



LOWER GURUVE DEVELOPMENT ASSOCIATION

2016 ANNUAL REPORT



**FINANCIAL & MATERIAL SUPPORT FROM
WFP**



**World Food
Programme**

wfp.org

Lower Guruve Development Association (LGDA) is a community Based Organisation (CBO) registered under the Private Voluntary Organisations Act (PVO) way back in 1991. Its overall goal is to overcome the social, economic and ecological constraints to development for the benefit of the community it serves. Initially LGDA catered for the population of Mbire District (formally Lower Guruve) but has since spread its operations to other districts in Mashonaland Central Province, and has plans to operate in other Zimbabwe provinces as well.

The organisation Values

LGDA upholds and expects its members, leadership and staff to abide by the following values:

- Selfless leadership
- Respect
- Transparency and accountability
- Teamwork,
- Non-discrimination and
- Apolitical.

The Organisation vision

Empowered self-sustaining communities living in an environment free from segregation, hunger, malnutrition and disease

The Organisation mission

To empower vulnerable communities through participatory methodologies in partnership with stakeholders for the attainment of improved health and sustained livelihoods in a non-discriminatory and transparent way.

The organisation main objectives

- a) To promote social, economic, professional and personal growth and cultural activities of communities through various lawful interventions
- b) To carry out relevant interventions in the event of emergencies especially in areas related to provision of food aid, health and shelter
- c) Provision and promotion of health and educational facilities and any ancillary activities that promote access to quality education and affordable health services to all communities especially the girl child and women
- d) To promote food security and WASH related activities to vulnerable communities
- e) To promote activities related to environment protection and smart agriculture
- f) To strengthen resilience building among communities through promotion and

- establishment of productive assets and community local administrative structures
- g) To promote innovative research and training in livelihoods
 - h) To carry out child protection activities to all vulnerable children
 - i) To promote human rights awareness and empowerment among the general public and, in particular, the underprivileged sections of the society through legal and civic education, advocacy and research in accordance with the Constitution of Zimbabwe
 - j) To provide voter education and other human rights related activities in accordance with the Constitution of Zimbabwe
 - k) To promote the rights of disabled people and other minority groups in Zimbabwe
 - l) To strengthen community systems to contribute towards prevention and management of HIV AIDS, TB and other Non- Communicable diseases

Introduction

Over the years Lower Guruve Development Association (LGDA) has been responding to needs of the rural people in Mbire and Guruve Districts. In the last quarter of the year under review, it spread its operations to Bindura and Shamva Districts of Mashonaland Central Province. As its strategy, LGDA worked in collaboration with all key stakeholders in a way to improve and protect the livelihoods of the vulnerable people. The organisation remains committed to sustainable development through increased long-term resilience to shocks. The interventions were addressing the challenges of chronic food insecurity and improve on nutrition diversity. The 2015/2016 agricultural season was not good for Mbire and other districts. According to 2015/16 second round crop production and livestock assessment report, cereal production was estimated to be 49% lower than 2014/2015 season. Also according to the 2016 ZIMVAC report, Mashonaland Province had a GAM of 5.6% boys, 4% for girls and 5% for all. Shamva had a GAM of 12.3% with a stunting prevalence of 35% while Bindura had a prevalence of 33%. The reports necessitated the continued implementation of Productive Asset Creation (PAC) and Lean Season Assistance (LSA) projects in Mbire District and Management of Acute Malnutrition (MAM) programmes in Bindura and Shamva Districts.

Whilst LGDA's work spread two additional districts (Bindura rural and Shamva), in its traditional operating district Mbire, the Organisation implemented the LSA and Productive Asset Creation (PAC) programmes. The LSA was there to alleviate the immediate hunger challenge both in the community and in schools whereas PAC aimed at building long-term resilience to shocks through community owned productive assets,

1. The Productive Asset Creation Project (PAC)

LGDA has been implementing this programme in Mbire District since the year 2013. In the year under review, the project was implemented over six months from May to November 2016. The goal of the project was to increase resilience to shocks through the creation of

community owned productive assets which help households and communities address the challenges of chronic food insecurity and improve on their nutritional diversity. The programme, was meant to:

- a. Improve nutrition security base of the people through crop and livestock production
- b. Provide water supply for nutrition gardens
- c. Improve the quality of livestock through improved dipping facilities in the district
- d. Increase availability of food at household level by the participating men and women in the project

The specific objectives were:

- **Strategic objective 1** :To protect and promote the livelihoods and enhance self-reliance of targeted vulnerable households in emergencies and during early recovery
- **Strategic objective 2**: To enhance communities' resilience to shocks through asset creation activities
- **Strategic objective 3**: To support the re-establishment of livelihoods, food security and nutrition well-being of communities and families affected by shocks

