Group's 19% stake in Langford Estates was valued by the Directors' based on the US$ valuation established in 2015 per Dawn Properties Valuation restated for the effects of inflation based on the applicable CPI movements during the period. At Statement of Financial Position date, this balance is classified under investments.

3.9 Impairment of trade receivables

A provision for impairment is established when there is evidence of significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial re-organisation, and default or delinquency in payments.

3.10 Directors' valuation of property, plant and equipment

The Group's Directors undertook a desktop revaluation based on the 2015 Dawn Properties US$ valuations and applying the general price movements based on Consumer Price Index (CPI) taking into account applicable depreciation and impairment losses arising during the period. The Directors believe that the values carried in the Group's financial statements approximate the fair values of the Group's assets.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS MADE MANAGEMENT (Continued)

3.11 Estimation of useful lives of property, plant and equipment and intangible assets

The assets' residual values and useful lives are reviewed annually and adjusted, if appropriate, taking into account technological developments and maintenance programs. Uniform depreciation and amortisation rates are established based on the straight-line method which may not represent the actual usage of the assets. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

3.12 City council rates at Saturday Retreat – (limited provisioning of arrears – (ZWL32.6 million)

The Group was taken to court over alleged ZWL32.6 million City Council arrears in 2016 for property rates that occurred whilst the Saturday Retreat Estate land was occupied by settlers between 2002 – January 2015 (see contingent liabilities note per 21.2). Engagements with City Council are continuing from prior periods, with the Group seeking reversal of charges as it could not use the land productively for its operations or otherwise. Though discussions with council are progressive, as at statement of financial position date, the matter was not fully settled. The Group has not accrued for the ZWL32.6 million arrear rates on the belief and understanding that, given the Group only received an administrative court order conferring control of the property in January 2015, the rates will be fully reversed.

3.13 Valuation of intergroup received and payable

The company intergroup receivables and payable balances are carried at the gross amounts undiscounted. All the loans are unsecured and have no fixed repayment terms. Post the entities of Agrifoods and Victoria Foods exiting judicial management, interest on funds advanced to subsidiaries are charged at prevailing commercial rates. In addition certain transactions are tracked in foreign currency equivalents between SBUs in the interest of safeguarding value between entities.

	INFLATION ADJUSTED		HISTORICAL	
	2021 ZWL	2020 ZWL	2021 ZWL	2020 ZWL
4. OTHER OPERATING INCOME (EXPENSES)				
Loss on disposal of property, plant and equipment	-	(58,494)	-	(38,600)
Remeasurement gain on listed investments	22,117,083	32,835,004	18,199,156	9,293,837
Dividends received from listed investments	41,722	7,544	41,722	3,262
Loss on brokerage transactions	-	(2,458)	-	(597)
Rent received	128,298,579	49,144,014	115,735,958	16,264,435
Commissions received	29,396,022	727	22,198,751	120
Realised exchange gain	15,848,510	77,991,310	14,303,439	34,509,758
Un-realised exchange gain	8,307,391	-	8,819,329	-
Administration fees on mortgage accounts and recoveries of survey and title deeds costs	2,890,060	6,155,972	2,372,208	1,877,582
Sundry income	2,884,531	19,048,335	2,228,290	960,159
	209,783,898	**185,121,954**	**183,898,853**	**62,869,956**
5. OPERATING (LOSS) PROFIT				
Operating (loss) profit for the year	**(8,687,728)**	**457,114,055**	**465,029,652**	**595,294,510**
Operating (loss) profit is arrived at after taking into account:				
External audit fees	11,510,594	8,500,180	9,189,009	4,293,600
Depreciation of property, plant and equipment	116,398,263	84,134,146	77,737,754	7,903,215
Impairment of property, plant and equipment	-	48,168,948	-	4,335,408
Net leasing expenses	52,485,841	27,352,655	45,524,030	10,319,857
Realised exchange gains	15,848,510	-	14,303,439	-
Unrealised exchange loss (gains)	8,307,391	77,698,918	8,819,329	(3,661,373)
Staff costs	529,539,666	302,734,302	452,256,041	133,668,073
Pension costs				
- National Social Security Authority	5,877,072	1,095,760	5,275,347	366,400
6. NET FINANCING INCOME (COST)				
Finance income				
- Cash deposits and marketable securities	5,748	1,671	4,767	442
- Trade receivables, staff and other loans	428,234	16,595	47,260	10,951
	433,982	**18,266**	**52,027**	**11,393**
Finance cost				
- Bank and other financial institutions	(115,760,688)	(23,809,978)	(89,504,422)	(9,073,296)
- Short term loans and acceptance credits	(83,849,323)	(459,513,834)	(68,764,913)	(184,769,975)
	(199,610,011)	**(483,323,812)**	**(158,269,335)**	**(193,843,271)**
Net financing cost	**(199,176,029)**	**(483,305,546)**	**(158,217,308)**	**(193,831,878)**
7. COMPENSATION OF KEY MANAGEMENT PERSONNEL				
The remuneration of directors and other members of key management during the year was as follows:				
Key management personnel and executive directors				
Short term employee benefits	50,081,174	39,774,866	40,747,216	16,485,548
Pension costs	5,877,072	1,095,760	5,275,347	366,400
	55,958,246	**40,870,626**	**46,022,563**	**16,851,948**
Non-executive directors				
Fees and disbursments	1,170,558	2,019,983	984,235	629,885
Total compensation of key management and executive directors	**57,128,804**	**42,890,609**	**47,006,798**	**17,481,833**

			INFLATION ADJUSTED		HISTORICAL	
		Notes	2021 ZWL	2020 ZWL	2021 ZWL	2020 ZWL
8.	**INCOME TAX**					
8.1	**Tax expense**					
	Current		140,831,942	129,030,867	123,724,859	86,772,418
	Capital gains tax		47,800	-	39,475	-
	Withholding taxation on interest income		57,770	4,204	49,488	1,675
	Intermediated money transfer tax (IMTT)		126,200,805	60,413,711	109,054,121	20,487,990
	Deferred tax (credit) expense relating to current temporary differences	20.2	(76,663,591)	74,374,361	(122,338,276)	18,784,872
			190,474,726	**263,823,143**	**110,529,667**	**126,046,955**
8.2	**Tax rate reconciliation**		%	%	%	%
	Notional tax at statutory rates		24.72	24.72	24.72	24.72
	Income not subject to taxation		0.86	(0.29)	(0.55)	(0.73)
	Effect of expenses not deductible in determining taxable profit		17.35	0.58	(3.96)	0.49
	Items subject to tax at special rates and other reconciling items		(139.71)	19.38	15.80	6.91
	Effective rate		**(96.78)**	**44.39**	**36.01**	**31.39**

9. DIVIDENDS

In view of the need to conserve capital for further Group recapitalisation, the Directors consider it imprudent to declare a dividend for the year just ended.

10. (LOSS) EARNINGS PER SHARE

		INFLATION ADJUSTED 2021 ZWL	INFLATION ADJUSTED 2020 ZWL	HISTORICAL 2021 ZWL	HISTORICAL 2020 ZWL
10.1	(Loss) earnings for the year attributable to equity holders of the parent	(387,289,335)	330,555,093	196,411,712	275,519,286
	Number of shares used in calculating earnings per share				
10.2	Weighted average number of shares in issue shares	106,820,875	106,820,875	106,820,875	106,820,875
10.3	Basic (loss) earnings per share (ZWL cents)	(362.56)	309.45	183.87	257.93
10.4	Diluted (loss) earnings per share (ZWL cents)	(362.56)	309.45	183.87	257.93
10.5	Headline (loss) earnings per share (ZWL cents)	(362.56)	309.45	183.87	257.93

Basic earnings (loss) per share is calculated by dividing the earnings (loss) for the year attributable to equity holders of the parent by the weighted average shares in issue while diluted earnings per shares is calculated by using the same attributable earnings (loss) divided by the weighted average number of shares adjusted for the dilutive effects of issuable equity instruments.

There were no issuable equity instruments at statement of financial position date.

11. PROPERTY, PLANT AND EQUIPMENT

11.1 Movement in carrying amounts

11.1.1 INFLATION-ADJUSTED	Milling Properties	Farm improvements	Other Properties	Plant Equipment & Vehicles	Furniture Fittings & Other	Total
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
The Group						
Carrying amount at 30 September 2019	**374,080,821**	**108,685,759**	**1,155,097,000**	**125,180,719**	**30,453,837**	**1,793,498,136**
Acquisition of control in subsidiaries	144,142,739	-	88,184,507	166,908,714	1,192,518	**400,428,478**
Additions	-	-	-	52,941,263	56,873,374	**109,814,637**
Impairment	-	-	(943,594)	(46,805,895)	(418,750)	**(48,168,239)**
Disposals	-	-	-	(58,495)	-	**(58,495)**
Depreciation expense	(16,680,572)	(14,651,156)	(24,975,418)	(20,728,754)	(7,098,246)	**(84,134,146)**
Carrying amount at 30 September 2020	**501,542,988**	**94,034,603**	**1,217,362,495**	**277,437,552**	**81,002,733**	**2,171,380,371**
Acquisition of control in subsidiaries	-	260,206,500	99,964,469	95,915,318	12,212,100	**468,298,387**
Additions	-		-	93,772,591	48,303,089	**142,075,680**
Depreciation expense	(16,332,958)	(13,135,582)	(28,611,333)	(43,809,358)	(14,509,034)	**(116,398,265)**
Carrying amount at 30 September 2021	**485,210,030**	**341,105,521**	**1,288,715,631**	**423,316,103**	**127,008,888**	**2,665,356,173**
The Company						
Carrying amount at 30 September 2019	**-**	**-**	**1,254,416**	**1,918,242**	**667,234**	**3,839,892**
Disposals	-	-	-	(58,494)	-	**(58,494)**
Depreciation charge	-	-	-	(386,856)	(79,604)	**(466,460)**
Carrying amount at 30 September 2020	**-**	**-**	**1,254,416**	**1,472,892**	**587,630**	**3,314,938**
Additions	-	-	-	-	366,562	**366,562**
Depreciation charge	-	-	-	-	(82,500)	**(82,500)**
Carrying amount at 30 September 2021	**-**	**-**	**1,254,416**	**1,472,892**	**871,692**	**3,599,000**

