THE ZIMBABWE MUSIC RIGHTS ASSOCIATION

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2022

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION

PRINCIPAL ACTIVITIES

The Zimbabwe Music Rights Association is a non-profit making organization. Its main business is that of collective administration of copyright. It has 4 branches throughout the country.

BOARD MEMBERS

Chairperson	Albert Nyathi
Deputy Chairperson	First Batani
Legal Advisor	Witness P. Zhangazha
Treasurer	Janet Manyowa
Member	Alexio Gwenzi
Member	Hon. Dingumuzi Phuti
Member	Mudiwa Hood
Member	Phillip Chipfumbu
Executive Director	Polisile Ncube-Chimhini

PRINCIPAL BANKERS

Steward Bank
Avondale Branch
Harare

ZB Bank
Avondale Branch
Harare

REGISTERED OFFICE

The Zimbabwe Music Rights Association
3 Aspen Flats
No. 80 Mendel Road
Avondale
Harare
Zimbabwe

AUDITORS

Global Village
Chartered Certified Accountants (Zimbabwe)
No. 8 Northampton Crescent
Eastlea
Harare
Zimbabwe

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION

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Preparer of financial statements

The annual financial statements were prepared in compliance with the Constitution of the Zimbabwe Music Rights Association under the supervision of P. Chiwanza, Institute of Chartered Secretaries and Administrators of Zimbabwe (ICSAZ) (part B), Accountant. These financial statements have been audited in compliance with the provisions of the Constitution of the Association.

Declaration by Accountant

I, P. Chiwanza in my capacity as the Association's accountant, hereby confirm in terms of the provisions of the Constitution of the Zimbabwe Music Rights Association, that for the year ended 31 December 2022, the Association has lodged all such returns as are required in terms of this Constitution and that all such returns are true, correct and up to date.

.....
Accountant

Board's approval of the financial statements

The financial statements for the year ended 31 December 2022 set out on pages 7 to 19 were approved by management on 28 April 2023 and are signed on their behalf by:

.....
Chairperson

.....
Executive Director

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION

MANAGEMENT RESPONSIBILITY AND APPROVAL OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

TO THE MEMBERS OF THE ZIMBABWE MUSIC RIGHTS ASSOCIATION

It is management's responsibility to ensure that the financial statements fairly represent the state of affairs of the Association. The external auditors are responsible for independently reviewing and reporting on the financial statements.

Management has assessed the ability of The Zimbabwe Music Rights Association to continue operating as a going concern and believe that the preparation of these financial statements on a going concern basis is still appropriate. However, management believe that under the current economic environment a continuous assessment of the ability of the Association to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.

The financial statements set out in this report have been prepared by management in accordance with International Financial Reporting Standards (IFRSs). The statements are based on the appropriate accounting policies which were supported by reasonable and prudent judgments and estimates.

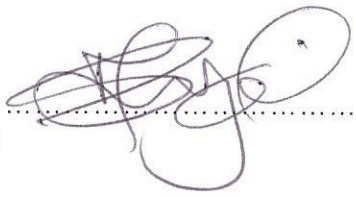
The Association's accounting and internal control systems are designed to provide reasonable assurance as to the integrity and reliability of the financial statements and to adequately safeguard, verify and maintain accountability of its assets. Such controls are based on established written policies and procedures and all employees are required to maintain the highest ethical standards in ensuring the Association's practices are conducted in a manner which in all reasonable circumstances is above reproach. Issues that come to the attention of the Association's committee have been addressed and management confirms that the systems of accounting and internal controls are operating in a satisfactory manner.

In light of the current financial position, management is satisfied that The Zimbabwe Music Rights Association is a going concern and has continued to adopt the going concern basis in preparing the financial statements.

The external auditors are responsible for independently reviewing and reporting on the Association's financial statements. The financial statements have been audited by the Association's external auditors and their report is presented on pages 3 to 6.

The Association's financial statements, which are set out below on pages 7 to 19 were, in accordance with their responsibilities, approved by the Board Members on ....8.... May ..... 2023 and are signed on its behalf by:

(On behalf The Zimbabwe Music Rights Association)



.....
Chairperson

.....
Executive Director

9 John Plagis Avenue
Alexander Park, Harare
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REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE ZIMBABWE MUSIC RIGHTS ASSOCIATION

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Report on the audit of the financial statements
We have audited the financial statements of The Zimbabwe Music Rights Association set out on pages 7 to 19 which comprise the statement of financial position December 31, 2022, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly the financial position of The Zimbabwe Music Rights Association as at 31 December 2022, its financial performance and its Cash Flows for the year then ended in accordance with the International Financial Reporting Standards (IFRSs), except for IAS 21 - *The effects of changes in foreign currency* and IAS 29 - *Financial reporting in Hyperinflationary economies*.

