

SPORTS AND RECREATION COMMISSION



“for the development of sport and recreation.”

22 PENSION SCHEME

All employees are required to be members of the National Social Security Authority Scheme. This is a defined contribution scheme under the National Social Security Act of 1989. In accordance with the regulations of the scheme all employees and the employer contribute 4% of pensionable monthly emoluments.

23 FINANCIAL RISK MANAGEMENT

(i) Risk management

Risk management in general is monitored through the board that is tasked with ensuring that the policies, procedures and operating system of the Commission are efficient and prudent for the management of all risk.

(ii) Credit Risk

Financial assets which potentially subject the Commission to concentrations of credit risk consist mainly of receivables, short term investments and bank and cash balances. The Commission's receivables are presented net of provision for doubtful debts where this is considered necessary. Credit risk in respect of receivables and bank and cash is limited because of the nature of the receivables and the Commission's use of reputable banks.

(iii) Liquidity risk

The Commission manages liquidity risk by proper management of working capital and cashflows.

(iv) Interest rate risk

The Commission's exposure to interest rate fluctuations is limited to the overdraft amount.

(v) Foreign exchange risk management

The Commission does not have forward exchange contracts.

24 Going Concern

We draw you to the fact that as at 31 December 2016, the Commission had accumulated losses of \$1,151,114 and total current liabilities exceed total current assets by \$823,705. The financial statements have been prepared on the basis of accounting policies applicable to going concern. This basis presumes that funds will be available to finance future obligations and that the realisation of assets and the settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business. The ability of the institution to continue as a going concern is dependent on a number of factors, the most important of these is that the Board continue to procure funding for the on-going operations of the Commission.

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SPORTS AND RECREATION COMMISSION
NOTES TO THE FINANCIAL STATEMENTS (cont'd)
for the year ended 31 December 2016

	2016	2015
	US\$	US\$
13 REVALUATION GAIN (Independent valuation carried out on 15 December 2015)		
Land and Building at Cost	-	48,077
Accumulated Depreciation 31.12.2015	-	(6,093)
Net Book Value 31.12.2015	-	41,984
Revaluation Gain	-	28,016
Book Value after Revaluation 31.12.2015	-	70,000
14 ADMINISTRATION EXPENSES		
Repairs and maintenance	19,772	17,242
Regional administration expenses	22,534	28,077
Audit fees	7,712	8,921
Insurances and licences	14,942	8,584
Increase in provision for doubtful debts	-	2,604
Board & Committee meetings expense	11,154	8,428
Head office rentals	45,518	45,518
Fuel and oil	27,332	34,153
Finance services	7,305	11,112
Meetings, local travel & subsistence	4,081	2,084
Foreign travel & subsistence	1,753	6,514
Communication & Information technology	11,296	6,044
Legal fees	5,410	3,843
Service hiring fees	18	343
Printing & stationery	2,034	2,871
Parking tollgate & other vehicle fees	76	289
Computer consumables & Expenses	3,002	4,040
Petty cash expenditure	848	486
Cleaning & hygiene	776	1,028
6% gate levy collection allowance	7,742	7,687
Sundry expenses	123	-
	<u>193,428</u>	<u>199,868</u>
15 STAFF COSTS		
Salaries and wages	544,982	555,309
Pensions and medical aid	174,340	179,538
Contractual benefits	6,351	49,823
Cash in lieu of leave	2,693	(11,475)
	<u>728,365</u>	<u>773,195</u>
COMPENSATION TO DIRECTORS		
Short term employee benefits	116,338	137,800
Other Benefits	44,359	50,266
Post employment benefits -Pension-Defined Contribution	9,219	15,377
	<u>169,916</u>	<u>203,443</u>
15.1 Other benefits include School fees, Holiday allowances, Security benefits Professional & Club subscriptions, and Medical Aid.		

1.0 Introduction

This report captures the activities and financial position of the Sports and Recreation Commission for the year ended 31 December 2016. It also highlights the major sporting achievements and shortcomings that were encountered during the course of the year. The report explains activities implemented as outlined in the SRC strategic plan 2014 - 2018 and 2016 Business plan..

2.0 Chairman's Statement

I am delighted to present to you the annual report for the Sports and Recreation Commission for the year ended 31 December 2016. The report is made against the background of a challenging economic environment characterized by declining economic performance and liquidity challenges. However, the Commission was able to implement most of its activities in line with its strategic plan and business plan. Also a-marked improvement in performance was recorded in the sport sector as compared to the previous year. The Commission will focus on improving resource mobilization so that more funding can be raised to support National Teams and sporting activities in general.

It is important to note that there has been a marginal reduction in the area of governance and compliance by National Sport Associations from 13% to 10% and hence there is need to initiate strategies to enforce compliance by the National Sport Associations.

3.0 Director General's Performance Review

The year 2016 showed marked improvement in terms of sport activities at Regional, Continental and International levels in a number of sport disciplines inclusive of football, professional boxing, karate, netball, golf. Performance of Team Zimbabwe at the AUSC Region 5 was the best since the inception of the Games in 2004. The team had a record 96 medals. The National Senior Football team qualified for the Africa Cup of Nations (AFCON) to be held in Gabon next year. Despite the harsh economic environment and challenges, the Government of Zimbabwe supported most of the National Team assignments. This contributed to the improvement of performance in the sport sector.

The level of support from the corporate world remained low, and going forward I wish to urge the corporate sector to actively participate in sport through supporting National Teams and sport development in general.

The Commission continued with its efforts to generate revenue from own activities and sponsorship seeking though the results were very minimal. However, we are grateful to Delta Corporation for its continued support during such turbulent times, especially at the Annual National Sport Awards (ANSA).