The programme started with a two day district inception meeting where 39 people from LGDA, Government departments and WFP attended. The purpose of the workshop was to share the roles and responsibilities of all stake holders in this project as well as the programme context. After this meeting, ward inception meetings were conducted in each benefiting ward followed by the selection and registration of beneficiaries who were the workers in the development of the approved assets. A total of 1 958 workers (1 270 women and 688 men) were registered to participate in the creation of 9 assets. The selection criterion was based on the food insecurity status of the household, ability to work and that the household resides within 5 a kilometre radius from the asset. Nine assets were selected for development in seven wards of the District. These included three earth dams, two dip tanks, three community nutrition gardens and one splash drain. The table below gives a summary of the projects and their respective direct beneficiaries/workers:

Ward No	Ward Name	Project Type	Project Workers
2	Chisunga	Makukutsi (Mazambara) Earth Dam	320
7	Hambe	Hambe dip tank	240
		Rujeko OVC Nutrition Garden	80
8	Mhokwe	Pamwechete Madzimai Nutrition Garden	83
14	Masomo	Nyatsengwa dip tank	240
15	Mahuwe	Dyaramiti community nutrition garden	75
		Hurahwakamba Earth Dam	360
16	Monozi	Bwazi Splash Drain	220
17	Majongwe	Magwenjere Earth Dam	340
Total workers			1 958

Achievements

LGDA managed to complete six of the nine assets by the stipulated date 30 November 2016. These include Makukutsi (Mazambara) Earth Dam, Pamwechete Madzimai Nutrition Garden, Dyaramiti Community Nutrition Garden, Hurahwakamba Earth Dam, Bwazi Splash Drain

and Magwenjere Earth Dam. Borehole pump installations had not yet been done by 30 November for Nyatsengwa dip tank , Rujeko OVC Nutrition Garden and Hambe Dip Tank and as a result the overall achievement was 98% completion.



Women participating in the Makukutsi Earth Dam construction process.

In this project, workers were asked to work four hours per day for fifteen days per month amounting to sixty hours per month. As remuneration, each worker would receive a food basket comprising of 50kg of cereal, 10kg pulses and 4litres (3.75kg) of vegetable oil. All workers, however, managed to work the agreed hours per month for the six months project period. Each worker received the mandated ration/ food basket. A total of 748.935 metric tons of food commodities were distributed to workers during the project life cycle. Below is a summary of the food items moved during the period under review:

Cereals	587.40 Metric Tones
Pulses	117.480 Metric Tones
Vegetable Oil	44.055 Metric Tones
Total	748.935 Metric Tones

Project impact

The project impacted positively from the first month of implementation as all participating households received food commodities resulting in them having decent meals per day as compared to periods before the intervention. The impact of the created assets could not be realised by the time of reporting although the benefits are expected as outlined in the project objectives.

However, testimonials from members in Nyatsengwa of ward 14 and Hambe in ward 14 where there were no dip tanks confirmed that it was very difficult to travel 10km to the nearest dip tank. This resulted in most of them not dipping their cattle.

This resulted in the death of many cattle from tick borne diseases. Again, many farmers could not afford the expensive pour on chemicals. The Department of Veterinary Services confirmed that plunge pool dipping costs were less as compared to the pour on by 85%. This resulted in huge savings by both the farmer and the government.



Workers receiving their entitlements for the month. Decent meals guaranteed in these households



Remarkable impact is being recorded from the 2014 established nutritional gardens at Nyambudzi Garden in ward 12 and Chombiri in ward 6 as depicted in the above pictures.

2. a. The Conditional Lean Season Assistance Programme (CLSA)

The 2015/ 2016 ZimVac report and the President's declaration of a national disaster prompted WFP and the international community to respond to the food insecurity situation in the country. The January 2016 Zimvac Report indicated that Zimbabwe had faced another drought in the 2015/16 agricultural season in what is deemed the strongest El Nino occurrence in decades. The country had not recovered from another devastating drought that hit most provinces during the previous 2014/15 season and this caused untold suffering among the rural poor who constitute 70% of the population. At national level, Mbire District was number three districts which had the highest food insecurity rates from the January 2016 rapid assessment, with 55 % after Umguza (57%) and Buhera (61%). It is against this background that World Food Programme (WFP) through its Cooperating Partner (CP) Lower Gurove Development Association (LGDA) implemented the Lean Season Assistance Programme (LSA) in Mbire District.

The main aim of the Lean Season Assistance was to improve access to food by vulnerable populations and enhance their knowledge and capacity through livelihoods related trainings.

The District Drought Relief Committee (DDRC) carried out the ward ranking and allocation of beneficiary figures. Community based targeting approach was used in the registration process. Local leadership, church leaders, Agritex officers and other relevant government departments assisted to ensure that households were placed at their correct level of food insecurity. The food rations received per person in a household were 10kg of cereal, 2kg of pulses, and 0.75kg of vegetable oil and 6kgs of CSB (for under-fives) per month. The project was implemented over nine months starting January to March 2016 and July to December 2016. Beneficiaries were selected from all the seventeen wards in the District. The caseload for the District from January to March 2016 was 34 352 people and for July to December was 37 690.