BASIS FOR OPINION

IAS 21 THE EFFECTS OF CHANGES IN FOREIGN CURRENCY AND IAS 29 FINANCIAL REPORTING IN HYPERINFLATIONARY ECONOMIES

The association transacted using a combination of United States Dollars (USD), bond notes and bond coins. Acute shortage of USD cash and other foreign currency in the country resulted in an increase in the use of different modes of payment for goods and services, such as through the Real Time Gross Settlement (RTGS) system and mobile money platforms. During the year there was a divergence in market perception of the relative values between the bond note, bond coin, mobile money platforms, RTGS, FCA in comparison to the USD. Although RTGS was not legally recognised up until 22 February 2019, the substance of the economic phenomenon, from an accounting perspective, suggested that it was a currency. In October 2018, banks were instructed by the Reserve Bank of Zimbabwe (RBZ) to separate and create distinct bank accounts for depositors, namely RTGS Foreign Currency Accounts (FCA) and Nostro FCA accounts. As a result of this separation, there was an increased proliferation multi -tier pricing practises by suppliers of goods and services, indicating a significant difference in purchasing power between the RTGS FCA and Nostro FCA balances, against a legislative framework mandating parity. These events were indicative of economic fundamentals that would require a reassessment of the functional currency as required by International Accounting Standard (IAS) 21- "The Effects of Changes in Foreign Exchange Rates" assessment acknowledged to a change in functional currency.

In February 2019, an electronic currency called RTGS dollar was introduced through Statutory Instrument (S.I) 33 of 2019 with an effective date of 22 February 2019 and the currency commenced trading at a rate of 2.5 to the US dollar. In addition, the S.I 33 fixed

the exchange rate between the RTGS dollar and the US dollar at a rate of 1:1 for periods before the effective date. The rate of 1:1 is consistent with the rate mandated by the Reserve Bank of Zimbabwe (RBZ) at the time it issued the bond notes as currency.

Following a period of severe hyper-inflation more than 10 years ago, the government of Zimbabwe abandoned the Zimbabwean dollar, and other currencies such as the US dollar and the South African Rand became widely used as legal tender. In October 2018, the Zimbabwean currency was reintroduced so that other currencies are no longer legal tender. The national currency is now bond notes and their electronic equivalent, the RTGS$, which is known as the Zimbabwe dollar (ZWL).

Zimbabwe is a hyper-inflationary economy for accounting periods ending after 1 July 2019 and all entities that report in the currency of a hyper-inflationary economy to apply the standard at the same date. IAS 29 is applied as the economy had always been hyper-inflationary.

IAS 29 requires financial statements of an entity whose functional currency is the currency of a hyper-inflationary country to be restated into the current purchasing power at the end of the reporting period. Therefore, transactions in 2021 and 2022 and non-monetary balances at the end of the period should have been restated to reflect a price index that is current at the balance sheet date. In 2022, the figures were stated to reflect the RBZ rates at the time of the transactions. The association acknowledges that they are operating in a hyper-inflationary environment but the financial statements have not been prepared in accordance with the requirements of IAS 29.

MATERIAL UNCERTAINITY RELATED TO GOING CONCERN

We draw attention to the fact that Zimbabwe's economy is not stable. The economy is characterised by hyperinflation, depressed disposable incomes, uncertain political environment and high unemployment rate among other issues. All these factors indicate the existence of an uncertainty that may cast doubt on the nation's companies, associations and any other organisations operating in Zimbabwe ability to continue as a going concern. However, we have considered the reasonableness of the assumptions used by management to prepare the financial statements on the basis of a going concern and consider resultant disclosures to be appropriate.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Emphasis of Matter

COVID -19 pandemic

We draw attention to Note 5 of these financial statements which describe the uncertainties relating to the possible effects of the COVID-19 pandernic on the association's operations. Our opinion is not modified in respect of this matter

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRSs), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to express an opinion on the financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the annual financial statements, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the entity's preparation and fair presentation of the annual financial statements 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.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the annual financial statements.

OTHER INFORMATION

Management is responsible for the other information. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact.