Analysis of balance as at 30 September 2021

	Milling Properties	Farm improvements	Other Properties	Plant Equipment & Vehicles	Furniture Fittings & Other	Total
The Group						
Gross carrying amount	**563,781,497**	**350,773,445**	**1,314,645,526**	**575,332,057**	**144,970,970**	**2,949,503,495**
Accumulated depreciation	(78,571,467)	(9,667,924)	(25,929,895)	(152,015,954)	(17,962,082)	**(284,147,322)**
Net carrying amount	**485,210,030**	**341,105,521**	**1,288,715,631**	**423,316,103**	**127,008,888**	**2,665,356,173**
The Company						
Gross carrying amount	**-**	**-**	**1,254,416**	**8,543,241**	**3,776,891**	**13,574,548**
Accumulated depreciation	-	-	-	(7,070,349)	(2,905,199)	**(9,975,548)**
Net carrying amount	**-**	**-**	**1,254,416**	**1,472,892**	**871,692**	**3,599,000**

11. PROPERTY, PLANT AND EQUIPMENT (Continued)

11.1.2 HISTORICAL	Milling Properties ZWL	Farm improvements ZWL	Other Properties ZWL	Plant Equipment & Vehicles ZWL	Furniture Fittings & Other ZWL	Total ZWL
The Group						
Carrying amount at 30 September 2019	**32,136,343**	**10,083,231**	**100,369,883**	**10,645,505**	**2,607,752**	155,842,714
Acquisition of control of subsidiaries	12,525,000	-	7,662,749	14,258,907	347,929	**34,794,585**
Additions	-	-	2,257,286	11,706,997	20,169,972	**34,134,255**
Revaluation increase	284,264,615	59,136,596	698,146,077	141,869,857	36,964,577	**1,220,381,722**
Impairment	-	-	(1,348)	(4,233,654)	(100,407)	**(4,335,409)**
Disposals	-	-	-	(38,600)	-	**(38,600)**
Depreciation expense	(1,449,381)	(1,296,609)	(2,169,989)	(2,083,179)	(904,056)	**(7,903,214)**
Carrying amount at 30 September 2020	**327,476,577**	**67,923,218**	**806,264,658**	**172,125,833**	**59,085,767**	**1,432,876,053**
Acquisition of control of subsidiaries	-	171,708,179	65,965,422	63,293,742	8,058,614	**309,025,957**
Additions	-	7,549,136	-	54,436,970	45,033,769	**107,019,875**
Revaluation surplus	163,450,544	122,751,714	438,661,601	134,408,721	34,899,462	**894,172,042**
Depreciation expense	(11,055,851)	(9,518,337)	(18,878,109)	(27,190,697)	(11,094,760)	**(77,737,754)**
Carrying amount at 30 September 2021	**479,871,270**	**360,413,910**	**1,292,013,572**	**397,074,569**	**135,982,852**	**2,665,356,173**
The Company						
Carrying amount at 30 September 2019	**-**	**-**	**109,000**	**166,600**	**58,060**	333,660
Revaluation increase	-	-	718,800	844,200	336,357	**1,899,357**
Disposals	-	-	-	(38,600)	-	**(38,600)**
Depreciation charge	-	-	-	-	(6,917)	**(6,917)**
Carrying amount at 30 September 2020	**-**	**-**	**827,800**	**972,200**	**387,500**	**2,187,500**
Additions	-	-	-	-	349,336	**349,336**
Revaluation increase	-	-	426,600	500,900	192,342	**1,119,842**
Depreciation charge	-	-	-	-	(57,678)	**(57,678)**
Carrying amount at 30 September 2021	**-**	**-**	**1,254,400**	**1,473,100**	**871,500**	**3,599,000**
Analysis of balance as at 30 September 2021						
The Group						
Gross carrying amount	499,844,699	429,397,915	1,325,272,733	520,982,477	155,878,558	**2,931,376,382**
Accumulated depreciation	(19,973,429)	(68,984,005)	(33,259,161)	(123,907,908)	(19,895,706)	**(266,020,209)**
Net carrying amount	**479,871,270**	**360,413,910**	**1,292,013,572**	**397,074,569**	**135,982,852**	**2,665,356,173**
The Company						
Gross carrying amount	-	-	1,254,400	8,543,449	3,776,700	**13,574,549**
Accumulated depreciation	-	-	-	(7,070,349)	(2,905,200)	**(9,975,549)**
Net carrying amount	**-**	**-**	**1,254,400**	**1,473,100**	**871,500**	**3,599,000**

11.2 Consistent with prior year, the Group carried out a directors' desktop revaluation of its property, plant and equipment by reference to movements in consumer price index (CPI) during the period to determine revaluation factors that were to be applied to prior year carrying amounts, and to additions during the year for purposes of determining the carrying amounts as of statement of financial position date.

The Group's last independent valuation of its properties and plant and equipment was performed by EPG Global to determine the fair values and the depreciated replacement costs of the properties, plant and equipment as at 30 September 2015. The valuation, which conformed to International Valuation Standards, was determined by reference to market transactions on arm's length terms on the part of properties while for plant and equipment, the carrying amounts processed relate to the depreciated replacement cost (DRC) which took into account the gross replacement cost of plants and equipment net of depreciation factoring age, obsolescence, use and condition of the plants and equipment.

11.3 As previously communicated, some of the Group's land belonging to Glenara Estates and Hubbard Zimbabwe was identified for compulsory acquisition under section 5 of the Land Acquisition Act (Chapter 20.10).

The constitution of Zimbabwe amendment (no.17) states that the title of any such identified land vests with the state. There has been physical occupation on a portion of Glenara Estates and Hubbard Zimbabwe.

This development puts at risk the Group's broiler production and cropping programs and could negatively affect the Group's bio security measures and its ability to export into the region. Negotiations are ongoing with the authorities to minimise interference with the Group's operations and to pursue reversal of the gazetting given the contribution the Group is making to improving food security in the country.

Consequently, the financial statements have been prepared on a going concern basis.

11. PROPERTY, PLANT AND EQUIPMENT (Continued)

11.4 Included in furniture, fittings and other is capital work in progress balance of ZWL15,337,630 (2020 - ZWL11,440,097).

11.5 As as Statement of Financial Position date, some assets were pledged as security against loans and guarantees by the Group as follows;
a) Industrial property in Bulawayo worth ZWL138.7 million was pledged as security against the ZWL2.3 million loan from IDC.
b) Industrial property in Mbare (Harare) worth ZWL341,0 million was pledged as security against the ZWL15 million loan from CABS.
c) Commercial property in Harare worth ZWL91.0 million was pledged as security against the ZWL5 million loan from NMB Bank.
d) Commercial property in Harare worth ZWL168.0 million was pledged as security against a guarantee given to a supplier worth ZWL100 million.

12. INVESTMENTS

12.1 NON-CURRENT UNLISTED INVESTMENTS

	GROUP		COMPANY	
	2021	2020	2021	2020
	ZWL	ZWL	ZWL	ZWL
12.1.1 INFLATION-ADJUSTED				
Unquoted available-for-sale investments (19% Langford Estates (Private) Limited)	211,766,542	211,766,542	-	-
Loan to Maitlands Zimbabwe	-	-	798,478	798,478
	211,766,542	**211,766,542**	**798,478**	**798,478**
12.1.2 HISTORICAL				
Unquoted available-for-sale investments (19% Langford Estates (Private) Limited)	211,766,542	139,743,000	-	-
Loan to Maitlands Zimbabwe	-	-	15,305	15,305
	211,766,542	**139,743,000**	**15,305**	**15,305**

Unquoted available-for-sale investments (19% Langford Estates (Private) Limited)
The Group disposed of its 81% stake in Langford Estates in 2016. In 2017, the Company received notification from the major shareholder Group (Messina & its allies) of its intentions to have the transaction reversed citing certain disclosure deficiencies around conflict of interest by some of the shareholders and technicalities on the resolutions tabled by the Company. In prior year, the company held an extraordinary general meeting (EGM) regarding the reversal of the Langford transction on 29 May 2020, and the Group secured the requisite resolutions enabling it to continue pursuing the reversal of the sale. The legal procedings remain pending before the relevant tribunals. Shareholders will be updated with progress on the matter in due course.

Loan to Maitlands Zimbabwe
This is a shareholders' loan extended by the Holding Company as part of its joint venture obligations to Maitlands Zimbabwe. The loan attracts no interest and has no fixed repayment terms.

12.2 JOINT OPERATIONS AND JOINT VENTURES

The Group's material joint operations and joint ventures at the end of the reporting period is as follows:

Name of joint venture	Principal Activity	Place of Incorporation and principal place of business	Proportion of ownership interest and voting rights held by the Group 2021	Proportion of ownership interest and voting rights held by the Group 2021	Classification
Glenara Estates (Private) Limited t/a Glenpol Crops	Horticultural activities	Harare Zimbabwe	65%	65%	Joint operations
Glenara Estates (Private) Limited t/a Glenpol Cattle	Cattle rearing	Harare Zimbabwe	50%	N/A	Joint venture
Reston Developers (Private) Limited	Development of residential stands	Harare Zimbabwe	50%	50%	Joint venture
Maitlands Zimbabwe (Private) Limited	Development of residential stands	Harare Zimbabwe	45%	45%	Joint venture

Joint operations are proportionately consolidated whilst joint ventures are accounted for using the equity method in these consolidated financial statements.

Summarised financial information in respect of the Group's material joint operations and joint ventures is set below. The summarised financial information below represents amounts shown in the joint operation and joint venture's financial statements prepared in accordance with IFRS (adjusted by the Group for equity accounting purposes).

The following amounts are included in the Group's financial statements as a result of the proportionate consolidation of joint ventures.