The June to July programme started off with a 2 day district inception workshop where LGDA staff and all key district stakeholders attended. This was followed by the ward inception meetings where both sensitisation and registrations of beneficiaries were done. Community based targeting approach was used to register the most food insecure households. The communities came up with the food insecurity indicators at village level. The programme targeted the most food insecure households from both labour and non-labour constrained households. As a condition to receiving food, the selected beneficiary households were required to attend trainings. The trainings are summarised below:

1. Internal savings and lending (ISAL).
2. Production and marketing
3. Value addition and animal health management
4. Conservation related public works

2. b. Emergency Schools Feeding Programme (ESFP)

Background of the programme

Due to the El Nino induced drought, the subsequent declaration of a State of Emergency by the Government and the projection of high food insecurity of up to 43.9% at the peak of the hunger period, WFP through partners implemented the LSA programme. In addition to this, following the government appeal, WFP in partnership with the government of Zimbabwe

Ministry of Primary and Secondary Education (MoPSE) rolled out the Emergency Schools Feeding Programme (ESFP) in Zimbabwe. The targeted districts included Binga, Mbire and Zvishavane. The feeding programme was necessitated by increased absenteeism in schools, high school drop outs due to hunger as a result of reduced or lack of access to food at household level.

WFP through its Cooperating Partner Lower Gurusu Development Association (LGDA) implemented the programme in 35 Primary schools in Mbire District of Mashonaland Central Province. The ESFP served as a short term safety net targeting primary school children (both ECD and grade 1 to 7 pupils) to providing a mid-morning porridge of fortified corn-soya blend to pupils shielding them from drought induced hunger and promote high nutrition levels. ECD children got 200g of CSB++ while Grades one to seven pupils got 150g of CSB and 10g of vegetable oil per meal. The program was implemented over a 9 month period from July 2016 to March 2017. It started off with three one day training sessions conducted for six school clusters in Mbire District in July 2016. The sessions were an inception to usher in the Emergency School Feeding Program. A total of 70 participants attended, 50% constituted teachers and the other 50% constituted School Development Committee (SDC) representatives. This was followed by 35 complementary trainings that were conducted at school level to capacitate teachers on record keeping as well as appraise other school authorities on program expectations.

The Emergency School Feeding Programme actively involved the participation of the community since the community had the role to provide water, firewood and cooking the porridge. This led to the setting up of the ESFP school committee. The committee members were selected by the community in public meetings that were conducted by LGDA. The members of the ESFP were pulled from respective villages, SDC and Mother Support Groups.

Achievements of the ESFP programme

Capacity Building

- The programme provided a platform for school capacity development and assisted the Ministry of Primary and Secondary Education (MoPSE) in the development and scaling-up of a national home grown school feeding programme by strengthening community capacity through provision of technical advice, training of teachers and local communities in areas of record keeping, food handling, storage and food preparation. School Development Committees (SDCs) were invigorated to coordinate the overall management of the school feeding programme at school level. 175 people (teachers, SDC members and food handlers) from 35 schools trained on safety and health at the work place, food handling, storage, preparation and stakeholder responsibilities

Infrastructure development

Notably, there was infrastructure development in all the 35 schools that participated in the program. Each school managed to construct a kitchen and an eating area. The infrastructure was developed by the SDCs using locally available materials except for 4 schools that managed to buy asbestos/Zinc sheets that were used as roofing materials.

Challenges

However, some challenges were faced during the first few months where:

- 3 schools (Masoka, Mupedzapasi and Kapururira) took long to achieve minimum standards for feeding. This resulted in their loss of a feeding month (September).
- Some School Heads and SDC committees (Chikafa and Musengezi schools) were reluctant to take active roles in the management of school feeding program resulting in over burdening of the school feeding focal persons.
- Inadequacy of cooking and serving utensils led to delayed feeding in some schools like Gonono, Monozi and Musengezi. For an average of 4 months the stated schools fed pupils well after the stipulated time of between 10 and 11am.
- The district underground water table went further down between October and December 2016 leading to reduced borehole yields, and in some cases people waited in queues for boreholes to refill especially those that were shared between schools and communities.
- Some communities were accustomed to donor dependence hence took time to positively contribute to the smooth running of the feeding program. They expected payment for any task undertaken, that is, they expected payment for fetching water, firewood or even cooking.
- It took time for pupils to get used to the taste of the porridge as some initially added either salt or sugar to the porridge to enhance its taste.
- Occasional delay of food deliveries led to loss of feeding days as schools sometimes went for between a day and a week without receiving their consignments.

Although there were challenges as stated, the programme managed to achieve its desired objective to alleviate short-term hunger through the provision of nutritious food (super cereal plus) in targeted schools.

Outcomes of the programme:

- It provided a food safety net for 24,565 primary school going children by increasing dietary intake.
- It increased the pupil concentration and performance at school
- 175 people (teachers, SDC members and food handlers) from 35 schools trained on Safety and Health at the Work Place, Food Handling, Storage, food preparation and stakeholder responsibilities

Impact of the Programme

The key performance indicators included

- Increased enrolment from 17578 to 22620

Reduced percentage of drop-outs from 1.5 to 0.4 percent.