SRC also strived to finance its operations through own efforts, Government support for operations was suspended in 2013 as a result the Commission sustained its operations through stringent cost cutting measures and aggressive income generating activities.

I would like to appreciate Management and Staff for their commitment to work in an environment where morale was low and job tools were not adequate due to underfunding of operations. Our fleet of vehicles and office equipment is now aged and is negatively affecting successful implementation of operations. Despite these unfavourable conditions the Commission was able to maintain good staff industrial relations.

4.0 Legal Framework

The Sports and Recreation Commission was created by an Act of Parliament Chapter 25:15 of 1991 revised in (1996), is also guided by statutory Instrument 342 of 1995 and the National Sport and Recreation Policy of 2016. The SRC mandate is derived from section 19 of the SRC Act which among others defines the regulating powers of the Commission over National Sport Associations. The SI342 gives detail of the SRC operational framework and procedure. The National Sport and Recreation Policy was developed and approved by Cabinet in August 2016.

5.0 Strategic Direction

The SRC strategic direction is outlined in the SRC 2014- 2018 strategic plan and 2016 Business Plan.

Our Vision

An active nation transformed and empowered through vibrant sport and recreation programmes by 2018.

Our Mission

To create an enabling environment for the delivery of quality sport and recreation programmes that enhances participation by all.

Our Values

In order to realize our vision and fulfil our mission, we are guided by the following values:

- **Teamwork** – We are committed to cooperating with key players in the sports industry and other stakeholders in the execution of our mandate, and our processes are driven by a team of staff that thrives on mutual cooperation and persistent focus on delivery.

SRC

SPORTS AND RECREATION COMMISSION NOTES TO THE FINANCIAL STATEMENTS (cont'd) for the year ended 31 December 2016

	2016	2015
	US\$	US\$
9 GRANTS & DONATIONS		
Ministry of Sport, Arts and Culture - Administration Grant	27,607	27,181
Ministry of Sport, Arts and Culture - Salaries Grant	672,939	653,426
AUSC Region 5 Youth Games Grant	766,672	67,413
AUSC Region 5 Youth Games Donation	1,500	
African Games Grant	-	570,342
National Youth Games (ZNYG)	98,941	150,000
National Paralympics Games (ZNPB)	45,000	65,000
Youth Education Through Sport Support Grant	15,000	-
ZIFA Independence Cup	35,500	30,000
Danhiko Games	30,000	40,000
ZOC Rio 2016 Olympic Games Support	90,000	-
ZNPC Rio 2016 Paralympic Games Support	75,000	-
ZNPC NIF Support	-	9,000
ANSA Grant	15,000	20,000
ANSA Sponsorship & Donations	15,300	28,479
Zimbabwe Football Association Support Grant	13,056	44,940
Zimbabwe Football Association Donation	-	124,450
Basketball Union of Zimbabwe Support	1,000	38,000
Other Donations	7,950	4,676
	<u>1,910,465</u>	<u>1,872,907</u>
10 LEVIES		
Gate levy	130,621	140,292
Sportsperson annual levy	16,638	16,824
	<u>147,259</u>	<u>157,116</u>
11 FUNDRAISING EFFORT		
Breakfast Meeting	-	2,550
Family Fun Day	145	11,463
ANSA Dinner Tables & Advertising Space	-	4,605
SRC Chairman's Golf Day	7,225	2,420
	<u>7,370</u>	<u>21,038</u>
12 OTHER INCOME		
Sports admin courses	3,506	3,867
Office Rentals	2,580	1,215
Interest from short term investments	663	1,541
Commission received*	538	82
(Loss)/Profit from sale of non current assets	100	-
De-recognised Payables	-	23,075
Insurance Refunds	-	12,167
CSDP Contribution towards ZNYG	-	50
Sundry income	1,476	8,377
	<u>8,862</u>	<u>50,374</u>

12.1 The \$82.00 Commission received from 2015 Ecocash trading activities was entirely omitted in last year's financial statements and has been included as an adjustment.

SPORTS AND RECREATION COMMISSION
 NOTES TO THE FINANCIAL STATEMENTS (cont'd)
 for the year ended 31 December 2016

	2016	2015
	US\$	US\$
4 ACCOUNTS RECEIVABLE		
Trade receivables	183,460	193,744
December salaries from the Ministry of Sport and Recreation	50,601	54,215
	<u>234,061</u>	<u>247,959</u>
Provision for bad debts (6% Levies owed by ZIFA & PSL)	(181,170)	(181,170)
	<u>52,891</u>	<u>66,789</u>
5 CASH AND CASH EQUIVALENTS		
Short term investments	4,061	7,393
Bank and cash	104,876	14,085
	<u>108,936</u>	<u>21,478</u>
5.1	The 2015 Short-term investments figure has been adjusted upwards by a total of \$1,082 being \$1,000 initial investment in the Ecocash trading account plus \$82 Commission received during the year. The initial investment had been previously included under New Business costs item (see note 20) whilst the commission had been omitted altogether from the financial statements. We believe the changes reflect the true nature of the transaction.	
6 FINANCE LEASE LIABILITY		
Credit balance on Purchase of Equipment	4,025	4,668
Amount falling within one year	3,780	2,520
Amount falling after one year	245	2,148
	<u>4,025</u>	<u>4,668</u>
7 ACCOUNTS PAYABLE		
Trade payables	373,007	309,731
Statutory payments due	233,695	223,484
Salaries & employment costs payable	174,527	172,953
Leave pay accrued	55,509	60,173
	<u>836,738</u>	<u>766,341</u>
8 RELATED PARTY PAYABLE		
Fees due to Commissioners	136,269	115,240
Ministry of Sport and Recreation Gaming & Lotteries Funds	7,663	-
Sport Volunteer Project (SVP)	1,100	2,005
	<u>145,032</u>	<u>117,245</u>

- **Ubuntu/Unhu** – We subscribe to this social philosophy which embodies virtues that celebrate mutual social responsibility, mutual assistance, trust, sharing, unselfishness, self-reliance, caring and respect for others among other ethical values.
- **Accountability** – We take personal responsibility for using our resources efficiently, achieving measurable results, and being accountable to clients, partners and our stakeholders at large.
- **Enterprising** – We proffer a value proposition that engenders entrepreneurship and empowerment through sport.
- **Lifelong learning** – We encourage and support continuous learning, creativity, innovation and development.
- **Transparency** – We operate ethically with openness and clarity of purpose.