INFLATION ADJUSTED	2021 ZWL Joint operations (proportionately consolidated)	2021 ZWL Joint ventures (equity accounted)	2020 ZWL Joint operations (proportionately consolidated)	2020 ZWL Joint ventures (equity accounted)
Non-current assets	-	-	-	-
Current assets	89,398,877	-	177,396,046	-
Non-current liabilities	5,295,841	-	(5)	-
Current Liabilities	88,009,175	-	89,607,943	-
The above amounts of assets and liabilities include the following:				
Cash and cash equivalents [excluding trade and other payables and provisions]	2,366,529	-	-	-
Revenue				
Earnings before depreciation, interest, depreciation, tax and amortisation	**148,800,418**	**2,623,096**	**128,815,965**	**14,472,452**
Depreciation expense	-	(369,450)	-	(31,822)
Finance cost	-	(22)	-	(33)
Profit before tax	**148,800,418**	**2,253,624**	**128,815,965**	**4,440,597**
Tax expense	(30,152,242)	(79,960)	(28,751,369)	(75,431)
Profit after tax	**118,648,176**	**2,173,664**	**100,064,596**	**14,365,166**

12.2 JOINT OPERATIONS AND JOINT VENTURES (Continued)

Reconciliation of the above summarised information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements

	2021			2020		
	Share of Group's interest	Net assets of joint venture ZWL	Carrying amount (Group's interest in JV) ZWL	Share of Group's interest	Net assets of joint venture ZWL	Carrying amount (Group's interest in JV) ZWL
Maitlands Zimbabwe (Private) Limited	45%	1,363,418	613,538	45%	(59,581,891)	(26,811,851)
Reston Developers (Private) Limited	50%	2,267,495	1,133,748	50%	52,770,945	26,385,473
			1,747,286			**(426,377)**
The Company						
Investment in Maitlands Zimbabwe (Private) Limited			(26,541,441)			(26,541,438)
Investment in Reston Developers (Private) Limited			(3,724,830)			(3,724,830)
			(30,266,271)			**(30,266,268)**

The following amounts are included in the Group's financial statements as a result of the proportionate consolidation of joint ventures

HISTORICAL	2021 ZWL Joint operations (proportionately consolidated)	ZWL Joint ventures (equity accounted)	2020 ZWL Joint operations (proportionately consolidated)	ZWL Joint ventures (equity accounted)
Non-current assets				
Current assets	100,429,939	-	116,986,082	-
Non-current liabilities	5,959,339	-	-	-
Current Liabilities	-	-	59,153,192	-
The above amounts of assets and liabilities include the following:				
Cash and cash equivalents [excluding trade and other payables and provisions]	2,366,529	-	-	-
Revenue				
(Loss) earnings before depreciation, interest, depreciation, tax and amortisation	574,676	133,279,116	76,823,818	166,304
Depreciation expense	(369,450)	-	-	(20,999)
Finance cost	(51)	-	-	(16)
(Loss) profit before tax	**205,175**	**133,279,116**	**76,823,818**	**145,289**
Tax expense	(76,140)	(16,593,637)	(18,990,847)	(41,680)
(Loss) profit after tax	**129,035**	**116,685,479**	**57,832,971**	**103,609**

Reconciliation of the above summarised information to the carrying amount of the interest in the joint venture recognised in the consolidated financial statements

	2021			2020		
	Share of Group's interest	Net assets of joint venture ZWL	Carrying amount (Group's interest in JV) ZWL	Share of Group's interest	Net assets of joint venture ZWL	Carrying amount (Group's interest in JV) ZWL
Maitlands Zimbabwe (Private) Limited	45%	(801,969)	(360,886)	45%	(1,364,527)	(614,037)
Reston Developers (Private) Limited	50%	(471,641)	(235,821)	50%	(223,410)	(111,705)
			(596,707)			**(725,742)**
The Company			**2021**			**2020**
Investment in Maitlands Zimbabwe (Private) Limited			(508,738)			(508,739)
Investment in Reston Developers (Private) Limited			(71,397)			(71,397)
			(580,135)			**(580,135))**

12.3 PRINCIPAL OPERATING COMPANIES

Included under investments are the following principal operating subsidiary companies and joint ventures:

	% Held	Net asset value INFLATION ADJUSTED 2021 ZWL	2020 ZWL	Net asset value HISTORICAL 2021 ZWL	2020 ZWL	Principal activities
Consolidated Farming Investments Limited trading as Farm & City and Vetco	100	1,444,431,767	1,144,588,944	1,259,741,536	740,137,338	Wholesaling and retailing of consumer and hardware products
Crest Poultry Group (Private) Limited t/a: Agrifoods, (Incorporating Agrimix, Crest Breeders, Glenara Estates, Hubbard Zimbabwe and Suncrest Chickens)	100	(47,347,052)	136,278,320	(47,347,051)	73,189,676	The manufacturing of stock-feeds, provision of animal health requisites, poultry breeding, production processing and retailing of poultry products.
Honey Dew Farm (Private) Limited	100	-	-	-	-	Production and sale of fresh farm produce and retailing of consumer products.
Dormant property owning entities in the Properties and Farming divisions (leasing to Crest Poultry Group P/L)	**100**	**915,660,838**	**1,218,557,382**	**855,941,789**	**686,810,328**	
Crest Breeders (Private) Limited		621,063,521	560,665,975	455,970,864	260,862,674	Holds land for development
Yorkbury Investments (Private) Limited		255,656,170	268,370,934	259,488,702	179,302,709	Holds property used by CPG t/a Agrifoods
Glenara Estates (Private) Limited		(130,959,751)	211,152,313	(26,591,616)	130,226,347	Holds property used by CPG t/a Glenara Estates
Agrifoods (Private) Limited		107,454,373	108,888,981	104,595,228	70,499,108	Holds property used by CPG t/a Agrifoods
Manicaland Farmers Coop Investments (Private) Limited		53,521,338	60,383,078	53,521,193	39,846,298	Property investment Company leased to CFI Retail
Suncrest Chickens (Private) Limited		8,925,187	9,096,101	8,957,418	6,073,193	Holds property used by CPG t/a Suncrest
Maitlands Zimbabwe (Private) Limited	45	515,310	2,300,876	450,592	132,465	Joint venture involved in property management and development.
Reston Developers (Private) Limited	50	1,133,748	26,385,472	(235,820)	(111,705)	Joint venture involved in property development
Victoria Foods (Private) Limited	100	204,036,724	13,597,416	204,036,416	5,241,730	Wheat and maize milling, wholesaling of snack foods and other food stuffs.
Amtec Manufacturing (Private) Limited	100	73,861,946	76,174,678	72,700,835	51,198,979	Property investment Company leased to Victoria Foods (Private) Limited
Other Property owning dormant entities		**73,383,714**	**111,205,681**	**114,991,684**	**73,590,532**	
Riversand	100	14,617,780	22,151,784	20,765,742	14,755,709	Renting of properties mainly to Group Companies.
United Western Farmers	100	45,549,820	69,026,197	61,758,158	45,619,903	Renting of properties mainly to Group Companies.
Valley Stores	100	9,070,195	13,744,974	27,128,612	9,070,195	Renting of properties mainly to Group Companies.
FCC Holdings Limited	100	4,145,919	6,282,726	5,339,172	4,144,725	Renting of properties mainly to Group Companies.

13. INVENTORIES AND BIOLOGICAL ASSETS

	Note	GROUP 2021 ZWL	GROUP 2020 ZWL	COMPANY 2021 ZWL	COMPANY 2020 ZWL
INFLATION ADJUSTED					
Finished goods		1,679,852,352	1,955,349,735	-	-
Raw materials and consumables		200,114,781	156,601,286	-	-
Goods in transit		1,971,215	11,667,296	-	-
Biological assets		73,778,522	103,008,106	-	-
Land in development	11.1	190,282,907	190,282,907	-	-
		2,145,999,777	**2,416,909,330**	**-**	**-**
HISTORICAL					
Finished goods		1,434,775,799	771,110,985	-	-
Raw materials and consumables		199,811,536	126,042,657	-	-
Goods in transit		1,715,748	5,125,759	-	-
Biological assets		84,809,585	67,898,088	-	-
Land in development	11.1	16,534,409	16,534,258	-	-
		1,737,647,077	**992,711,747**	**-**	**-**

Inventory comprises of land in development relating to occupied and unoccupied portion of Saturday Retreat Estate valued at ZWL$190.3 million (2020: ZWL$190.3 million) on which Government reached settlement with Crest Breeders. Crest Breeders will be proceeding with the implementation of the residential development project in the 2022 financial year.

Land in development inventory contains capitalised costs of development. The Group is obliged to provide development services on Saturday Retreat Estate in terms of the settlement deed completed in January 2015.

Residents are equally responsible for providing funding for development services beyond the land compensation currently being recovered.

14. TRADE AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2021	2020	2021	2020
INFLATION ADJUSTED	ZWL	ZWL	ZWL	ZWL
Current				
Trade receivables	173,934,269	17,576,093	-	-
Property related receivables	13,350,929	20,284,331	-	-
Other	144,147,863	269,490,451	1,061,342	1,644,933
	331,433,061	**307,350,875**	**1,061,342**	**1,644,933**
Allowance for doubtful debts	(13,139,145)	(19,963,395)	(23,175)	(35,120)
	318,293,916	**287,387,480**	**1,038,167**	**1,609,813**
Non-current				
Other receivables (Including intergroup receivables - for Holding company)	-	-	101,702,511	71,254,308
	-	-	101,702,511	71,254,308
Total	**318,293,916**	**287,387,480**	**102,740,678**	**72,864,121**
Movement in allowance for doubtful debts				
Carrying amount at the beginning of the year	(19,963,395)	155,135,518	(35,119)	(321,384)
Impairment losses reversed	6,824,250	135,172,123	11,944	286,264
Carrying amount at the end of the year	**(13,139,145)**	**(19,963,395)**	**(23,175)**	**(35,120)**
HISTORICAL				
Current				
Trade receivables	175,543,626	11,552,367	-	-
Property related receivables	13,071,672	14,883,635	-	-
Other	144,427,119	176,338,014	1,061,342	1,085,478
	333,042,417	**202,774,016**	**1,061,342**	**1,085,478**
Allowance for doubtful debts	(14,748,501)	(13,129,381)	(23,175)	(23,175)
	318,293,916	**189,644,635**	**1,038,167**	**1,062,303**
Non-current				
Other receivables (Including intergroup receivables - for Holding company)	-	-	101,702,511	47,020,133
	-	-	101,702,511	47,020,133
Total	**318,293,916**	**189,644,635**	**102,740,678**	**48,082,436**
Movement in allowance for doubtful debts				
Carrying amount at the beginning of the year	(13,129,381)	(13,480,189)	(23,175)	(212,078)
Impairment losses for the year	(1,619,120)	350,808	-	188,903
Carrying amount at the end of the year	**(14,748,501)**	**(13,129,381)**	**(23,175)**	**(23,175)**

The average credit period on sales of goods is 30 days, excluding that of residential stand sales. No interest is charged on trade receivables for the first 30 days from the date of the invoice. Thereafter, interest is charged monthly at market-related interest rates on the outstanding balance. The Group has provided fully for all receivables over 90 days except for those that are adequately securitised or those with whom acceptable payments plans are in place and debtors are servicing the commitments satisfactorily in line with the agreed debt settlement plans.