Programme Monitoring

Monitoring visits were made to each of the 35 schools prior to first deliveries to ascertain the level of school preparedness as far as infrastructure development is concerned, check on the availability of cooking and serving utensils, availability of WASH facilities for use under the programme.

3. Moderate Acute Malnutrition (MAM) Treatment Program

ZIMVAC supports government in the food and nutrition sector, particularly in convening and coordinating national food security issues in Zimbabwe; charting practical way forward for fulfilling legal and existing policy commitments in food and nutrition security and advising government on strategic directions in food and nutrition security. The May 2016 ZimVac Assessment Report showed that national GAM prevalence was 4.4% with boys being more affected than girls. In Mashonaland Central Province, GAM prevalence was 5.6% for boys and 4.4% for girls with an average of 5% for both. The Bindura and Shamva GAM prevalence rates were 5% and 12.3% respectively; the MAM prevalence rates for the same were 3.4% and 6% respectively. GAM rates above 5% and MAM rates above 2% both call for emergency intervention as these prevalences lie above the recommended threshold of below 5% for GAM and below 2% for MAM. It was recommended by ZimVac that blanket supplementary feeding for districts with GAM above 7% and targeted supplementary feeding for children under five and pregnant and lactating women with moderate acute malnutrition be done for all other districts prioritised with order of severity. It was against this background that WFP through LGDA implemented the MAM Treatment Program in Shamva and Bindura Districts with the aim of strengthening micro-nutrient supplementation among children of 6-59 months as strategic direction for food and nutrition security in both districts.

The project objective was to support the improved nutrition and health status of a cumulative of 5627 and 3440 children between 6 and 59 months of age in five months from November 2016 to March 2017 in Bindura and Shamva Districts respectively. The key performance indicators being that 80% of targeted households had:

- ✓ Improved care and hygiene practices; feeding practices and food preparation methods.
- ✓ Increased consumption of nutritious food at household level.
- ✓ Engaged in livelihood activities that sustained the food and nutrition security of the household.

Achievements

Sensitization of district stakeholders was done through inception workshops conducted in both districts. All key stakeholders were informed of their various roles and responsibilities in the MAM program. More comprehensive community sensitization was done in collaboration with MoHCC through the District Nutritionist and the District Nursing Officer (DNO) where nurses at local clinics as well as Village Health Workers (VHWs) were educated on how to identify children between 6 to 59 months who have moderate acute malnutrition. Identified children through active screening by VHWs at the village level would then be referred to the nearest clinic where verification was done by taking their anthropometric measurements. A waiting list for registration into MAM program was then developed.

At a set registration date, LGDA conducted registration of MAM positive children into the MAM program. The MAM positive children received a ration of 6kg super cereal per child per month as a supplementary feed to boost the nutrition status of the child and prevent them from further deteriorating into severe acute malnutrition. Every two weeks, care-givers of MAM positive children were encouraged to visit the clinic for review on progress of recovery from malnutrition before the next food distribution where the monthly ration was given out. During review, care-givers, mostly mothers would take the opportunity to access reproductive health facilities at the clinic such as collecting family planning pills.

Screening and registration of MAM positive children was done at clinics by taking anthropometric measurements (weight, height and muac) for all the children with an admission criterion of a muac reading of between 11.5 and 12.4 and/or z scores of between -2 and -3. The children who matched the admission criteria were then registered into the MAM Treatment program. An anthropometric track record was opened for all the registered children for ease of tracking of their recovery progress.

9067 malnourished children between 6 and 59 months were to receive 6kg super cereal each per month in Bindura and Shamva Districts. However, by December 2016, distributions had not yet started.

In preparation for the implementation of the programme, care-givers for the children received social behaviour change communication awareness and had would have an opportunity to access maternal health services and treatment during the time they visited the clinics for review or for food distributions. MoHCC jointly conducted awareness on the importance of general household hygiene, feeding practices, food preparation and handling of the supplementary feed. Nutrition education covering the following areas was given to caregivers in both districts:

- ✓ Moderate acute malnutrition and ways of preventing it.
- ✓ Importance of breastfeeding up to two years and exclusive breastfeeding
- ✓ Good child care practices and complementary feeding
- ✓ Importance of participating in monthly growth monitoring
- ✓ Immunisation and vitamin A supplementation
- ✓ Use of locally available foods to enhance the nutrition of children.
- ✓ Importance of eating a balanced diet as a family in order to prevent deficiency diseases.
- ✓ Importance of pulses and encouraging them to plant a variety of vegetables in their gardens.
- ✓ General hygiene practises

The outcomes were:

- To reduce and stabilize the prevalence of MAM of 9067 children between 6 and 59 months in Shamva and Bindura Districts.
- 75% of targeted beneficiary households have adopted better care and hygiene practices, improved food preparation practices and feeding practices and have increased utilization of local health care services, (maternal and reproductive health) from local health institutions.