Global Village
Chartered Certified Accountants (Zimbabwe)
Z10012

Harare
17 April 2023

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Notes	2022 $	2021 $
Non-current assets			
Property, plant & equipment	6	191,696,113	34,259,914
		191,696,113	**34,259,914**
Current assets			
Accounts receivable	7	624,326,696	76,958,594
Short-term investments		50,000,000	21,193,845
Cash & cash equivalents	8	67,735,666	10,829,942
		742,062,362	**108,982,381**
Total assets		**933,758,475**	**143,242,295**
RESERVES & LIABILITIES			
Reserves			
Accumulated funds	page 10	391,678	391,678
Revaluation reserve	page 10	159,907,034	35,337,298
General reserve	page 10	98,850	98,850
		160,397,562	**35,827,826**
Current liabilities			
Accounts payable	9	712,934,616	99,569,315
Short-term loan		2,940,238	-
Creditors	10	57,486,059	7,845,154
		773,360,913	**107,414,469**
Total reserves & liabilities		**933,758,475**	**143,242,295**

Chairperson..... Date..... 16/05/23

Executive Director..... Date..... 8/5/2023

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION
STATEMENT OF DISTRIBUTION
FOR THE YEAR ENDED 31 DECEMBER 2022

		2022 $		2021 $
Distribution of excess income over expenditure				
Surplus of income over expenditure		712,934,617		99,569,315
Trust Fund		(71,293,462)		(9,956,932)
		641,641,155		**89,612,383**
General Royalties		**455,565,220**		**68,959,167**
International		45,556,522		6,895,917
Foreign distribution		9,103,702		185,883
Local		400,904,996		61,877,368
AGM expenses	(214,679)		-	
Burial assistance	(798,963)		(63,879)	
Gratuities	(330,438)		(150,000)	
		455,565,220		**68,959,167**
Broadcasting Royalties		**186,075,935**		**20,653,216**
International		18,607,593		2,065,322
Local		167,468,341		18,587,894
ZBC	67,722,970		8,042,837	
Star FM	44,472,178		3,859,922	
ZiFM	23,461,051		3,265,354	
Diamond FM	5,114,726		727,016	
Capitalk FM	1,873,557		235,478	
Nyami Nyami FM	869,259		106,034	
Hevoi FM	4,434,422		343,135	
98.4 FM	4,069,429		314,652	
Fairtalk Com	4,919,484		778,914	
3Ktv	3,470,554		-	
ZTN	2,270,038		442,695	
Ya FM	735,687		178,148	
Pachikomo	2,295,493		-	
GZU	1,759,492		293,710	
		186,075,935		**20,653,216**
Distribution				
2022 International		64,164,115		8,961,238
2022 Foreign		9,103,702		185,883
2022 Local		568,373,337		80,465,262
2022 Trust Funds		71,293,462		9,956,932
		712,934,616		**99,569,315**

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION
STATEMENT OF INCOME & EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 $	2021 $
Income		**1,000,695,624**	**140,463,673**
Income - royalties	11	987,664,709	137,297,302
Other income	12	13,030,915	3,166,371
less: Expenditure		**287,761,007**	**40,894,358**
Administrative expenses	13	83,952,698	17,711,960
Occupational costs	14	4,615,053	765,424
Staff costs	15	169,191,048	19,922,100
Other expenses	16	30,002,208	2,494,874
Surplus for the year		**712,934,617**	**99,569,315**

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION
STATEMENT OF CHANGES IN RESERVES
FOR THE YEAR ENDED 31 DECEMBER 2022

	Accumulated funds $	Revaluation reserve $	General reserve $	Total $
Balance as at 01 January 2021	**391,678**	**3,557,298**	**98,850**	**4,047,826**
Revaluation surplus	-	31,780,000	-	31,780,000
Surplus for the year	99,569,315	-	-	99,569,315
Distribution reserve	(99,569,315)	-	-	(99,569,315)
Balance as at 31 December 2021	**391,678**	**35,337,298**	**98,850**	**35,827,826**
Revaluation surplus	-	124,569,736	-	124,569,736
Surplus for the year	712,934,617	-	-	712,934,617
Distribution reserve	(712,934,616)	-	-	(712,934,616)
Balance as at 31 December 2022	**391,678**	**159,907,034**	**98,850**	**160,397,562**