As at 30 September 2021, there were no trade receivables that were past due and meeting the above described criteria that were not provided for. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the directors believe that there is no further credit provision required in excess of the allowance for doubtful debts. The Group holds bank guarantees and other forms of security from customers who owe it material amounts at year-end.

Property related debtors relate to mortgage debtors extended over a 3 year time frame at no interest and amounts receivable in respect of letting of properties. Overdue mortgage debtors are subject to cost escalations in line with time value of money adjustments at settlement stage. Transfer for mortgage related properties will only be effected upon the full land compensation and development costs being fully settled. No further estimated credit losses have been considered on mortgage property related debtors as the debts are secured by the properties' title which the Group holds until the amount receivable is fully settled.

At the Statement of Financial Position date, there were no trade receivables past due but not impaired.

15. SHARE CAPITAL

	INFLATION ADJUSTED		HISTORICAL	
	2021 ZWL	2020 ZWL	2021 ZWL	2020 ZWL
15.1 Ordinary shares of ZWL$0.01 each Authorised - 200 000 000 shares	2,000,000	2,000,000	2,000,000	2,000,000
Issued and fully paid -106 820 875 (2020 - 106 820 875)	55,729,562	55,729,562	1,068,209	1,068,209

15.2 Share based payments

Equity-settled share option scheme

The Company's share option scheme for senior employees in the Group lapsed in 2019. Options were exercisable at a price equal to the average quoted market price of the Company's shares on the date of grant.

Each employee share option converted into one ordinary share of CFI Holdings Limited on exercise.

No amounts were paid or payable by the recipient on receipt of the option. The vesting period varied between 1 and 3 years. If the options remain unexercised after a period of five years from the date of grant, the options would expire and lapse. The options carried neither rights to dividends nor voting rights. Options are immediately forfeited if the employee leaves the Group before the options vest, unless otherwise determined by the Board.

9 200 000 share options were granted to the Employee Share Option Scheme by shareholders at an extra-ordinary general meeting held on the 15th of September 2008. Annually, the remuneration committee would meet to consider and approve issue of share options in terms of the Share Option Scheme rules in line with recommendations from senior management. The allocations are meant to reward executives and senior employees to the extent of the Group's and the individual's achievement judged against both qualitative and quantitative criteria mainly focusing on improvement in financial performance and other market indicators for the Group.

The following share-based payment arrangements were in existence during the prior reporting period:

Option series

	Number	Grant date	Expiry date	Exercise Price ZWL	Fair value at grant date ZWL
Issued 31 March 2014	1,800,000	31 Mar 2014	1 Oct 2019	0.03	0.03

All options issued in 2014 vested after a year of issue, and expired within five years of their issue, or upon resignation of the executive or senior employee, whichever was the earlier.

Options available for allotment:	2021	2020
Opening balance	**10,607,380**	**10,607,380**
Share options exercised during the year	-	-
Closing balance	**10,607,380**	**10,607,380**

There were no options outstanding at the end of the year after the last scheme lapsed in October 2019.

These fair values for shares granted in prior year were calculated using the Black-Scholes – Merton option pricing model.

The inputs into the model, that is expected volatility, expected life and risk free rate all had nil values at statement of financial position date.

Expected volatility in prior periods was determined by calculating the historical volatility of the Company's share price using prices per ZSE. The expected life used in the model was adjusted, based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations.

The Group and the Company did not recognise share based remuneration expense in current and prior period as the were no share options grants during the period. In prior years however, share based remuneration expense relating to equity-settled share-based payments were recognised. This cost was included as part of staff costs under administrative expenses.

16. NON-DISTRIBUTABLE RESERVES

	Notes	GROUP 2021 ZWL	GROUP 2020 ZWL	COMPANY 2021 ZWL	COMPANY 2020 ZWL
INFLATION-ADJUSTED					
Balance at beginning of year		**2,933,488,929**	**2,270,968,389**	**3,798,967,189**	**3,798,967,189**
Acquisition of control of subsidiaries		263,119,582	655,629,322	-	-
Effects of changes in income tax rate		-	6,891,218	-	-
Balance at end of year		**3,196,608,511**	**2,933,488,929**	**3,/98, 967,189**	**3,798,967,189**
Comprising:		**3,196,608,511**	**2,933,488,929**	**3,/98, 967,189**	**3,798,967,189**
Functional currency reserves		3,168,210,911	2,905,091,328	3,/98, 967,189	3,800,286,557
Revaluation reserve		28,397,601	28,397,601	(1,319,368)	(1,319,368)
HISTORICAL					
Balance at beginning of year		**1,348,169,505**	**190,245,290**	**74,644,152**	**73,072,568**
Acquisition of control of subsidiaries		238,005,198	32,603,522	-	-
Effects of changes in income tax rate		-	597,281	-	-
Revaluation of property, plant and equipment		732,402,503	1,009,448,512	927,141	1,571,584
Gain on equity investment designated as FVTOCI		68,422,365	115,274,900	-	-
Balance at end of year		**2,386,999,571**	**1,348,169,505**	**75,571,293**	**74,644,152**
Comprising:		**2,386,999,571**	**1,348,169,505**	**75,571,293**	**74,644,152**
Functional currency reserves		43,117,063	43,117,063	72,812,316	72,812,316
Revaluation reserve		2,343,882,518	1,305,052,442	2,758,977	1,831,836

17. DEFERRED TAX LIABILITIES

The following is the analysis of deferred tax assets and liabilities presented in the statements of financial position.

17.1 INFLATION ADJUSTED

	Notes	GROUP 2021 ZWL	GROUP 2020 ZWL	COMPANY 2021 ZWL	COMPANY 2020 ZWL
Deferred tax liabilities		**541,946,291**	**507,600,546**	**201,260,505**	**191,392,654**

17.1.1 Analysis of movement during the year

	Notes	GROUP 2021 ZWL	GROUP 2020 ZWL	COMPANY 2021 ZWL	COMPANY 2020 ZWL
Balance at beginning of year		**507,600,546**	**343,781,960**	**191,392,655**	**193,297,356**
Acquisition of control of subsidiaries		109,810,835	96,469,494	-	-
Deferred tax charge (credit) to the statement of profit or loss and other comprehensive income	8.1	(76,663,591)	74,374,361	9,867,850	(2,475,947)
Effects of changes in income tax rate		-	(6,891,216)	-	-
Other deferred tax movements		1,198,501	(134,052)	-	571,245
Balance at the end of the year		**541,946,291**	**507,600,546**	**201,260,505**	**191,392,655**

17.1.2 Analysis of deferred tax laibilities at end of year

	Notes	GROUP 2021 ZWL	GROUP 2020 ZWL	COMPANY 2021 ZWL	COMPANY 2020 ZWL
Property, plant, equipment and vehicles		454,648,658	405,705,093	-	-
Investments		18,139,102	10,588,327	201,260,505	191,392,655
Biological assets, agricultural produce and inventory		75,216,645	108,232,041	-	-
Assessed tax losses and unrealised exchange gains and losses		(3,379,829)	(18,074,976)	-	-
Customer deposits and accounts receivables		798,861	1,572,408	-	-
Prepaid expenses		(3,477,146)	(422,347)	-	-
		541,946,291	**507,600,546**	**201,260,505**	**191,392,655**

17. DEFERRED TAX LIABILITIES (Continued)

		GROUP		COMPANY	
		2021 ZWL	2020 ZWL	2021 ZWL	2020 ZWL
17.2 HISTORICAL					
Deferred tax liabilities		379,190,109	264,600,228	11,668,224	2,448,177
17.2.1 Analysis of movement during the year					
Balance at beginning of year		**264,600,228**	**21,240,307**	**2,448,176**	**3,705,070**
Acquisition of control of subsidiaries		71,516,867	8,455,651	-	-
Deferred tax arising from revaluation of property, plant and equipment		161,808,905	210,952,301	192,699	327,774
Deferred tax (credit) charge to the statement of profit or loss and other comprehensive income	8.1	(122,337,069)	17,884,869	9,027,349	(1,584,668)
Deferred tax arising from remeasurement changes in investments		3,601,178	6,067,100	-	-
Balance at the end of the year		**379,190,109**	**264,600,228**	**11,668,224**	**2,448,176**
17.2.2 Analysis of deferred tax laibilities at end of year					
Property, plant, equipment and vehicles		465,369,802	266,596,243	-	-
Investments		17,948,625	6,987,150	11,475,519	2,448,176
Biological assets, agricultural produce and inventory		6,785,539	(137,269)	-	-
Assessed tax loss and unrealised exchange gains and losses		(108,340,619)	(9,691,405)	-	-
Customer deposits and accounts receivables		898,161	1,121,994	-	-
Prepaid expenses		(3,471,399)	(276,485)	-	-
		379,190,109	**264,600,228**	**11,475,519**	**2,448,176**

18. TRADE AND OTHER PAYABLES

	GROUP 2021 ZWL	GROUP 2020 ZWL	COMPANY 2021 ZWL	COMPANY 2020 ZWL
18.1 INFLATION ADJUSTED				
Current				
Trade payables	1,120,666,192	714,011,341	896,458	-
Accruals and other provisions	185,974,725	146,700,149	32,534,742	14,864,958
	1,306,640,917	**860,711,490**	**33,431,200**	**14,864,958**
Non-current				
Trade payables	3,862,344	6,722,628	-	-
Intergroup balances payable	-	-	79,292,692	96,723,615
	3,862,344	**6,722,628**	**79,292,692**	**96,723,615**
Total trade and other payables	**1,310,503,261**	**867,434,118**	**112,723,892**	**111,588,573**
Analysis of accruals and other provisions				
Statutory obligations	2,731,707	685,875	2,456,410	485,561
Utilities related obligations	28,269,681	3,189,414	-	-
Retrenchment provision	1,521,521	1,544,561	1,521,521	1,544,561
Accrued operating expenses	92,902,692	101,797,367	10,277,280	-
Employees related obligations, excluding statutories	36,231,163	23,214,928	17,355,431	928,066
Other	24,317,961	16,268,004	924,100	11,906,771
	185,974,725	**146,700,149**	**32,534,742**	**14,864,959**

18. TRADE AND OTHER PAYABLES (Continued)

	GROUP		COMPANY	
	2021	2020	2021	2020
	ZWL	ZWL	ZWL	ZWL
18.2 HISTORICAL				
Current				
Trade payables	1,120,666,192	471,170,213	896,458	-
Accruals and other provisions	185,974,725	96,806,222	32,534,742	9,809,264
	1,306,640,917	**567,976,435**	**33,431,200**	**9,809,264**
Non-current				
Trade payables	3,862,344	4,436,207	-	-
Intergroup balances payable	-	-	79,292,694	63,827,118
	3,862,344	**4,436,207**	**79,292,694**	**63,827,118**
Total trade and other payables	**1,310,503,261**	**572,412,642**	**112,723,894**	**73,636,382**
Analysis of accruals and other provisions				
Statutory obligations	6,326,453	452,603	2,456,410	320,418
Utilities related obligations	28,269,681	2,104,668	-	-
Retrenchment provision	2,685,842	1,019,243	1,521,521	1,019,243
Accrued operating expenses	121,032,545	67,175,246	10,277,280	-
Employees related obligations, excluding statutories	22,466,291	15,319,340	17,355,431	612,423
Other	5,193,913	10,735,122	924,100	7,857,180
	185,974,725	**96,806,222**	**32,534,742**	**9,809,264**

Non-current trade and other payables for the Company relate to intergroup balances owing only. These attract no interest and have no fixed term of repayment.