Programme Impact

The impact of the programme would only be measured after full implementation in after March 2017

4. The Finance and Administration

The finance and administration played its usual roll of controlling, facilitating and coordinating the implementation of programmes. In all the organisation's programming, qualified human, material and financial resources necessary were supplied as and when required during the implementation of the programmes. It maintained separate records and accounts of all resources and funds provided by funding partners as a way to demonstrate the organisation's accountability to its funding partners and all other stakeholders. The financial statements to support the latter are furnished as a separate document to this report.

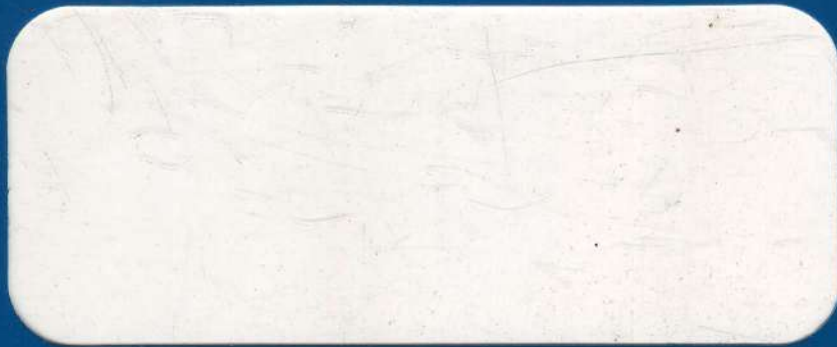
Financial statements are attached in Annex 1

ANNEX 1

**AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2016**

Nolands

NOT YOUR ORDINARY AUDITORS



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**LOWER GURUVE
DEVELOPMENT ASSOCIATION
FINANCIAL STATEMENTS
31 DECEMBER 2016**

Nolands
NOT YOUR ORDINARY AUDITORS

**LOWER GURUVE DEVELOPMENT ASSOCIATION
MAIN ACCOUNT
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

Registered Office Stand No: 295
GURUVE

Telephone +263 58 2477, +263 58 2552

Email lgda@mango.zw

Business Developing the Mbire District community.

Established 1991

Board of Trustees

Mr E Murendo (Executive Director)
Mr L Nyamasoka (Chairperson)
Ms M Chaka (Treasurer)
Mrs E Muveteri (Secretary)
Mrs N Chikwira (Member)
Mr C Chimukoro (Member)
Mr D Mupfumbira (Member)
Mrs P Dzivarenyenga (Member)
Mrs E Maveza (Member)
Mrs E Hwingwiri (Member)
Mr F Muodza (Member)
Mr B Mutande (Member)
Mr J Vhareta (Member)
Mrs A Chingwa (Member)
Mrs C Kataika (Member)
Mr E Chigwajara (Member)
Mrs R Gomo (Member)
Mrs M Guvheya (Member)
Mrs J Mugari (Member)

Bankers Standard Chartered Bank Limited,

Auditors Nolands Harare Chartered Accountants
No. 7 Glenara Avenue South
Cnr Samora Machel Avenue, Eastlea
Harare
Tel: +263 (04) -4810337/9, 49522

LOWER GURUVE DEVELOPMENT ASSOCIATION
MAIN ACCOUNT
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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LOWER GURUVE DEVELOPMENT ASSOCIATION
MAIN ACCOUNT
ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Trustees' responsibility for financial reporting

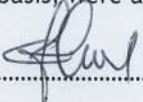
The financial statements are prepared in accordance with International Financial Reporting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The Trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the Association and place considerable importance on maintaining a strong control environment. To enable the Trustees to meet these responsibilities, the board of Trustees sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the Association and all employees are required to maintain the highest ethical standards in ensuring the association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Association is on identifying, assessing, managing and monitoring all known forms of risk across the Trust. While operating risk cannot be fully eliminated, the Association endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.


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

The external auditors are responsible for independently reviewing and reporting on the organisation's financial statements. The financial statements have been examined by the Association's external auditors and their report is presented on pages 4-5.

The financial statements and the notes thereto set out on pages 6 to 18, which have been prepared on the going concern basis, were approved by the trustees and were signed by ;

Chairperson; .....

Date: 21/06/2018

Executive Director; .....

Date: 21/6/18

To the members of Lower Guruve Development Association Zimbabwe

Report on the financial statements

Opinion

We have audited the Financial Statements of Lower Guruve Development Association set out on pages 6 to 18, which comprise the Statement of Financial Position as at 31 December 2016, and the Statement of Comprehensive Income, Statement of Changes in Reserves and Statement of Cash Flows for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the Financial Statements present fairly, in all material respects, the financial position of Lower Guruve Development Association as at 31 December 2016, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis of opinion

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

Responsibilities of the Board of Trustees for the Financial Statements

The Board is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards and for such internal control as the Board determine 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, the Board 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 the Board either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance,

but is not a guarantee that an audit conducted in accordance with International Standards on Auditing 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 the Financial Statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional skepticism throughout 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 controls.
- Obtain an understanding of internal controls 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 association's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the association'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 our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board 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.