Board of Commissioners

Non-Executive

Mr Edward Siwela – Vice Chairman (Acting Chairman)

Mr Ethan Dube

Mr David A. Ellman–Brown

Mr Aaron F Kanyangarara

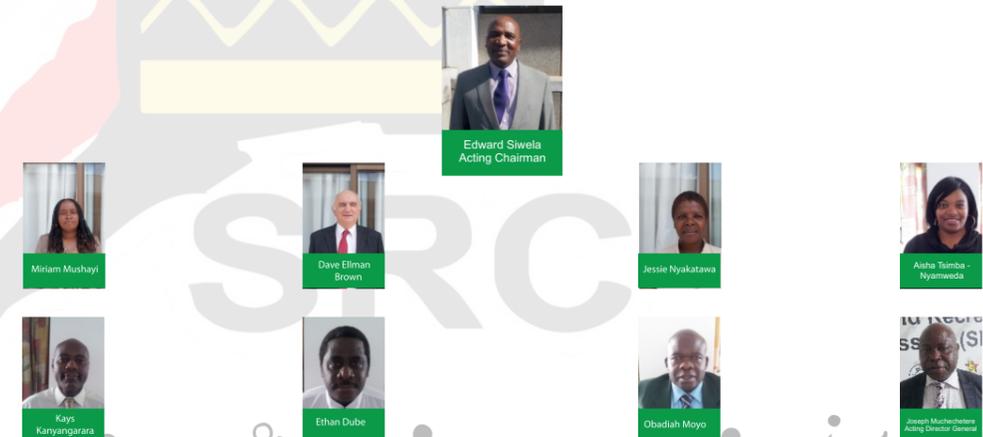
Dr Obadiah T. Moyo

Mrs Miriam Mushayi

Mrs Jessimine K. S. Nyakatawa

Mrs Aisha T. Tsimba - Nyamweda

SRC BOARD MEMBERS



Executive

Acting Director General Joseph Muchechete since April following the retirement of Col Charles Nhemachena (rtd)



Joseph Muchechete
Acting Director General



Daniel Kuwengwa
Director
Business Development and Marketing



Mrs Patience Kabanda
Director
Corporate Services

Management Structure:

See attached annexure

Directorate

Acting Director General Joseph Muchechete

Sport and Recreation Development – Joseph Muchechete

Director Corporate Services – Patience N. Kabanda

Director Marketing and Business Development – Daniel Kuwengwa

6.0 Board Meetings and Committees Meetings Attendance

Name	Board	FAM	ARL	SRD
Edward Siwela				
Ethan Dube				
David A. Ellman Brown				
Aaron Farai Kanyangarara				
Obadiah T. Moyo				
Miriam Mushayi – Mangwende				
Jessimine K. S. Nyakatawa				



3 PROPERTY AND EQUIPMENT	Land & Buildings	Furniture & Fittings	Office Equipment	Motor Vehicles	Computer Equipment	Other Fixed Assets	TOTAL
	US\$	US\$	US\$	US\$	US\$	US\$	US\$
Carrying amount at 31.12.15	43,018	19,601	8,506	99,070	15,004	3,059	188,257
Cost/Value	48,077	157,128	55,622	211,509	82,909	12,696	567,941
Accumulated depreciation	(5,059)	(137,527)	(47,117)	(112,439)	(67,905)	(9,637)	(379,684)
Additions	-	-	490	10,250	8,670	1,179	20,589
Revaluation Gain	28,016	-	-	-	-	-	28,016
Depreciation charge for the year before revaluation	(1,034)	-	-	-	-	-	(1,034)
Depreciation	-	(3,109)	(1,247)	(26,095)	(8,018)	(592)	(39,061)
Carrying amount at 31.12.15	70,000	16,491	7,749	83,225	15,657	3,645	196,767
Cost/Value	70,000	157,128	56,112	221,759	91,579	13,875	610,453
Accumulated depreciation	-	(140,636)	(48,364)	(138,534)	(75,923)	(10,229)	(413,686)
Additions	-	-	340	-	6,552	-	6,892
Disposal	-	-	-	(49,834)	-	-	(49,834)
Accumulated depreciation on disposal	-	-	-	49,834	-	-	49,834
Depreciation	(1,034)	(3,109)	(1,295)	(27,384)	(6,290)	(614)	(39,725)
Carrying amount at 31.12.16	68,966	13,383	6,794	55,841	16,002	3,032	164,017
Cost/Value	70,000	157,128	56,452	171,925	98,131	13,875	567,511
Accumulated depreciation	(1,034)	(143,745)	(49,659)	(116,083)	(82,129)	(10,843)	(403,493)



Divisional Reports

1. SPORT AND RECREATION DEVELOPMENT

Sport and Recreation Development

The Division's mandate is to guide and coordinate the implementation of sport and recreation programmes. The following policies were reviewed and ratified in conjunction with the Ministry of Sport and Recreation:

- The National Colours Policy
- National Selection Policy
- Community Sport and Recreation Club Policy
- National Youth and Paralympic Games Policy

National Sport Associations (NSAs Governance)

The Division is responsible for the regulating authority through registration of both NSAs and community sport and recreation clubs which are not affiliates of the NSAs. Currently 47 NSAs exist on the register and 13 NSAs are yet to be fully registered.