The average credit period on purchases of certain goods ranges from 7 to 30 days. The Group has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. The directors believe that carrying amounts of trade and other payables approximate their fair values.

Included in trade and other payables are costs related to the recovery of properties, which will be realised in the same manner as the compensation for the land is recovered.

19. BORROWINGS

The table below summarizes the movements in the Group's third party borrowings during the period:

19.1 INFLATION-ADJUSTED

Balance at the beginning of the year	**444,868,326**	**128,130,677**	**-**	**-**
Acquisition of subsidiary previously under judical management	39,614	-	-	-
Loans raised during the period	1,131,048,346	457,831,715	-	
Loans repaid during the period	(832,194,902)	(141,094,066)	-	-
Balance at the end of the period	**743,761,384**	**444,868,326**	**-**	
Short-term borrowings	92,310,516	444,868,326	-	-
Long-term borrowings	651,450,868	-	-	-
Total borrowings	**743,761,384**	**444,868,326**	**-**	**-**

19.2 HISTORICAL

Balance at the beginning of the year	**293,564,951**	**84,552,380**	**-**	**-**
Acquisition of subsidiary previously under judical management	39,614	-	-	-
Loans raised during the period	890,163,548	302,119,385	-	-
Loans repaid during the period	(440,006,729)	(93,106,814)	-	-
Balance at the end of the period	**743,761,384**	**293,564,951**	**-**	**-**
Short-term borrowings	92,310,516	293,564,951	-	-
Long-term borrowings	651,450,868	-	-	-
Total borrowings	**743,761,384**	**293,564,951**	**-**	**-**

19. BORROWINGS (Continued)

19.3 During the year, the Group accessed additional borrowings from Omani, NMB and CABS to finance the Group's working capital requirements. As at Statement of Financial Position date, the Group pledged some of its assets as security against borrowings as follows;
a) Industrial property in Bulawayo worth ZWL138.7 million was pledged as security against the ZWL2.3 million loan from IDC.
b) Industrial property in Mbare (Harare) worth ZWL341,0 million was pledged as security against the ZWL15 million loan from CABS.
c) Commercial property in Harare worth ZWL91.0 million was pledged as security against the ZWL75 million loan from NMB Bank.
d) The ZWL651.4 million long-term loan from Omani Finance is not secured.

		GROUP		COMPANY	
		2021 ZWL	2020 ZWL	2021 ZWL	2020 ZWL
20.	**CURRENT TAX LIABILITIES**				
20.1	**INFLATION-ADJUSTED**				
	Balance at beginning of year	**128,347,835**	**95,790,371**	**87,031**	**660,939**
	Acquisition of control of subsidiaries	-	(92,042,031)	-	-
	Current year charge	267,138,317	189,448,724	-	-
	Paid during the year	(249,084,024)	(64,849,229)	(29,600)	(573,908)
	Balance at end of year	**146,402,128**	**128,347,835**	**57,431**	**87,031**
20.2	**HISTORICAL**				
	Balance at beginning of year	**84,695,681**	**8,325,538**	**57,431**	**57,431**
	Acquisition of control of subsidiaries	-	(1,593,402)	-	-
	Current year charge	232,867,943	107,262,083	-	-
	Paid during the year	(171,161,496)	(29,298,538)	-	-
	Balance at end of year	**146,402,128**	**84,695,681**	**57,431**	**57,431**
21.	**CONTINGENT LIABILITIES**				
21.1	**INFLATION-ADJUSTED**				
21.1.2	**Financial guarantees at year-end**	**100,000,000**	**53,039,000**	**-**	**-**
	Contingent liabilities relate to guarantees given to various trade creditors.				
21.1.2	**Contingent liabilities related to legal cases**				
	Langford Estates (envisaged reversal of land for debt swap)	32,000,000	48,492,800	-	-
	City of Harare rates	32,638,282	8,306,104	-	-
	Staff related provisions	1,271,276	1,926,491	-	-
		65,909,558	**58,725,395**	**-**	**-**
21.2	**HISTORICAL**				
21.2.1	**Financial guarantees at year-end**	**100,000,000**	**35,000,000**	**-**	**-**
	Contingent liabilities relate to guarantees given to various trade creditors.				
21.2.2	**Contingent liabilities related to legal cases**				
	Langford Estates (envisaged reversal of land for debt swap)	32,000,000	32,000,000	-	-
	City of Harare rates	32,638,282	5,481,130	-	-
	Staff related provisions	1,271,276	1,271,276	-	-
		65,909,558	**38,752,406**	**-**	**-**

Legal proceedings to reverse the Langford Estates sale transaction are ongoing since the last update to shareholders. Should this succeed, the Group will face liabilities including, $32 million in respect of land for debt swap with Fidelity Life Assurance and the related costs accrued five years post the transaction. Other potential liabilities related to the reversal of the transaction cannot be easily estimated, as these will depend on the court ruling, and ultimately settlement agreed costs if applicable.

Crest Breeders is facing a claim of ZWL$32.6 million from the City of Harare for rates supposedly accrued to land which was occupied by cooperatives from 2009. The Group has engaged Council for a reversal of same, and Directors believe that the prospects of succeeding are high. City Council has insisted on the land being fully planned and surveyed to facilitate reversal. The claim has not been provided for in the Group's accounts. The Group is facing various claims for breach of employee related contracts, all of which have been fully provided for. The Board believes that its chances of success on these matters are very high.

21. CONTINGENT LIABILITIES (Continued)

Town planning and survey works are yet to be completed for the occupied portion of Crest Breeders International (Private) Limited land. In this regard, recorded accounts receivables balances cannot be accurately ascertained, as some billings could have been done for land that may not be approved by town planning authorities. Stand sizes may also be changed. Eventually, the company has potential liabilities in respect of reimbursement of payments made by stand beneficiaries as well as costs of lawsuits from aggrieved victims. All these costs cannot be easily estimated.

22. CAPITAL COMMITMENTS

Authorised but not contracted for	**498,976,500**	**255,951,060**	**42,320,000**	**18,942,500**

Capital commitments will be financed from available Group resources and borrowings.

23. DEFINED CONTRIBUTION PLANS

The Group has in place a defined contribution plan for all qualifying employees. The assets of the plan are held separately from those of the Group in funds under the control of Trustees. Where the employees withdraw from the plan prior to the full vesting of the contributions the contributions payable by the Group are reduced by the amount of forfeited contributions. The employees of the Group are also members of a State-managed retirement benefit plan operated by the National Social Security Authority (NSSA). The Group is required to contribute a specified percentage of basic pay to the retirement benefit scheme to fund these benefits. The only obligation of the Group with respect to the retirement benefit plan is to make the specified contributions.

The total expense recognised in the consolidated statement of profit or loss and other comprehensive income amounts to ZWL5,877,072 (2020: ZWL1,095,760), with historical values of ZWL5,275,345 (2020: ZWL366,400) representing contributions payable to these plans by the Group at rates specified in the rules of the plans. Due to inadequate capitalisation, in the current and prior periods; the Group accumulated benefit contribution arrears in respect of both the defined contribution retirement plan and NSSA contributions amounting to ZWLNil (2020: ZWL450,460). The Group resumed contributions for arrears on the plans in 2018 in terms of an arrangement agreed with Trustees and IPEC, and these were fully paid up during the current year.

Amounts recognised as an expense in the current year have been disclosed in note 5.

24. BORROWING POWERS

Authority is granted in the Articles of Association for the directors to borrow a sum not exceeding three times the aggregate of the issued share capital of the Company and all its reserves including capital and revenue reserves except with the consent of the company in the Annual General Meeting by ordinary resolution.

		GROUP		COMPANY	
		2021 ZWL	2020 ZWL	2021 ZWL	2020 ZWL
24.1	**INFLATION-ADJUSTED**				
	Maximum permissible year-end borrowing	8,517,681,267	9,410,234,021	11,416,631,184	10,923,550,532
	Actual borrowings comprises:				
	- Current borrowings (bank loans and overdrafts)	(761,575,615)	(499,232,083)	-	-
	Unutilised borrowings capacity (theoretical)	**7,756,105,652**	**8,911,001,938**	**11,416,631,184**	**10,923,550,532**
24.2	**HISTORICAL**				
	Maximum permissible year-end borrowing	7,773,859,734	4,612,925,973	607,521,759	147,361,473
	Actual borrowings comprises:				
	- Current borrowings (bank loans and overdrafts)	(761,575,615)	(329,439,147)	-	-
	Unutilised borrowings capacity (theoretical)	**7,012,284,119**	**4,283,486,826**	**607,521,759**	**147,361,473**

The borrowing facilities negotiated by management as at 30 September 2021 amounted to ZWLS743.8 million (2020: ZWL444.9 million) during the period under review. Except for long-term borrowings, all the Group's short-term borrowings were secured as at balance sheet date (refer note 19.3).

25. RELATED PARTY TRANSACTIONS

Transactions between the company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed on this note. Transactions between the Group and certain companies with common shareholders are disclosed below. All transactions are at an arms length and in accordance with the normal business operations and activities of the Group. Appropriate disclosures and measures to avoid possible conflicts of interest have been made.