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Nolands Harare Chartered Accountants

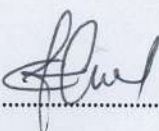
HARARE

Date *22/06/2018*


LOWER GURUVE DEVELOPMENT ASSOCIATION
 MAIN ACCOUNT
 STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2016

	NOTES	US\$ 2016	US\$ 2015
Assets			
Non current assets			
Property and equipment	3	92,048	100,168
		<u>92,048</u>	<u>100,168</u>
Current assets			
Accounts receivable	4	11,136	150
Cash and cash equivalents	5	20,040	15,132
		<u>31,176</u>	<u>15,282</u>
Total assets		<u><u>123,224</u></u>	<u><u>115,450</u></u>
Reserves and liabilities			
Reserves			
Non distributable reserve		7,535	7,535
Accumulated funds		39,259	68,170
		<u>46,795</u>	<u>75,705</u>
Current liabilities			
Accounts payable	6	76,429	39,745
		<u>76,429</u>	<u>39,745</u>
Total reserves and liabilities		<u><u>123,224</u></u>	<u><u>115,450</u></u>

Signed for and on behalf of the Board of Trustees by;

Chairperson; 

Date; 21/06/2018

Executive Director; 

Date; 21/6/18

LOWER GURUVE DEVELOPMENT ASSOCIATION

MAIN ACCOUNT

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	NOTE	US\$ 2016	US\$ 2015
Income			
Productive Asset Creation			
Women Cotton Production Assembly		-	214,553
World Food Programme			
Productive Asset Creation		185,387	-
Lean Season Assistance		240,645	-
LGDA Contributions			
Membership contributions		873	8,315
Internal vehicle hire		8,448	6,500
Sundry income		46,307	-
Total Income		481,661	229,368
Expenditure			
Programmes			
Productive Asset creation	7.1	198,641	225,422
Lean Season Assistance	7.2	244,103	-
Administration	7.3	43,590	14,256
Mbire Livestock Project Production	7.4	-	3,831
Moderate Acute Malnutrition	7.5	24,238	-
Total Expenditure		(510,572)	(243,509)
Deficit for the year		(28,911)	(14,141)

LOWER GURUVE DEVELOPMENT ASSOCIATION
 MAIN ACCOUNT
 STATEMENT OF CHANGES IN RESERVES FOR THE YEAR ENDED 31 DECEMBER 2016

	Non Distributable Reserve	Accummulated fund	Total
Balance as at 31 December 2014	7,535	82,311	89,846
Deficit for the year	-	(14,141)	(14,141)
Balance as at 31 December 2015	<u>7,535</u>	<u>68,170</u>	<u>75,705</u>
Deficit for the year	-	(28,911)	(28,911)
Balance as at 31 December 2016	<u><u>7,535</u></u>	<u><u>39,259</u></u>	<u><u>46,794</u></u>

LOWER GURUVE DEVELOPMENT ASSOCIATION
 MAIN ACCOUNT
 STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2016

	US\$ 2016	US\$ 2015
Operating activities		
Deficit for the year	(28,911)	(14,141)
<i>Adjusted for:</i>		
Depreciation	10,920	10,360
Cash flows before working capital changes	(17,991)	(3,780)
Working capital changes		
Increase in receivables	(10,986)	(150)
Increase in payables	36,685	70,924
Cash flows from / (applied in) operating activities	7,708	66,994
Investing activities		
Purchase of property and equipment	(2,800)	-
Cash flows applied in investing activities	(2,800)	-
Net cash movement for the period	4,908	66,994
Cash and cash equivalents at the beginning of the year	15,132	(51,862)
Cash and cash equivalents at end of the period	20,040	15,132

LOWER GURUVE DEVELOPMENT ASSOCIATION
MAIN ACCOUNT
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

1 Incorporation and Activities

The Association is registered under the Private Voluntary Organisation Act (Chapter 17:05) and is involved in community development projects in the Mbire District (formerly Lower Guruve) area of Mashonaland Central province.

2 Accounting policies

The principal accounting policies which are set below have been consistently followed in all material respect.

2.1 Basis of preparation

The Association financial statements are prepared on a historical cost basis of accounting.

2.2 Grant Income and Expenditure

Grant income is accounted for on receipt basis. Expenditure for goods and services is recognised for accounting purposes at the time expenditure is incurred.

2.3 Presentation currency

The financial statements are presented in United States Dollars. Transactions in other currencies were converted using the applicable spot rate rulling at the date of transaction.

2.4 Property and equipment

Property and equipment are stated at historical cost less accumulated depreciation. Depreciation is calculated on the straight line basis over their anticipated useful lives at the following annual rates.