The compliance status is as follows:

- | | |
|--------------------------|-----|
| - Fully compliant (NSAs) | 10% |
| - Partial compliant | 29% |
| - Non-compliant | 61% |

The SRC will closely monitor all compliance matters across all the National Sport Associations and where necessary disciplinary action will be taken against those who go against the regulations.

Community Sport and Recreation Club Systems

The CSDP project implemented in conjunction with Norwegian Olympic and Paralympic Committee and Confederation of Sport (NIF) helped to motivate communities to engage in sport and recreation. The Community Sport and Recreation Club Systems initiative is aimed to make the communities directly involved in the decision making process of providing sport and recreation in communities. The adoption of the CSDP and its rebranding to CSRDP by the Ministry of Sport and Recreation would catapult its implementation to all communities. (what was achieved)

High Performance

Zimbabwe National Paralympic Games

The 9th edition Zimbabwe National Paralympic Games were hosted by Matabeleland South Province in April 2016. The Games served as a platform to identify, test and measure talent for further development. The Games brought together 559 athletes (213 female and 346 male) and 64 coaches and managers from the country's 10 provinces. The turnout by athletes was a reduction from the 763 athletes who participated at the 2015 Games in Harare Province. The reduction in the number of athletes can be attributed to inadequate funding. Mashonaland West Province won the Games with 14 gold medals followed by

SPORTS AND RECREATION COMMISSION

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 December 2016

1. GENERAL INFORMATION

The main objective of the Sports and Recreation Commission which was established in accordance with the Sports and Recreation Commission Act (Chapter 25:15) are to coordinate, control and develop the activities of sport and recreation, to ensure proper administration of organisations undertaking the promotion of sport and recreation and to authorise national and international sporting and recreation activities. The Commission's head office is at the Zimbabwe National Sports Stadium, Warren Hills, Harare.

2 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards, (IFRS) and the International Financial Reporting Interpretations Committee, (IFRIC) interpretations. The financial statements are based on statutory records that are maintained under the historical cost convention as modified by the revaluation of property and equipment and investment property. The principal accounting policies adopted in the preparation of financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Currency

The Commission's functional and presentation currency is the United States of America dollars ("USD").

2.2 CRITICAL JUDGEMENTS IN APPLYING THE COMMISSION'S ACCOUNTING POLICIES

In preparing the financial statements, management is required to make estimates and assumptions that affect the amounts presented in the financial statements and related disclosures. Use of available information and the application of judgment are inherent in the formation of estimates. Significant judgments made by management include:

(i) Accounts receivable

The Commission assesses its trade receivables for impairment at each statement of financial position date. In determining whether an impairment loss should be recorded in the statement of income and expenditure, the Commission makes judgments as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

(i) Impairment testing

The Commission reviews the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable.

(i) Residual values

The Commission is required to assess residual values and the remaining useful lives of its property and equipment on an annual basis. This affects the amount of depreciation that is recognized in the financial statements.

2.3 Property and equipment

Property is included at valuation as at 31 December 2015 and equipment as at 1 January 2009. All additions thereafter are shown at historical cost. Property and equipment's useful lives are assessed annually. Annual depreciation is charged proportionately over the remaining useful life of an asset where its carrying amount is higher than its residual value. If its carrying amount is lower than the residual value, no depreciation is charged. The Commission acquires its property and equipment with the intention to use them for their entire useful lives hence their residual values were assessed to be nil.

Subject to the above, property and equipment are depreciated on a straight line basis over the remaining useful lives as follows:

SPORTS AND RECREATION COMMISSION

STATEMENT OF CASH FLOWS
for the year ended 31 December 2016

	2016	2015
Note	US\$	US\$
CASH FLOW FROM OPERATING ACTIVITIES		
Deficit for the year	(63,107)	(125,836)
Adjust for:		
Depreciation	39,725	40,096
Loss on sale of assets	(100)	-
Increase in provision for doubtful debts	-	2,604
Other non-cash items	(84)	-
	<u>(23,566)</u>	<u>(83,136)</u>
Changes in working capital		
Decrease / (Increase) in inventories	803	(701)
Decrease / (Increase) in receivables	19,473	(8,825)
Increase in payables	97,541	121,196
CASH FLOWS FROM / (UTILISED IN) OPERATING ACTIVITIES	<u>94,250</u>	<u>28,534</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment to maintain operations	(6,892)	(20,589)
Proceeds from sale of property & equipment	100	-
CASH FLOWS APPLIED IN INVESTING ACTIVITIES	<u>(6,792)</u>	<u>(20,589)</u>
INCREASE IN CASH AND CASH EQUIVALENTS	<u>87,458</u>	<u>7,945</u>
CASH AND CASH EQUIVALENTS AT START OF YEAR	<u>21,478</u>	<u>13,533</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>5</u> <u>108,936</u>	<u>21,478</u>

Midlands Province with 11 gold medals and in 3rd place were Masvingo Province with 9 gold medals. The host province struggled to realize any meaningful resources to support the Games hosting effort, the problem was further compounded by the very minimal financial through the Government Grant of only \$18,000.00. The SRC will employ robust resource mobilization strategies in order to support the hosting of the games

Zimbabwe National Youth Games

The 14th edition Zimbabwe National Youth Games were hosted by Mashonaland West Province. The Games brought together 1351 athletes (742 female and 609 male) and 143 coaches and managers from the country's 10 provinces. The number of athletes was a slight increase over the 1105 who participated at the 13th edition Games in Manicaland in 2015. Hosts Manicaland Province won the Games with 12 gold medals followed by Harare Province with 9 gold medals and in 3rd place were Mashonaland East Province with 8 gold medals. The plan is underway to review the Games strategy and align it with current needs and High Performance strategy. The host province excelled in terms of mobilizing local schools to upgrade existing and construct new sport facilities. These developments attracted increased investment towards sport and recreation and also augured very well for the post Games legacy programme to popularise sport in the host province.