Trading transactions
During the year, Group entities entered into the following trading transactions with related parties that are not members of the Group:

	INFLATION - ADJUSTED		HISTORICAL		Nature of relationship with Holding Company	Transaction	Terms of trade
	2021 ZWL	2020 ZWL	2021 ZWL	2020 ZWL			
Tefco	-	11,692	-	7,506	Company related to previous Director of Holding Company	Finance cost on loan	Arm's length
Maitlands Zimbabwe	-	28,578	-	6,783	Joint venture	Rentals received by Crest	Arm's length
Transactions with entities previously under judicial management							
Victoria Foods (Private) Limited (under judicial management)	-	19,854,685	-	13,101,944	Subsidiary	Purchases of maize meal	Arm's length
Balances							
Victoria Foods (Private) Limited	-	24,143,240	-	15,931,925	Subsidiary balances receivable	Intergroup below	See note
Provision on intergroup balances where control was lost	-	(14,127,930)	-	(9,322,905)			
	-	**10,015,310**	**-**	**6,609,020**			

- Victoria Foods exited judicial management effective 11 October 2021.

Notes:
In prior year the Group did not charge interest on intergroup balance receivables for entities that were under judicial management for old/legacy financial debt. Any subsequent financing support granted to the entities under judicial management was subject to interest at commercial rates, with the amounts so advanced receiving super priority over all the legacy debts.

25. RELATED PARTY TRANSACTIONS (Continued)

Transactions with management

Compensation to key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	INFLATION - ADJUSTED 2021	INFLATION - ADJUSTED 2020	HISTORICAL 2021	HISTORICAL 2020
Short-term benefits	55,958,246	40,870,626	46,022,563	16,851,948
Directors fees	1,170,558	2,019,983	984,235	629,885

The remuneration of directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

Balances at year-end:

	INFLATION - ADJUSTED 2021 ZWL	INFLATION - ADJUSTED 2020 ZWL	HISTORICAL 2021 ZWL	HISTORICAL 2020 ZWL	Nature of relationship with Holding Company	Transaction	Terms of trade
Fidelity Life Assurance	100,000	151,540	100,000	100,000	ZHL related Company	Capital Gains tax (arrears)	
Reston Developers (Private) Limited	2,571,867	3,416,532	2,571,867	2,254,541	Joint venture	Amount owing to CFIHL	Arm's length
Reston Developers (Private) Limited	(460,080)	(697,205)	(460,080)	(460,080)	Joint venture	Loan payable by Crest Breeders	Non-interest bearing
Loans to related parties							
Amounts receivable from staff and management	1,038,168	1,609,814	1,038,168	1,062,303	Group	Short term management and staff	Arm's length loans

The Group occasionally provides short term loans to its management and staff at market-related interest rates, which mirror its cost of borrowing inclusive of administrative charges. The amounts so provided are generally unsecured and are settled in cash. No guarantees are given or received. No expense has been recognised in the period for bad or doubtful debts in respect of the amounts advanced to related parties.

Fidelity Life Assurance is an entity linked to a significant shareholder in ZHL after the business was acquired by ZHL in the current period.

26. SEGMENTAL ANALYSIS

26.1 Nature of business by segment

The retail segment is involved in the retailing of hardware, fast moving consumer goods and veterinary services. The farming segment comprises of seed, table potatoes and cereals production (maize, soya beans) together with poultry related activities. The milling segment comprises of stockfeeds milling, the production of vitamins and material supplements. Properties and Head office segment comprises the Group's head office operations and property development activities including the letting of properties and the management of real estate. Victoria Foods' operations are under the milling sector are being consolidated for the first year since the financial year ended 30 September 2016 when they were placed under judicial management, and accordingly, no comparative figures are provided hereunder.

26.2 Business segments

26.2.1 INFLATION-ADJUSTED	Retail 2021 ZWL	Retail 2020 ZWL	Milling 2021 ZWL	Farming 2021 ZWL	Farming 2020 ZWL	Properties & Head Office 2021 ZWL	Properties & Head Office 2020 ZWL	Group 2021 ZWL	Group 2020 ZWL
Revenue	8,554,080,620	5,044,040,191	396,596,138	338,704,963	158,968,793	10,753,630	2,683,959	9,300,135,351	5,205,692,944
Segment result									
(Loss) profit before depreciation, amortisation and net interest	(171,718,214)	442,797,137	104,662,229	(37,814,256)	136,129,484	214,754,441	24,855,762	109,884,200	603,782,382
Depreciation expense	(49,795,615)	(31,089,993)	(19,073,100)	(9,829,094)	(17,297,188)	(37,700,454)	(35,746,965)	(116,398,263)	(84,134,146)
Impairment charge	-	(48,168,948)	-	-	-	-	-	-	(48,168,949)
Net financing cost (income)	(147,349,219)	(437,944,294)	(34,997,468)	(458)	(11,691)	(16,828,885)	(45,349,560)	(199,176,030)	(483,305,546)
Monetary gain	-	-	-	-	-	-	-	8,875,484	606,204,495
(Loss) profit before taxation	**(368,863,048)**	**(74,406,099)**	**50,591,661**	**(47,643,808)**	**118,820,605**	**160,225,102**	**(56,240,763)**	**(196,814,609)**	**594,378,237**
Income tax expense								(190,474,726)	(263,823,143)
(Loss) profit attributable to equity holders of parent								**(387,289,335)**	**330,555,093**
Other information									
Segment assets	3,335,730,108	3,526,297,881	279,737,744	524,125,557	334,581,678	1,353,200,851	1,278,523,280	5,492,794,260	5,139,402,838
Segment liabilities	2,187,359,150	1,718,810,677	293,528,657	20,218,542	94,796,947	238,957,048	209,326,630	2,740,063,397	2,022,934,254
Capital expenditure	88,196,885	89,726,125	3,720,500	49,791,570	18,796,027	367,000	1,292,485	142,075,955	109,814,637
Number of permanent employees	874	608	61	218	215	36	31	1,181	854

The revenue reported above represents the revenue generated from external customers.

26.2.2 HISTORICAL	Retail 2021 ZWL	Retail 2020 ZWL	Milling 2021 ZWL	Farming 2021 ZWL	Farming 2020 ZWL	Properties & Head Office 2021 ZWL	Properties & Head Office 2020 ZWL	Group 2021 ZWL	Group 2020 ZWL
Revenue	**7,156,801,094**	**1,830,339,113**	**383,611,411**	**286,057,214**	**85,347,809**	**7,544,421**	**4,637,721**	**7,834,014,140**	**1,920,324,643**
Segment result									
Profit (loss) before depreciation and net financing costs	448,063,068	518,476,113	81,915,945	(54,706,326)	98,728,448	67,623,755	(9,567,819)	542,896,441	607,636,741
Depreciation expense	(33,392,481)	(3,408,832)	(12,593,999)	(6,593,359)	(1,500,416)	(25,157,916)	(2,993,967)	(77,737,754)	(7,903,215)
Impairment charge	-	(4,335,409)						-	(4,335,409)
Net financing (cost) income	(127,085,214)	(194,110,372)	(31,273,676)	774	(7,506)	140,808	286,001	(158,217,308)	(193,831,877)
Profit before taxation	**287,585,373**	**316,621,499**	**38,048,270**	**(61,298,911)**	**97,220,526**	**42,606,647**	**(12,275,785)**	**306,941,379**	**401,566,240**
Income tax expense								(110,529,667)	(126,046,954)
Profit attributable to equity holders of parent			-					**196,411,712**	**275,519,286**
Other information									
Segment assets	3,089,985,247	1,842,862,616	578,841,252	293,350,602	211,714,666	1,081,689,359	734,212,408	5,043,866,460	2,788,789,690
Segment liabilities	2,126,785,213	1,060,592,531	20,218,848	196,402,963	54,171,074	232,935,540	136,384,095	2,576,342,564	1,251,147,700
Capital expenditure	70,794,577	25,459,151	2,983,428.03	32,892,533	8,476,494	349,336	198,611	107,019,874	34,134,256
Number of permanent employees	874	608	61	218	215	36	31	1,181	854

The revenue reported above represents the revenue generated from external customers.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments comprise bank loans and overdrafts and finance leases, cash and short-term deposits. The main purpose of these financial instruments is to raise finance for the Group's operations or to achieve a return on surplus short term funds. The Group has various other financial assets and financial liabilities such as trade receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk,liquidity risk and fair valuation risk. The board reviews and agrees policies for managing each of these risks and they are summarised below.

Financial Instruments
The Group used the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: quoted prices for similar instruments
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly indirectly (i.e derived from prices). This category includes instruments valued using quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques where all significant inputs are directly or indirectly observable from market data.
Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

	INFLATION ADJUSTED		HISTORICAL	
	2021 ZWL	2020 ZWL	2021 ZWL	2020 ZWL
Financial instruments held by the Group measured at fair value (level 1)	-	-	-	-
Fair value gain (loss) debited to the statement of profit or loss and other comprehensive income	22,117,083	32,835,004	86,621,520	124,568,737
Financial instruments held by the Group measured at fair value (level 2)				
Investments	211,766,542	211,766,542	211,766,542	139,743,000
Property related receivables	13,350,929	20,284,331	13,071,672	14,883,635

Valuation of non-current assets held for sale and land-in development held in inventory

The Group undertook a Directors' valuation as at statement of financial position date.

The valuation inputs used in valuing all freehold land and buildings of the Group and assets held for sale were generally as follows:
- For land in development held in inventory, arising out of the Saturday Retreat settlement as explained per note 11.3, this was valued based on the Government approved valuation of US$4/m2 (restated using the average CPIs since dollarisation to SOFP date) on the occupied area (adjusted by normal planning loss and anticipated recovery factors), and US$3/$m^2$ for the un-occupied area.

Fair valuation of property related receivables
The fair valuation of property related receivable in respect of Maitlands Zimbabwe and Crest Breeders P/L Saturday Retreat were arrived at using the following key inputs:
- estimated monthly instalments were arrived at using average collections realised since registration of stand occupiers
- the number of instalments used was calculated using the time that it would take to attain the future value based on the obtaining steady state collection rates
- the rate of discount used was 11% based on the long term borrowing rates estimated by the Group.

The value produced by a model or other valuation technique may be adjusted to allow for a number of factors as appropriate, because valuation techniques cannot appropriately reflect all factors market participants take into account when entering into a transaction. Management believes that these valuation adjustments are necessary and appropriate to fairly state financial instruments carried at fair value on the statement of financial position.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The following table presents non-current assets held for sale and related liabilities and land in development held in inventory recognised at the statement of financial position date:

	Level 1 ZWL		Level 2 ZWL		Level 3 ZWL		Total carrying amount ZWL	Total carrying amount ZWL
INFLATION ADJUSTED	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**	**2021**	**2020**
Inventory – land in development	-	-	190,282,907	190,282,907	-	-	190,282,907	190,282,907
HISTORICAL								
Inventory – land in development	-	-	16,534,409	25,056,015	-	-	16,534,409	25,056,015

Interest rate risk

The Group's exposure to the risk for changes in market interest rates relates primarily to variable short term overdraft rates. The Group's policy is to manage its interest cost by limiting exposure to overdrafts and where borrowings are required, to borrow at favourable and fixed rates of interest.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on long term, short-term loans and overdrafts.