Buildings	2.5%
Vehicles	20%
Office furniture	10%
Equipment, workshop tools	10%
Plant and machinery	10%

2.5 Financial instruments

Classification

The organisation accounts for its financial assets at fair value through profit and loss, loans and receivables or as available- for -sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at acquisition.

LOWER GURUVE DEVELOPMENT ASSOCIATION

MAIN ACCOUNT

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Trade and other receivables

Trade receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 120 days overdue) are considered indicators that the trade receivable is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss within operating expenses. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against operating expenses in profit or loss.

Trade and other payables

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

LOWER GURUVE DEVELOPMENT ASSOCIATION

MAIN ACCOUNT

NOTES FOR THE YEAR ENDED 31 DECEMBER 2016 (CONT'D)

3 PROPERTY AND EQUIPMENT

	Land and Buildings	Motor Vehicles	Training Equipment	Office Equipment	Plant & Machinery	Total
Carrying Amount-31 December 2014	74,793	-	6,573	20,972	8,190	110,529
Gross carrying amount or cost	87,992	44,500	15,916	45,213	20,475	214,096
Accumulated depreciation	(13,199)	(44,500)	(9,342)	(24,242)	(12,285)	(103,567)
Disposals	-	(6,000)	-	-	-	(6,000)
Depreciation on disposal	-	6,000	-	-	-	6,000
Depreciation for the year	(2,200)	-	(1,592)	(4,521)	(2,048)	(10,360)
Carrying Amount-31 December 2015	72,593	-	4,982	16,450	6,143	100,168
Gross carrying amount or cost	87,992	38,500	15,916	45,213	20,475	208,096
Accumulated depreciation	(15,399)	(38,500)	(10,934)	(28,763)	(14,333)	(107,928)
Additions	-	2,800	-	-	-	2,800
Depreciation for the year	(2,200)	(560)	(1,592)	(4,521)	(2,048)	(10,920)
Carrying Amount-31 December 2016	70,394	2,240	3,390	11,929	4,095	92,048
Gross carrying amount or cost	87,992	41,300	15,916	45,213	20,475	210,896
Accumulated depreciation	(17,598)	(39,060)	(12,525)	(33,284)	(16,380)	(118,848)

LOWER GURUVE DEVELOPMENT ASSOCIATION
 MAIN ACCOUNT
 NOTES FOR THE YEAR ENDED 31 DECEMBER 2016 (CONT'D)

	US\$ 2016	US\$ 2015
4 Accounts receivable		
Trade receivables	10,986	-
Staff debtors	150	150
	<u>11,136</u>	<u>150</u>
5 Cash and cash equivalents		
Cash at bank	20,040	15,132
	<u>20,040</u>	<u>15,132</u>
6 Accounts payable		
PAYE and AIDS levy	-	25,850
NSSA	4,860	-
Trade payables	71,569	13,895
	<u>76,429</u>	<u>39,745</u>

LOWER GURUVE DEVELOPMENT ASSOCIATION
 MAIN ACCOUNT
 NOTES FOR THE YEAR ENDED 31 DECEMBER 2016 (CONT'D)

	US\$ 2016	US\$ 2015
7.1 Productive Asset creation		
Staff and related costs		
Administrative staff	7,938	-
Programme staff	7,056	-
Travel	-	835
	<u>14,994</u>	<u>835</u>
Recurring costs- main office		
Rental of facility	660	2,000
Utilities	512	364
Communication fees	1,979	1,654
Office supplies	372	856
Light vehicle running costs	1,280	-
Office security	1,720	-
	<u>6,523</u>	<u>4,874</u>
Staff and related costs-sub office 1		
Administrative staff	10,200	-
Programme staff	60,860	91,686
Travel	3,984	-
Training	-	220
	<u>75,044</u>	<u>91,906</u>
Recurring costs - sub office 1		
Rental facility	820	-
Utilities	420	279
Communication fees	496	885
Office supplies	578	2,588
Light vehicle running costs	10,463	8,760
Office security	1,380	-
Protective clothing	-	40
	<u>14,157</u>	<u>12,552</u>
Equipment and other-sub office		
Computer and communication equipment	25	-
Procurement of NFI	80,817	96,679
	<u>80,842</u>	<u>96,679</u>
Management fee		
Visibility material	-	283
	<u>-</u>	<u>283</u>
Administrative cost (7%)	7,081	18,293
Grand Total	<u>198,641</u>	<u>225,422</u>

LOWER GURUVE DEVELOPMENT ASSOCIATION
 MAIN ACCOUNT
 NOTES FOR THE YEAR ENDED 31 DECEMBER 2016 (CONT'D)