National Youth Education through Sport

The 17th National YES Festival was hosted by Matabeleland North in December 2016. The YES Festival is the climax of the Youth Education through Sport programme that uses sport as a tool to educate young people about social issues impacting their lives in the community. Participating teams at the Festival competed in sport (football, netball and volleyball), community projects and peer education presentations. The 2016 Festival attracted 656 youth participants in 50 youth sport teams in the Under-15 age category. This was a notable increase over the 584 youth who attended the 2015 Festival in Mashonaland West Province. The SRC will focus on positive behavioural change through sport in the coming year.



Youth camp participants



Ministers: Hon Faber Chidarikire, Hon Patrick Zhuwawo, Hon Makhosini Hlongwane and Hon Lazarus Dokora follow proceedings at the National Youth in Sport Conference in Chinhoi



Harare vs Mashonaland West (Yellow)



Girls Boxing at CUT Gym hall



Annual National Sport Awards (Awards)

The Annual National Sport Awards were held on 20 January 2017 following the reconstitution of the Judges panel which now has the following members:

Mrs Thembi Moyo – Chairperson

Mrs Maureen Kuchocha – Member

Mr Rodney Mzyece- Member

Mr Mlondolozu Ndlovu – Member

Mr Tinashe Kusema – Member

Mr Witness Magulua – Vice Chairman

Mr Regis Chabata (Deceased and replaced by Mrs Nomsa Mpofu- Moyo) From Ministry of Sport and Recreation

Secretariat was provided by Mr Martin Dururu, Mr Tirivashe Nheweyembwa and Mr Kupakwashe Mukurumbira.

The committee met for a record 9 times and in all the categories they were reasonable entries though the Sportsman of the year had the highest entries followed by the Junior Sports woman of the year. Charles Manyuchi of Professional Boxing won both the Sportsman of the Year and Sportsperson of the Year while Danielle Marie Baker won the Junior Sports person of the year respectively. The Judges Panel also recommended that there may be need to introduce some other categories such as Junior Team of the Year and Tertiary Team of the Year.

International and Regional Participation



Zimbabwean Netball Player



**Zimbabwe vs Japan
at the U20 Rugby World Cup
Harare**



Zimbabwe Para Rowing Team



**Zimbabwe vs Canada
at the Rio 2016 Olympic Games**



SPORTS AND RECREATION COMMISSION

STATEMENT OF CHANGES IN RESERVES
for the year ended 31 December 2016

	Non-Distributable Reserve US\$	Revaluation Surplus US\$	Accumulated Fund US\$	Total US\$
Balance as at 1 January 2015	463,166	-	(962,171)	(499,005)
Deficit for the year	-	28,016	(125,836)	(97,820)
Balance as at 31 December 2015	463,166	28,016	(1,088,007)	(596,825)
Deficit for the year	-	-	(63,107)	(63,107)
Balance as at 31 December 2016	463,166	28,016	(1,151,114)	(659,932)



SPORT AND RECREATION COMMISSION

STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2016

	Notes	2016 US\$	2015 US\$
Income			
Grants and donations	9	1,910,465	1,872,907
Levies	10	147,259	157,116
Fundraising effort	11	7,370	21,038
Other income	12	8,862	50,374
Total income		2,073,956	2,101,436
Expenditure			
Administration expenses	14	193,428	199,868
Depreciation		39,725	40,096
Staff costs		728,365	773,195
Operations expense	16	902,218	869,277
NSA Support	18	227,468	271,844
Human Resources expense	18	10,079	4,064
Marketing and Corporate communication	19	3,591	1,243
Fundraising expenses	20	3,967	28,784
Commissioners emoluments	21	28,223	38,900
Total expenditure		2,137,063	2,227,271
Deficit for the Year		(63,107)	(125,836)
Other Comprehensive income			
Revaluation Gain	13	-	28,016
Total Comprehensive deficit for the year		(63,107)	(97,820)

Zimbabwe participated in the following international tournaments:

- African U/21 Netball qualifiers – Zimbabwe qualified for the first time to participate in the World Netball U/21 Championship in Botswana in 2017.
- Mighty Warriors (football) qualified and participated in the African Women Football Cup of Nations in Cameroon (AWFCN). The team did not manage to go past the group stage due to poor preparations.
- The Warriors (Football National Team) qualified to participate in the Africa Football Cup of Nations (AFCON) in January 2017 in Gabon. ZIFA managed to secure a corporate partner (NetOne) to bankroll the Warriors during the campaign to the tune of \$250 000.00.
- Hockey Ladies U/21 National Team participated in the World Ladies Hockey U/21 Championship in Chile. However the team did not manage to go past the group stage due to lack of exposure.
- The Rugby National Team participated in the World Rugby Championship in Hong Kong. Its performance at this level was found wanting.

Participation In Multi-Sport Code Games

2016 Rio Olympic Games

- A contingent of 51 athletes and officials, the largest team so far participated in the 2016 Olympic Games in RIO de Janiero. The Team Zimbabwe did not get any medals but only benefitted from the exposure. Plans are underway to hold an indaba to review at Zimbabwe's performance and to chat a strategic way forward to produce promising athletes or teams to represent the country in 2020 Japan.