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	2022 $	2021 $
Cash flows from operating activities			
Surplus for the year		712,934,617	99,569,315
Adjust for:			
Depreciation	6	12,178,294	2,392,948
Interest received		(6,353,311)	(1,774,290)
Operating surplus before working capital changes		**718,759,600**	**100,187,973**
Increase in accounts receivable		(547,368,102)	(59,811,880)
Increase in accounts payable		665,946,444	77,051,423
Cash generated from operations		**837,337,942**	**117,427,516**
Interest received		6,353,311	1,774,290
Net cash from operating activities		**843,691,253**	**119,201,806**
Cash flows used in investing activities			
Acquisition of property, plant & equipment	6	(45,044,758)	(732,540)
Increase in investments		(28,806,155)	(14,566,625)
Transfer to general reserve	page 9	(712,934,616)	(99,569,315)
Net cash used in investing activities		**(786,785,529)**	**(114,868,480)**
Net increase in cash and cash equivalents		**56,905,724**	**4,333,326**
Cash and cash equivalents as at 01 January		10,829,942	6,496,616
Cash and cash equivalents as at 31 December		**67,735,666**	**10,829,942**
Reconciliation of movements during the year			
Cash at bank	8	67,735,666	10,829,942
Cash and cash equivalents as at 31 December		**67,735,666**	**10,829,942**

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

1. GENERAL INFORMATION

1.1 Nature of business

The Zimbabwe Music Rights Association is a non-profit making organization. Its main business is collective administration of copyright.

1.2 Currency

The financial statements are expressed in Zimbabwean Ledger Dollars (ZWL$).

2. ACCOUNTING POLICIES

The principal accounting policies set out below have been consistently followed in all material respects. These financial statements have been prepared in conformity with International Financial Reporting Standards (IFRSs), except for IAS 29 - Financial Reporting in Hyperinflationary Economies. The Zimbabwean economy during the period under review is recognised as being hyperinflationary for the purposes of financial reporting during the year 2021 and 2022. The accompanying financial statements have been prepared on the historical cost basis and, therefore, have not been stated in terms of a measuring unit current at 31 December 2021 and at 31 December 2022 as required by IAS 29 "Financial Reporting in Hyperinflationary Economies". That standard requires that financial statements that report in the currency of a hyperinflationary economy should be stated in terms of the measuring unit current at the year-end date. The non-compliance with IAS 29 arises from the difficulty to reliably measure inflation. The financial statements are expressed in Zimbabwe dollars and have been prepared under the historic cost convention. No other procedures have been adopted to reflect the impact on the financial statements of specific price changes or changes in the general level of prices.

2.1 Property, Plant and Equipment

Property, Plant and Equipment are depreciated on a straight line basis over their estimated remaining useful lives, which are as follows

Buildings	2.5%
Computer Equipment	30%
Furniture & Fittings	10%
Motor Vehicles	20%

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2.2 Other Currencies

Amounts payable and receivable in other currencies are translated to Zimbabwean Ledger dollars (ZWL$) at the rate of exchange ruling at the statement of financial position date. Transactions during the year are translated at the rates then ruling. Exchange gains or losses on translation are taken to the income statement.

2.3 Income

Income represents amounts received from grants, donations, membership fees and royalties. Income is on a cash basis except for royalties which are on an accruals basis.

2.4 Taxation

The organization is exempt from paying corporate tax in terms of the Third Schedule of Income Tax Act [Chapter 23:06]. It only remits income taxes deducted from employees which are Pay As You Earn (PAYE) and AIDS levy.

2.5 Financial instruments

2.5.1 Recognition

Financial assets and financial liabilities are recognized in the organization's statement of financial position when the organization becomes a party to the contractual provisions of the financial instrument.

2.5.2 Measurement

Financial instruments are initially measured at cost, including transaction costs. Subsequent to initial recognition, these instruments are measured as set out below:

2.5.3 Trade and other receivables

Trade and other receivables are carried at anticipated realisable value. Appropriate allowances for irrecoverable amounts are recognized in the income statement where there is objective evidence that the asset is impaired.

2.5.4 Trade payables

Trade payables are initially measured at cost and subsequently at amortized cost, using the effective interest rate method.

2.6 Provisions

Provisions are recognised when the organization has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.7 Accounting estimates

The preparation of financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and disclosure of contingent assets and liabilities. The estimates, including those related to provision for bad debts, inventory obsolescence, investments, goodwill, property, plant and equipment and contingent liabilities are reviewed on an on-going basis. We based our estimates on historical experience and other factors that are considered to be relevant.

2.8 Post employment benefits

2.8.1 National Social Security Authority Scheme

This scheme was promulgated under the National Social Security Authority Act of 1989. The organization's obligations under the scheme are limited to contributions legislated from time to time. The organization's contributions to the fund are charged to the income statement and all relate to current service costs.