	US\$ 2016	US\$ 2015
7.2 Lean Season Assistance		
Main office running and staff costs		
Administration staff	5,718	-
Programme staff	6,664	-
Travel	560	-
Utilities	787	-
Communication fees	1,107	-
Office supplies	422	-
	<u>15,258</u>	<u>-</u>
Sub-office 1 office running and staff cost		
Administrative staff	13,200	-
Programme staff	147,552	-
Travel	1,390	-
Training	3,299	-
Utilities	800	-
Communication fees	2,716	-
Office supplies	1,765	-
Light vehicle running costs	50,245	-
Other (Visibility materials)	200	-
	<u>221,166</u>	<u>-</u>
Administrative cost (7%)	7,679	-
Grand Total	<u><u>244,103</u></u>	<u><u>-</u></u>

LOWER GURUVE DEVELOPMENT ASSOCIATION
 MAIN ACCOUNT
 NOTES FOR THE YEAR ENDED 31 DECEMBER 2016 (CONT'D)

	US\$ 2016	US\$ 2015
7.3 Administration		
Audit fees	4,708	361
Bank charges	1,541	140
Communication fees	60	337
Depreciation	10,920	10,360
Fundraising activities	895	-
Motor vehicle expenses	520	2,243
Office generator expenses	-	10
Printing and stationery	12	15
Repairs and maintenance	3,673	-
Staff salaries and allowances	20,753	700
Staff Welfare	-	65
Subscriptions	50	-
Teas and cleaning	2	-
Travel and subsistence	451	24
Water and electricity	5	-
Grand Total	43,590	14,256

LOWER GURUVE DEVELOPMENT ASSOCIATION
 MAIN ACCOUNT
 NOTES FOR THE YEAR ENDED 31 DECEMBER 2016 (CONT'D)

	US\$ 2016	US\$ 2015
7.4 Selected Targeting Assistance		
Training and capacity development of 9280 smallholder farmers		
Training of trainers 120 farmers (60% women) on cross cutting issues	-	793
	<u>-</u>	<u>793</u>
Strengthening the capacity of 15 LCAs		
Facilitate lobbying and advocacy forums between livestock commodity	-	388
Improve local cattle breed	-	85
	<u>-</u>	<u>473</u>
Project implementation and monitoring		
Facilitate the holding of quarterly community review meetings	-	1,888
Administration and support	-	677
	<u>-</u>	<u>2,566</u>
Grand Total	<u>-</u>	<u>3,831</u>

LOWER GURUVE DEVELOPMENT ASSOCIATION
 MAIN ACCOUNT
 NOTES FOR THE YEAR ENDED 31 DECEMBER 2016 (CONT'D)

	US\$ 2016	US\$ 2015
7.5 Moderate Acute Malnutrition		
Main office running and staff costs		
Administration staff	1,501	-
Programme staff	392	-
Travel	86	-
Communication fees	10	-
Office supplies	20	-
Light vehicle running costs	669	-
	<u>2,678</u>	<u>-</u>
Sub-office 1 office running and staff cost		
Administrative staff	5,800	-
Programme staff	11,146	-
Training	1,664	-
Rental facilities	500	-
Light vehicle running costs	2,450	-
	<u>21,560</u>	<u>-</u>
Grand Total	<u>24,238</u>	<u>-</u>



THE WAY WE WORK

WE WILL TRY TO UNDERSTAND MORE ABOUT WHAT OUR CLIENTS NEED AND EXPECT FROM US – AND THEN FIND WAYS TO EXCEED THOSE EXPECTATIONS.

WE WILL SET AND RE-SET OBJECTIVES TO MAKE SURE WE PROVIDE THE LEVEL OF SERVICE OUR CLIENTS EXPECT AND DESERVE.

WE WILL DO WHAT IT TAKES TO MAKE SURE DEADLINES ARE MET, THAT PROBLEMS ARE UNDERSTOOD AND ANTICIPATED AND THAT THE ONLY SURPRISES ARE PLEASANT ONES.

WE WILL TRY TO FIND WAYS THAT EARN US THE RIGHT TO BE REGARDED AS OUR CLIENTS' BUSINESS PARTNERS AND NOT JUST MANDATORY SERVICE SUPPLIERS.

WE WILL MAKE SURE THAT WE BOTH ADDRESS PROBLEMS AND IDENTIFY OPPORTUNITIES AS QUICKLY AND PROFESSIONALLY AS POSSIBLE.

WE WILL REGULARLY ASK OUR CLIENTS TO RATE OUR PERFORMANCE AND CONTRIBUTION – AND USE THOSE ASSESSMENTS TO RE-FOCUS OUR EFFORTS.

RELATIONSHIP	SOLUTION
CONTROL	EMPOWERMENT
GROUNDING	VISIONARY
STRUCTURE	FLEXIBILITY
LOGIC	CREATIVITY
RIVALRY	FRIENDSHIP
CONFIDENCE	HUMILITY
CRITIQUE	ENCOURAGEMENT
COST EFFECTIVE	HIGH QUALITY
CANDOUR	DIPLOMACY
PLANNING	IMPLEMENTATION
INDIVIDUAL	GROUP
GUIDANCE	TOLERANCE
DECISIVENESS	MINDFULNESS
RESPONSIBILITY	FREEDOM

Nolands