2016 Rio Paralympic Games

- Zimbabwe sent a team of 7 athletes and 3 officials who participated in the 2016 Rio Paralympic Games. The team did not win any medals. The SRC work with the Zimbabwe National Paralympic Committee to develop a winning strategy for the 2020 Tokyo Paralympic Games.

2016 AUSC Region 5 Under 20 Youth Games

- Zimbabwe sent a Team of 198 to the 2016 AUSC Region 5 U/20 Youth Games in Angola. The team performed very well and came second after South Africa out of 10 countries, with 96 medals. Strategies are being put in place to increase. We are going to be lobbying the Government and the Corporate sector to support Team Zimbabwe in the High Performance Programme with the aim to come top position.

Southern Africa junior athletics championships, Zambia

Chengetai Mapaya and Tinotenda Matiyenga participated at the Southern Africa junior athletics championships in Zambia and qualified for the world junior athletics championships.

Regional Annual Sports Awards (RASA)

Farayi Machamire and Kirsty Coventry won the Sports Journalist and Sportswoman of the Year Awards.

Netball World Youth Cup 2017

The Zimbabwe netball Under-21 team qualified to participate in the Netball World Youth Cup 2017 when they came 2nd at the Africa Netball World Cup qualifiers held in Botswana.

2. BUSINESS DEVELOPMENT AND MARKETING

Business Development

The Division engaged in various income generating activities to augment the Commission's financial resources.

Marketing and Sponsorship

Sponsorship from Delta Corporation, ZBC TV and Nyaradzo Funeral Services for the Annual National Sport Awards during the year under review.

Fundraising

The Division resuscitated the Golf Day which received tremendous support from the corporate world. This project will be pursued in the following year though the dates will be changed from September to June on the recommendations of the corporate world.

SRC Website Development

The Division reconfigured its website and the new look website is online, and is hosted by Royalty Webhosting.

The Use of Social Media Platforms

The SRC maintained constant contact with the public through the use of its face book page. The platform has helped the SRC to reach out to people in the Diaspora and those in out-laying areas .i.e. Binga sports and - its name recreation commission Zimbabwe



Zimbabwean Athletes at the AUSC Region 5 U20 Youth Games in Angola

SPORTS AND RECREATION COMMISSION

STATEMENT OF FINANCIAL POSITION as at 31 December 2016

	Notes	2016 US\$	2015 US\$
ASSETS			
Non-Current Assets			
Property and equipment	3	164,017	196,767
Current Assets			
Inventory		18	820
Accounts receivable	4	52,891	66,789
Related party receivables		-	5,575
Cash & cash equivalents	5	108,936	21,478
		161,845	94,662
Total Assets		325,862	291,429
RESERVES AND LIABILITIES			
Reserves			
Non- distributable reserve		463,166	463,166
Revaluation Surplus		28,016	28,016
Accumulated fund		(1,151,114)	(1,088,007)
		(659,932)	(596,825)
Non-Current Liabilities			
Non-current portion of finance lease liability	6	245	2,148
Current Liabilities			
Accounts payable	7	836,738	766,341
Current portion of finance lease liability	6	3,780	2,520
Related party payables	8	145,032	117,245
		985,550	886,106
Total Reserves and Liabilities		325,862	291,429

Signed for and on behalf of the Commission by the;

Chairman

Date

[Signature]
4/07/2017

[Signature]
Acting Director General

16/06/2017
Date



As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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 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 Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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 Commission'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 Commission 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

The engagement partner on the audit resulting in this independent auditor's report is Joyce Makwara.

Nolands

Per: -Joyce Makwara
PAAB Practising Number:- 0573
Nolands Chartered Accountants

06/07/2017

Harare

3. CORPORATE SERVICES DIVISION

Human Capital Development and Administration

Human Capital Development

The Commission continued to ensure a harmonious working environment for all staff and maintained low staff turnover.

Sports Training

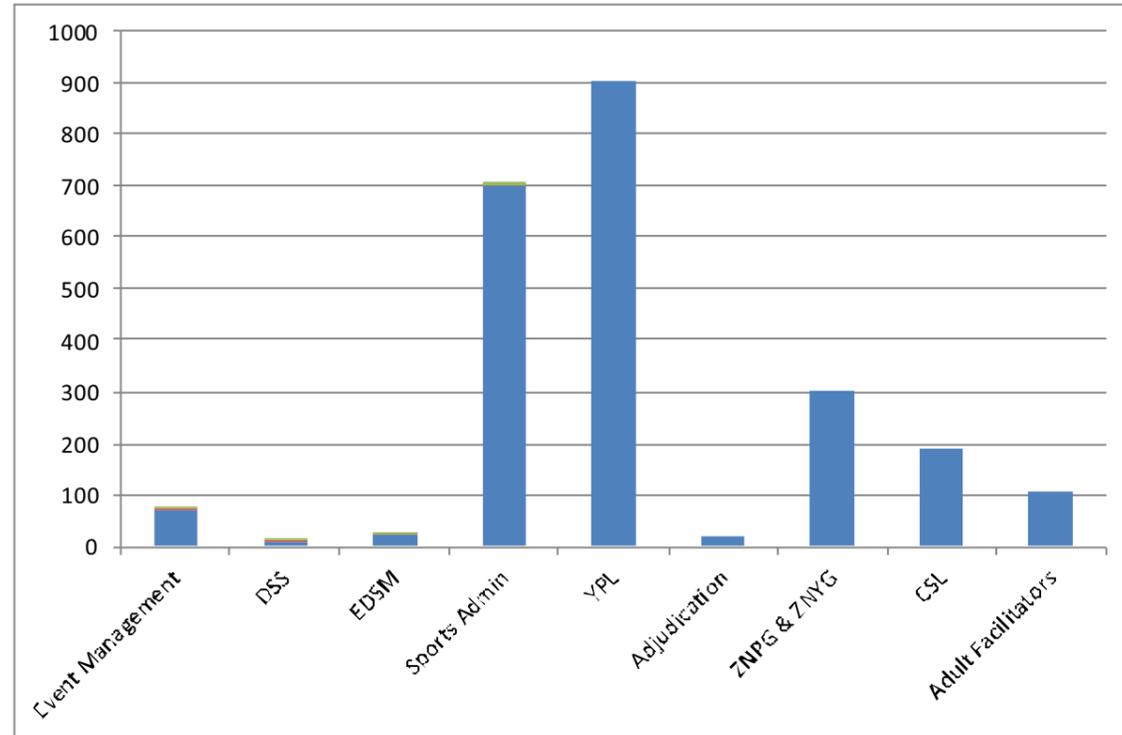
The following short courses were conducted at provincial and national level during 2016: -