3. TREASURY AND FINANCIAL RISK MANAGEMENT

The main risks arising from the organization's financial instruments are currency risk, interest rate risk, market risk, credit risk and liquidity and cash flow risk.

3.1 Currency risk

This is the risk that the organization is exposed to unfavorable exchange rate movements on mismatched spot or forward positions in a foreign currency deal. The organization incurs foreign currency risk when it undertakes transactions in foreign currencies. However, exposure to foreign currency risk is managed by insuring that foreign currency denominated assets are retained to set off against foreign currency denominated liabilities.

3.2 Interest rate risk

This is the risk arising from the adverse movement in the value of future interest receipts or commitments resulting from movements in interest rates. The organization finances its operations through accumulated funds.

3.3 Market risk

The principal amounts of all monetary assets and liabilities are fixed and not subject to market related value adjustments.

3.4 Credit risk

This is the risk that counter-parties to a deal or loan will default. The organization's cash resources are principally deposited with financial institutions which are considered reputable. Adequate provision is made against any trade and other receivables considered doubtful.

3.5 Liquidity and cash flow risk

This is the risk of insufficient liquid funds being available to cover commitments. The cash resources available to the organization will enable the organization to meet its short term liquidity and cash flow requirements.

4. FUNCTIONAL & PRESENTATION CURRENCY

These financial statements are presented in Zimbabwean Ledger dollars (ZWL$) which is the organization's presentation currency. During 2020 and 2021 the functional currency in Zimbabwe has been a mixture of the United States dollars (USD) and the Zimbabwean ledger dollars (ZWL$), though the presentation currency is ZWL$.

5. Possible Effects of COVID -19

Since 31 December 2019, the spread of COVID-19 has severely impacted many economies around the globe. In many countries, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown. Global stock markets have also experienced great volatility and a significant weakening.

The association has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 December 2022 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic, as well as the effectiveness of Government responses, remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the association for future periods.

ZIMBABWE MUSIC RIGHTS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

6 Property, plant & equipment

	Buildings $	Computer equipment $	Furniture & fittings $	Motor vehicles $	Total $
31 DECEMBER, 2021					
Carrying amount 01/01/2021	**2,691,615**	**399,824**	**8,883**	**1,040,000**	**4,140,322**
Gross carrying amount	2,781,013	645,020	23,402	1,419,246	4,868,681
Accumulated depreciation	(89,398)	(245,196)	(14,519)	(379,246)	(728,359)
Additions	-	211,998	36,242	484,300	732,540
Revaluation surplus	26,680,000	-	-	5,100,000	31,780,000
Depreciation for the year	(734,290)	(183,546)	(4,512)	(1,470,600)	(2,392,948)
Carrying amount 31/12/2021	**28,637,325**	**428,276**	**40,613**	**5,153,700**	**34,259,914**
Gross carrying amount	29,461,013	857,018	59,644	7,003,546	37,381,221
Accumulated depreciation	(823,688)	(428,742)	(19,031)	(1,849,846)	(3,121,307)
31 DECEMBER, 2022					
Carrying amount 01/01/2022	**28,637,325**	**428,276**	**40,613**	**5,153,700**	**34,259,914**
Gross carrying amount	29,461,013	857,018	59,644	7,003,546	37,381,221
Accumulated depreciation	(823,688)	(428,742)	(19,031)	(1,849,846)	(3,121,307)
Additions	9,395,340	15,522,021	1,063,175	12,167,047	38,147,583
Revaluation surplus	87,959,950	17,263,677	2,049,449	24,193,834	131,466,910
Depreciation for the year	(3,973,503)	(7,763,704)	(181,087)	(260,000)	(12,178,294)
Carrying amount 31/12/2022	**122,019,112**	**25,450,270**	**2,972,150**	**41,254,581**	**191,696,113**
Gross carrying amount	126,816,303	33,642,716	3,172,268	43,364,427	206,995,714
Accumulated depreciation	(4,797,191)	(8,192,446)	(200,118)	(2,109,846)	(15,299,601)