	INFLATION ADJUSTED		HISTORICAL	
	2021 ZWL	**2020 ZWL**	**2021 ZWL**	**2020 ZWL**
Effect on (loss) profit before tax:				
Increase of 5%	(38,078,781)	(24,961,604)	(38,078,781)	(16,471,957)
Decrease of 5%	38,078,781	24,961,604	38,078,781	16,471,957

Foreign currency risk

As a result of the state of industry in Zimbabwe, the Group relies heavily on importations of cereals and other products from South Africa mainly and other countries, exposing the Group to movements in foreign currency exchange rates. The Group also has transactional currency exposures through US$ loan drawdowns and direct purchases in US$. The Group limits exposure to exchange rate fluctuations by either pre-paying for purchases or retaining stock until the foreign currency to settle the related liability has been secured. In addition, on major cereal imports, the Group manages its risk when dealing with commodity brokers by fixing its contract prices in United States Dollars, considering that the Group's functional currency, the Zimbabwe dollar remains largely unstable.

Credit risk

The Group trades with recognised, creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, credit terms are specified contractually within the regulations laid down by the Reserve Bank of Zimbabwe. With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and available for-sale financial assets, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments less the market value of any security held.

Within the Group, there are concentrations of credit risk. Concentration of credit risk exists when the greater percentage of a business unit's trade and other accounts receivables are dominated by one or a few debtors.

Liquidity risk

The Group's objective is to maintain a balance between continuity of funding through a well managed portfolio of short-term investments and/or flexibility through the use of bank overdrafts, bank loans and finance leases.

27. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

The table below summarises the maturity profile of the Group's assets and liabilities:

	Within 3 months		Between 4 - 12 months		More than 12 months		Total	
	2021 ZWL	2020 ZWL	2021 ZWL	2020 ZWL	2021 ZWL	2020 ZWL	2021 ZWL	2020 ZWL
INFLATION-ADJUSTED								
Liabilities								
Accounts payable	1,306,640,917	860,711,490	-	-	3,862,344	6,722,628	1,310,503,261	572,412,642
Borrowings	92,310,516	444,868,327	-	-	651,450,868	-	743,761,384	293,564,951
Bank overdraft	17,814,231	54,363,757	-	-	-	-	17,814,231	35,874,196
TOTAL	**1,416,765,664**	**1,359,943,574**	-	-	**655,313,212**	**6,722,628**	**2,072,078,876**	**901,851,789**
Assets								
Trade and other receivables	318,293,916	287,387,480	-	-	-	-	318,293,916	189,644,635
Bank balances and cash	233,498,382	38,752,804	-	-	-	-	233,498,382	25,572,657
TOTAL	**551,792,298**	**326,140,284**	-	-	-	-	**551,792,298**	**215,217,292**
Liquidity gap on financial instruments only	864,973,366	1,033,803,289	-	-	655,313,212	6,722,628	1,520,286,578	686,634,497
Less: inventory and biological assets	(2,145,999,777)	(2,416,909,331)	-	-	-	-	(2,145,999,777)	(1,594,898,595)
Net (surplus) unfunded gap	**(1,281,026,411)**	**(1,383,106,042)**	-	-	**655,313,212**	**6,722,628**	**(625,713,199)**	**(908,264,098)**
HISTORICAL								
Liabilities								
Accounts payable	1,306,640,917	567,976,435	-	-	3,862,344	4,436,207	1,310,503,261	572,412,642
Borrowings	92,310,516	293,564,951	-	-	651,450,868	-	743,761,384	293,564,951
Bank overdraft	17,814,231	35,874,196	-	-	-	-	17,814,231	35,874,196
TOTAL	**1,416,765,664**	**897,415,582**	-	-	**655,313,212**	**4,436,207**	**2,072,078,876**	**901,851,789**
Assets								
Trade and other receivables	318,293,916	189,644,635	-	-	-	-	318,293,916	189,644,635
Bank balances and cash	233,498,382	25,572,657	-	-	-	-	233,498,382	25,572,657
TOTAL	**551,792,298**	**215,217,292**	-	-	-	-	**551,792,298**	**215,217,292**
Liquidity gap on financial instruments only	864,973,366	682,198,290	-	-	655,313,212	4,436,207	1,520,286,578	686,634,497
Less: inventory and biological assets	(1,737,647,077)	(992,711,747)	-	-	-	-	(1,737,647,077)	(992,711,747)
Net (surplus) unfunded gap	**(872,673,711)**	**(310,513,457)**	-	-	**655,313,212**	**4,436,207**	**(217,360,499)**	**(306,077,250)**

The Group will resolve its liquidity gap sustainably once the initiatives on recapitalisation as discussed on note 35 have been sustainably resolved.

28. FOREIGN CURRENCY SENSITIVITY ANALYSIS

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Groups' exposure to the changes in foreign exchange rates relates primarily to the Group's operating activities when revenues and expenses are denominated in a different currency. The following table demonstrates the sensitivity of the Group's results to a reasonably possible change in the Zimbabwe Dollar (ZWL) exchange rates against the following currencies, with all other variables held constant.

		2021			2020		
		Change in Rate	Effects on Equity	Effect on Profit	Change in Rate	Effects on Equity	Effect on Profit
		ZWL	-	-	ZWL	-	-
28.1	**Inflation-adjusted**						
	United States dollars	10%	(16,909,667)	(16,909,667)	10%	(1,702,633)	(1,702,633)
		-10%	**16,909,667**	**16,909,667**	**-10%**	**1,702,633**	**1,702,633**
	South African Rands	10%	8,405	8,405	10%	1,980,491	1,980,491
		-10%	**(8,405)**	**(8,405)**	**-10%**	**(1,980,491)**	**(1,980,491)**
28.2	**Historical**						
	United States dollars	10%	(16,909,667)	(16,909,667)	10%	(1,123,554)	(1,123,554)
		-10%	**16,909,667**	**16,909,667**	**-10%**	**1,123,554**	**1,123,554**
	South African Rands	10%	8,405	8,405	10%	1,306,910	1,306,910
		-10%	**(8,405)**	**(8,405)**	**-10%**	**(1,306,910)**	**(1,306,910)**

28. FOREIGN CURRENCY SENSITIVITY ANALYSIS (Continued)

Fair valuation risk
The Group is exposed to movement in fair value of listed equities. Investments in equities are valued at fair value and are therefore susceptible to market fluctuations. Comprehensive measures and limits are in place to control the exposure of the Group's equity investments to fair value risk.

The Group Treasury office is tasked with the responsibility of performing research into potential opportunities in order to provide suggestions for investment to the Board of Directors. This office monitors the performance of the current investment portfolio and reports to the Board of Directors.

Biological assets risk management policies
Biological assets are living animals or plants that are managed by the Group. Agricultural produce is the harvested product of the biological asset. Biological assets of the Group include breeding chickens, broilers, layers, cattle, horticultural crops and vegetables.

These biological assets are exposed to various risks, which include, disease/infection outbreaks, theft of livestock, price fluctuations and marketing risk. The Group has put in place measures and controls to safeguard losses due to the above risks. These measures and controls, include among other things, insurance against theft and natural deaths, vaccination to prevent infections and regular evaluation of prices.

29. FAIR VALUE OF FINANCIAL INSTRUMENTS

The estimated net fair values of all financial instruments, including installment debtors which are shown net of unearned finance charges, approximate the carrying amounts shown in the financial statements.

Set out below is a comparison of carrying amounts and fair values of all the Group's financial instruments at 30 September 2021.

	2021			2020		
	Carrying amount	Carrying amount	Fair value	Carrying amount	Carrying amount	Fair value
	INFLATION ADJUSTED	HISTORICAL		INFLATION ADJUSTED	HISTORICAL	
	ZWL	ZWL	ZWL	ZWL	ZWL	ZWL
Financial assets						
Investments in listed shares	22,992,308	22,992,308	22,992,308	13,589,106	8,967,339	8,967,339
Trade and other receivables	318,293,916	318,293,916	318,293,916	287,387,480	189,644,635	189,644,635
Bank balances and cash	233,498,382	233,498,382	768,214	38,752,804	25,572,657	768,214
	574,784,606	**574,784,606**	**342,054,438**	**339,729,390**	**224,184,631**	**199,380,188**
Financial liabilities						
Interest-bearing overdrafts and borrowings	761,575,615	761,575,615	761,575,615	499,232,083	329,439,147	329,439,147
Trade and accounts payable	1,310,503,261	1,310,503,261	1,310,503,261	867,434,118	572,412,642	572,412,642
	2,072,078,876	**2,072,078,876**	**2,072,078,876**	**1,366,666,201**	**901,851,789**	**901,851,789**

Market values have been used to determine the fair values of listed investments.

30. CAPITAL MANAGEMENT

The primary objective of the Group's capital management strategies is to ensure that all its companies maintain healthy capital ratios in order to support the Group's business and maximise shareholder value.

The Group manages its capital structure and makes adjustment to it in light of changes in the economic environment. To maintain or adjust the capital structure the Group may adjust the dividend payment to shareholders, return on capital to shareholders, or issue new shares. No changes were made to the objectives, policies or processes during the year ended 30 September 2021.

	GROUP		COMPANY	
	2021	2020	2021	2020
INFLATION-ADJUSTED	ZWL	ZWL	ZWL	ZWL
Total Liabilities	2,760,427,295	2,002,614,583	314,041,826	303,068,259
Total Equity	2,839,227,089	3,136,744,674	3,805,543,728	3,641,183,511
Financial leverage	97%	64%	8%	8%

31. GOING CONCERN

Although Victoria Foods and Amtec Manufacturing formally exited judicial management on 10 September 2021, the Group effectively regained control of those entities on 1 October 2020 after the requisite funds to settle foreign creditors had been paid into the judicial manager's account. Victoria Foods and Amtec Manufacturing were thus consolidated by the Group effective 1 October 2020. Cosenquently, these are the first financial statements since 2016 with all the Group's entities being fully consolidated .