- Event Management
- Diploma in Sports Studies
- Executive Diploma in Sports Management
- Sports Administration
- Youth Peer Leader
- Adjudication
- Community Sports Leader
- Adult Facilitators



Delegates following proceedings at the youth in sport conference

The number of participants who took part in the above mentioned courses are stated below in the graph:



The Department also conducted meetings for the technical working group for Sports Education and Accreditation Systems (SEAS).

Three volunteers were posted to Norway and Uganda and four volunteers returned to their respective countries under the Youth Sport Exchange Programmes.

Administration

The Administration department continued to provide support services towards procurement of goods and services for SRC operations, AUSC Team Zimbabwe to Angola, Zimbabwe National Youth Games, Zimbabwe National Paralympic Games and Youth Education through Sport festival. The department also provided for maintenance of SRC assets through provision of insurance cover and repairs.



Team Manicaland making their presentation during the youth in sport conference



<p>Grant income</p> <p>The Commission receives grants from the Ministry of Sports and Recreation. The completeness of the grants received is a significant area and requires special audit attention. In that regard it is therefore considered as a key audit matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> ▪ Agreeing grants received from the Ministry to the bank statement. ▪ Obtaining a grant confirmation directly from the Ministry of Sports and Recreation and agree grants confirmed to the grants recorded in the financial statements. ▪ Comparison of grants received in the prior year with current year to confirm if there are significant changes. <p>We were satisfied that the grants received are fairly complete.</p>
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Other information

The Commissioners are responsible for the other information in the Commissioners' report, which we obtained prior to the date of this auditor's report. 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. We confirm that we have not identified any such inconsistencies or misleading statements.

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

The management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as the Commissioners determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditors' 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 was conducted in accordance with ISA's 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.



Key audit matter	How our audit addressed the key audit matter
<p>Fair value assessment of trade receivables</p> <p>Trade receivables comprise a significant portion of the liquid assets of the Commission. As indicated in Note 4 to the financial statements, provision for bad debts is 99%</p> <p>Due to the economic challenges the country is facing, there is risk of non-recoverability of accounts receivable. Accordingly, the estimation of the allowance for trade receivables is a significant judgement area and is therefore considered a key audit matter.</p>	<p>We assessed the validity of material long outstanding receivables by obtaining third-party confirmations of amounts owing. We also considered payments received made subsequent to year-end, past payment history and unusual patterns to identify potentially impaired balances. The assessment of the appropriateness of the allowance for trade receivables comprised a variety of audit procedures:</p> <ul style="list-style-type: none"> ▪ Challenging the appropriateness and reasonableness of the assumptions applied in the management's assessment of the receivables allowance; ▪ Consideration and concurrence of the agreed payment terms; ▪ Verification of receipts from trade receivables subsequent to year-end; ▪ Considered the completeness and accuracy of the disclosures. <p>To address the risk of management bias, we evaluated the results of our procedures against audit procedures on other key balances to assess whether or not there was an indication of bias.</p> <p>We were satisfied that the Commission's trade receivables are fairly valued and adequately provided against where doubt exists. We further considered whether the provisions were misstated and concluded that they were appropriate in all material respects, and disclosures related to trade receivable in the financial statements are appropriate.</p>
<p>Valuation of Land and Buildings</p> <p>A revaluation of the Commission's land and buildings situated in Gweru was performed in December 2015. The revaluation surplus was quite significant. The estimation of whether the fair value has changed since revaluation is a significant judgement area. In that regard it is therefore considered as a key audit matter.</p>	<p>Our procedures included:</p> <ul style="list-style-type: none"> ▪ Evaluating whether the economic conditions and other circumstances on which the revaluation was based. ▪ Evaluating whether the assumptions and methods, including models where applicable, that were used by the auditor's expert, are still appropriate for financial reporting purposes. ▪ Consideration of the reasonableness of the current fair value of the land and buildings balance in comparison with the market rates. <p>We were satisfied that the fair value of land and buildings has not changed.</p>

FINANCE

Introduction

The current harsh economic environment has not made it easy for the Commission to fully implement its mandate, and respective Strategic plan and Business plan. The Commission was allocated **US\$783,000** for Operations grant (Salaries \$732,000 & Operations \$51,000) and **US\$30,000** for Capital expenditure for the year 2016. The 2 allocations (Operations and Capital grants) fall short by more than 90% of the proposed budget submissions by SRC which were **US\$3,515,400** and **US\$299,000** for Operations and Capital expenditure respectively.

The economic and financial challenges encountered by the country made it difficult for the Sports and Recreation Commission (SRC) to access its allocated budgets from the fiscus. Out of the allocated **US\$51,000** for operations, in 2016 the Commission received **US\$20,000** and nothing was received towards capital expenditure despite an allocation of **US\$30,000**.