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 $	2021 $
7 Accounts receivable		
General 2019	-	1,687,078
General 2020	-	9,607,217
General 2021	47,470,656	52,994,340
General	486,197,155	-
ZBH	42,183,382	3,371,807
Star FM	14,458,572	2,382,231
ZIFM	11,256,526	3,270,266
Diamond FM	914,883	211,492
Capitalk FM	368,449	116,190
Nyaminyami FM	190,939	42,310
Hevoi FM 2021	281,482	472,977
Hevoi FM	3,441,253	-
98.4 FM 2021	274,334	472,297
98.4 FM	3,158,007	-
Fairtalk Comm	2,067,023	804,992
3Ktv	2,693,261	-
ZTN 2017-2020	2,504,509	753,626
ZTN 2021	1,121,322	-
ZTN	1,289,184	-
Ya FM	230,917	172,407
GZU 2020	185,367	500,000
GZU 2021	1,450,332	-
GZU	1,450,332	-
CAPASSO	-	99,364
ZB Government tax refund	780,782	-
ZIMRA - PAYE prepaid	358,029	-
	624,326,696	**76,958,594**
8 Cash & cash equivalents		
ZB Bank	21,203,503	5,640,703
ZB Nostro - Rtgs Equivalent*671.45	18,360,894	1,386,552
ZB Bank supplementary	1,003,536	205,884
Steward Bank	820,477	2,159,238
Eco Cash account	33,600	196,965
Petty cash	25,597,950	508,580
Nyaradzo Members Funeral Fund	610,238	610,580
Moonlight Members Funeral Fund	105,468	121,440
	67,735,666	**10,829,942**
9 Accounts payable		
Distribution to members	641,641,155	89,612,383
Trust Fund	71,293,462	9,956,932
	712,934,616	**99,569,315**

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 $	2021 $
10 Creditors		
Accountancy/audit fee	2,540,000	300,000
NSSA, Pensions & Funeral	1,112,804	325,779
ZIMRA - PAYE	-	575,590
Telephone	-	3,572
Rentals	-	32,175
FML Pension fund	2,088,048	-
Non society members	1,734,657	3,173,062
Undistributed foreign royalties	172,587	52,191
D33 Royalties	20,249	20,721
D34 Royalties	17,916	18,052
D35 Royalties	130,252	150,593
D36 A Royalties	2,044,539	2,508,628
D36 B Royalties	122,453	684,791
D37 A Royalties	9,988,414	-
D37 B Royalties	37,514,140	-
	57,486,059	**7,845,154**
11 Income - royalties		
General	857,703,925	105,654,010
ZBC	52,555,189	13,691,807
Star FM	34,511,831	6,570,977
ZiFM	18,206,525	5,558,808
Diamond FM	3,969,191	1,237,644
Capitalk FM	1,453,940	400,868
Nyaminyami FM	674,573	180,508
Hevoi FM	3,441,253	584,139
98.4 FM	3,158,007	535,651
Ya FM	570,917	303,272
Fairtalk	3,817,677	1,325,992
3Ktv	2,693,261	-
ZTN	1,761,622	753,626
GZU	1,365,422	500,000
Pachikomo FM	1,781,376	-
	987,664,709	**137,297,302**
12 Other income		
Membership fees	29,634	161,281
Rental income	222,722	-
Income from sale of PPE	2,648,557	-
Interest received	6,353,311	1,774,290
Foreign societies	4,103,569	1,230,800
Loss on disposal of motor vehcles	(346,878)	-
Donations	20,000	-
	13,030,915	**3,166,371**

THE ZIMBABWE MUSIC RIGHTS ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

	2022 $	2021 $
13 Administrative expenses		
Audit fees	2,540,000	300,000
Bank charges	2,499,817	596,028
Gvt Tax	5,575,077	1,072,693
Car expenditure account	7,796,459	2,699,249
Entertainment	671,450	31,668
Interest on Loan	422,944	-
I T expenses	4,321,746	1,340,862
Training - workshop	8,142,182	131,988
Fuel & transport	8,771,754	1,289,655
Insurance premium	1,532,730	203,877
Postage, telephone & telefax	655,487	201,934
Licensing	27,331,299	7,874,683
Subscriptions	771,854	705,706
Printing & stationery	6,209,963	724,635
Teas & cleaning	2,456,491	538,982
Marketing & Public Relations	4,253,445	-
	83,952,698	**17,711,960**
14 Occupational costs		
Electricity, rent & rates	4,615,053	765,424
	4,615,053	**765,424**
15 Staff costs		
NSSA & pension fund contribution	19,887,557	2,893,273
Salaries & allowances	139,493,224	15,735,766
Medical aid contributions	9,810,267	1,293,061
	169,191,048	**19,922,100**
16 Other expenses		
Depreciation	12,178,294	2,392,948
Bad Debts Written Off (2019- 2020)	11,294,295	-
Directors' fees	5,342,314	-
Distressed members relief fund	321,479	-
Maintenance	865,826	101,926
	30,002,208	**2,494,874**