During the year, the Group undertook various re-capitalisation initiatives, including availing working capital funding to Agrifoods and Victoria Foods, as well as the opening of new Farm and City branches. This has seen improvements in capacity utilisation in these entites. Consequently, the Group has for FY2022 budgeted to achieve growth in profit before corporate tax of more than 60% over current year in real terms.

In view of the foregoing, the Directors are confident that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, these financial results have been prepared on a going concern basis.

32. EVENTS AFTER REPORTING DATE

There has been no significant events after the reporting date.

33. IMPACT OF COVID-19 PANDEMIC

The Group continues to enforce observance of WHO approved COVID-19 protocols throughout its operations in order to safeguard the health and welfare of its staff, customers, suppliers and other key stakeholders. It is difficult to assess, with absolute certainty, the full impact the pandemic will have on the Group's financial performance for the forthcoming financial period on the Business Continuity and Statement of Solvency. As of reporting date, the financial status of the Group remains healthy, and the impact of the COVID-19 pandemic has not created any issues from a solvency or liquidity perspective. Regrettably, the Group lost two of its staff members to COVID-19 during the period. Our thoughts and condolences are with their families.

NOTICE OF ANNUAL GENERAL MEETING (AGM)

NOTICE is hereby given that the twenty sixth (26th) Annual General Meeting ("AGM") of the Company will be held at Farm & City Boardroom, 1st Floor Farm & City Complex, No 1 Wynne Street, Harare on Wednesday 30 March 2022 at 11:00 am to consider the following business:

ORDINARY BUSINESS

1. To receive and adopt the financial statements for the year ended 30 September 2021, together with the reports of the directors and auditors thereon.
2. To elect directors in place of those retiring in accordance with the provisions of the Articles of Association. Mr S.D. Zinyemba and Ms Muzani retire from the Board by rotation as per Article 68 and 69, and being eligible, they offer themselves for re-election. (Each Director will be appointed through a separate resolution).
3. To confirm directors' fees for the year ended 30 September 2021.
4. To approve the remuneration of the auditors for the year ended 30 September 2020 and to appoint auditors for the ensuing year. Baker Tilly Zimbabwe has audited four (4) financial periods for the Group to date.

EXPLANATORY NOTES TO THE PROPOSED RESOLUTIONS

Election of Directors

At each AGM, one third of the directors (other than the Managing Director), or, if their number is not a multiple of three, then the number nearest to but not being less than one third shall retire. The directors retiring from office shall be eligible for re-election (Articles 68 and 69).

No person other than a director retiring at the meeting shall, unless recommended by other directors, be eligible for the office of director unless, not less than seven or more than twenty-one clear days before the date appointed for the meeting, there shall have been given to the Secretary notice in writing, signed by a member duly qualified to attend and vote at the meeting for which such notice is given, of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected (Article 70).

In summary, the CFI Holdings Limited board comprises; Ms I. V. Pasi (Group Chairman), Messrs S. N. Chibanguza (Acting Group Chief Executive Officer), S. D. Zinyemba (Deputy Chairman), A. Denenga, A. S. Hamilton (Alternate: R. L. Hamilton) and Ms. P. Muzani.

Notes

1. In terms of the Companies& Other Business Entities Act (Chapter 24.31) a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on a poll and speak in his stead. A proxy need not be a member of the Company.
2. In terms of clause 50 of the Company's Articles of Association, instruments of proxy must be lodged at the registered office of the Company at least forty eight hours before the time appointed for holding of the meeting.
3. Members are requested to advise the Transfer Secretaries in writing of any change in address.

By order of the Board

P. Hare
Group Company Secretary
3 March 2022

ATTENDANCE AT ANNUAL GENERAL MEETING BY WEBINAR

In the interest of health and safety considerations given Corona Virus (COVID 19), shareholders who prefer to attend the meeting by webinar are welcome to do so and can be availed the electronic link from the Company Secretary on panganayi@cfi.co.zw and / or clivech@farmandcity.co.zw no later than 28 March 2022, 10:00 am.

THE COMPANY SECRETARY, CFI HOLDINGS LIMITED, P.O. BOX 510, HARARE, ZIMBABWE, panganayi@cfi.co.zw

ANNUAL GENERAL MEETING PROXY FORM

I/We...

of...

being a holder of .... ordinary CFI Holdings Limited shares, hereby appoint

.... [full name]

Of...[full address]

or failing him, the Chairman of the meeting as my/our proxy to vote for me/us on my/our behalf at the ANNUAL

GENERAL MEETING of CFI Holdings Limited, to be held on Wednesday, 30 March 2022 and at any adjournment thereof.

Signed this... day of March 2022
Signature of

Member/Director...
(If for a Company, kindly sign on behalf thereof)

Name of Member...
[please print]

NOTES

1. In terms of section 129 of the Companies Act (Chapter 24:03) a member entitled to attend and vote is to appoint one or more persons to act in the alternatives as his/her proxy to attend in his/her stead and to speak and vote on his/her behalf. A proxy need not be of the Company.
2. Instruments of the proxy may be lodged with the Company Secretary at the Registered Office of the Company (No. 1 Wynne Street, P.O. Box 510, Harare) up to 11:00am, Monday 28 March 2022.
3. A proxy form signed on behalf of a company must by a Director of the Company.
4. Unless specified voting instructions are noted on this form of proxy, the appointee shall vote as he/she thinks fit.

THE COMPANY SECRETARY, CFI HOLDINGS LIMITED, P.O. BOX 510, HARARE, ZIMBABWE,
panganayi@cfi.co.zw

CHANGE OF ADDRESS

The attention of shareholders is drawn to the necessity of keeping the transfer secretaries advised of any
change in the name and/or address

Shareholder's name in full ....
(Block letters please)

New Address ....
(Block letters please)

....

....

Email address ....

Shareholder's signature ....

INVESTOR CATEGORY	2021 Number	2021 Shares Held	2021 % of Total	2020 Number	2020 Shares Held	2020 % of Total
COMPANY (LOCAL)	1,302	64,303,658	60.20	1,302	64,303,658	60.20
ESTATE LATE/DECEASED ESTATE	46	84,824	0.08	46	84,824	0.08
EXTERNAL/FOREIGN COMPANIES	15	21,933,247	20.53	15	21,933,247	20.53
FUND MANAGERS	13	20,318	0.02	13	20,318	0.02
GOVERNMENT	3	8,859	0.01	3	8,859	0.01
INSURANCE COMPANIES	16	103,266	0.10	16	103,266	0.10
INVESTMENTS,TRUSTS & PROPERTY	40	112,483	0.11	40	112,483	0.11
LOCAL RESIDENTS	3,855	6,183,023	5.79	3,855	6,183,023	5.79
NOMINEES LOCAL	59	5,159,008	4.83	59	5,159,008	4.83
NON RESIDENTS	5	7,618,560	7.13	5	7,618,560	7.13
NON RESIDENT INDIVIDUAL	42	1,153,885	1.08	42	1,153,885	1.08
OTHER CORPORATE HOLDINGS	8	8,448	0.01	8	8,448	0.01
PENSION FUND	15	131,296	0.12	15	131,296	0.12
TOTALS	**5,419**	**106,820,875**	**100.00**	**5,419**	**106,820,875**	**100.00**

TOP TEN SHAREHOLDERS	2021 Number	2021 % of Total	2020 Number	2020 % of Total
STALAP INVESTMENTS PVT LTD	41,566,933	38.91	41,566,933	38.89
MESSINA INVESTMENTS LIMITED	19,820,814	18.56	19,820,814	18.56
E.F.E. SECURITIES NOMINEES (PVT) LTD-NNR	12,348,368	11.56	12,348,368	11.56
WILLOUGHBY'S CONSOLIDATED PLC.	10,854,359	10.16	10,854,359	10.16
HAMILTON & HAMILTON TRUSTEES LTD	2,793,263	2.61	2,793,263	2.61
DUNNET INVESTMENTS (PRIVATE) LIMITED	2,000,517	1.87	2,000,517	1.87
MR. R. L. HAMILTON	1,867,841	1.75	1,867,841	1.75
CATESBURY TRADING (PVT) LTD	1,450,113	1.36	1,450,113	1.36
ENITA MATASVA	1,420,734	1.33	1,420,734	1.33
DATVEST NOMINEES (PVT) LTD	1,157,238	1.08	1,157,238	1.08
Top ten shareholders	**95,280,180**	**89.20**	**95,280,180**	**89.20**
Remaining Shareholders	**11,540,695**	**10.80**	**11,540,695**	**10.80**
	106,820,875	**100.00**	**106,820,875**	**100.00**

SPREAD IN SHAREHOLDING Range	2021 Holders	2021 % of Holders	2021 Shares	2021 % of Shares	2020 Holders	2020 % of Holders	2020 Shares	2020 % of Shares
0 - 100	1,142	21.07	56,769	0.05	1,142	21.07	56,769	0.05
101 - 200	672	12.40	107,237	0.10	672	12.40	107,237	0.10
201 - 500	1,128	20.82	390,780	0.37	1,128	20.82	390,780	0.37
501 - 1,000	778	14.36	585,489	0.55	778	14.36	585,489	0.55
1,001 - 5,000	1,219	22.49	3,232,977	3.03	1,219	22.49	3,232,977	3.03
5,001 - 10,000	347	6.40	2,340,332	2.19	347	6.40	2,340,332	2.19
10,001 - 50,000	104	1.92	1,670,391	1.56	104	1.92	1,670,391	1.56
50,001 - 500,000	11	0.20	1,985,280	1.86	11	0.20	1,985,280	1.86
500,001 - 1,000,000	3	0.06	1,918,863	1.80	3	0.06	1,918,863	1.80
1,000,001 - 10,000,000	13	0.24	40,047,414	37.48	13	0.24	40,047,414	37.48
10,000,001 -	2	0.04	54,485,343	51.01	2	0.04	54,485,343	51.01
Total	**5,419**	**100.00**	**106,820,875**	**100.00**	**5,419**	**100**	**106,820,875**	**100.00**

SHAREHOLDERS' CALENDAR	2021	2020
Twenty sixth Annual General Meeting	March 2022	March 2021
Financial Year end	30 Sept 2022	30 Sept 2021
Interim Reports		
3 months to 31 December	February 2022	February 2021
6 months to 31 March	May 2022	May 2021
9 months to 30 June	August 2022	August 2021
12 months to 30 September	Dec 2022	Dec 2021
Annual Report Published	March 2022	March 2021

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