On the other hand, resource mobilisation from the corporate world in terms of sponsorships and donations has not been subdued by closure of companies and downsizing of operations by private companies. The Commission lost income from funding partners like Delta Annual National Sports Awards (ANSA) sponsorship and furthermore the Commission lost a significant amount of sponsorship from an external partner, Nowergian Olympic and Paralympic Federation (NIF), at the end of the project. Therefore much effort has to be put towards resource mobilisation through the collection of levies and creation of other revenue streams.

1. Revenue

The main sources of the Commission's revenue during the year have been the same compared with the previous years and is shown in the table below;

Grants and Donations	1,910,465.00
Levies	147,257.00
Fundraising efforts	7,370.00
Other Income	8,862.00
Total	2,073,954.00

In 2016 the Commission had received US\$2,073,954 as revenue and broken down as shown in the table above.

1.1 Government Grant

In the 2016 budget the Commission was allocated **US\$783,000** as total Government support for salaries and operations. However, in the same year the Commission received **US\$1,885,715**. The positive variance was a result of Government funding towards national, regional and international events which were initially not budgeted for under the Commission. Refer to the breakdown of the received grant in the table below;

Ministry of Sport, Arts and Culture - Administration Grant	27,607.00
Ministry of Sport, Arts and Culture - Salaries Grant	672,939.00
AUSC Region 5 Youth Games Grant	766,672.00
National Youth Games (ZNYG) Grant	98,941.00
National Paralympics Games (ZNPG) Grant	45,000.00
Youth Education Through Sport Support Grant	15,000.00
ZIFA Independence Cup Grant	35,500.00
Danhiko Games Grant	30,000.00
ZOC Rio 2016 Olympic Games Support Grant	90,000.00
ZNPC Rio 2016 Paralympic Games Support Grant	75,000.00
ANSA Grant	15,000.00
Zimbabwe Football Association Support Grant	13,056.00
Basketball Union of Zimbabwe Support Grant	1,000.00
Total	1,885,715.00

Sponsorships and Donations

The traditional sponsorship partners of the Commission significantly reduced their funding and one of the partnership projects ended in 2015. The main funding partner for the Commission, NIF, did not renew its funding towards CSDP project which ended in 2015. Previously NIF through CSDP funded in excess of **US\$100,000** annually but in 2016 NIF started a new project, Safe Sport, and injected **US\$23,000**, this account over 70% decline in sponsorship. Delta reduced its funding from **\$20,000** annually towards ANSA to **US\$15,000**, this translate to 25% decline in sponsorship.

AUSC Region 5 Youth Games CBZ Donation	1,500.00
ANSA Sponsorship - Delta Beverages	15,300.00
NIF Sponsorship – Safe Sport	23,000.00
Other Sponsorships and Donations	7,950.00
Total	47,750.00

Independent auditor's report

To the members of

Sport and Recreation Commission

Opinion

We have audited the accompanying financial statements of Sport and Recreation Commission, 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 a summary of significant accounting policies and the explanatory notes as set out on pages 7 to 18.

In our opinion, the accompanying financial statements presented fairly, in all material respects, the financial position of Sport and Recreation Commission, as at 31 December 2016, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We concluded our audit in accordance with International Standards of Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Commission in accordance with the ethical requirements that are relevant to our audit of financial statements in Zimbabwe, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis of our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 24 in the financial statements which indicates that the Commission had accumulated losses of \$1,151,114 and total current liabilities exceed total current assets by \$823,705. The Commission mainly relies on government grants and has no other reliable sources of income. These conditions along with other matters set out in the financial statements; indicate the existence of a material uncertainty that may cast significant doubt about the Commission's ability to continue as a going concern. Our Opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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. In addition to the matter described in the *Matter Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

AUDITING & INSIGHT

MANAGING PARTNER: BERNARD MATAMBA B.Acc Hons CA (Z), ICPAZ TECHNICAL PARTNER: JOYCE MAKWARA B.Acc Hons CA (Z) SENIOR CONSULTANT: CLIVE NOLAND B.Com (Hons) CA (SA), CORPORATE LAW & TAX SPECIALIST: PROF. WALTER GEACH BA LLB (CPT) M.Com FCS CA (SA) MERGERS & ACQUISITIONS ADVISOR: WOUTER SCHOLTZ BA (Hons) NHED LLB Geneva Group International (GGI), Independent Member Firm. The Public Accountants & Auditors Board (PAAB), Reg No Z10013
 All professional firms practicing in SA and Zimbabwe under the name of Nolands ("Member Firms") are licensed by Nolands South Africa (Pty) Ltd (Nolands SA). Each Member Firm is an independent contractor practising for its own risk and benefit. No Member Firms are partners, agents, representatives, joint ventures, fiduciaries or the like (collectively "Associates") of each other. Likewise, no Member Firm and Nolands SA are Associates of each other. If any further information is required, kindly contact us. See www.nolands.co.za

SPORTS AND RECREATION COMMISSION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016
Commissioners' responsibility for financial reporting

The Commissioners are required by the Sports and Recreation Commission Act (Chapter 25:15) to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the Commission as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with International Financial Reporting Standards. The external auditors are engaged to express an independent opinion on the financial statements.

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 Commissioners acknowledge that they are ultimately responsible for the system of internal financial control established by the Commission and place considerable importance on maintaining a strong control environment. To enable the Commissioners to meet these responsibilities, the board of Commissioners 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 Commission and all employees are required to maintain the highest ethical standards in ensuring the Commission's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the Commission is on identifying, assessing, managing and monitoring all known forms of risk across the Commission. While operating risk cannot be fully eliminated, the Commission endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

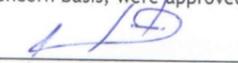
The Commissioners are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial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

Financial Statements Preparation

The financial statements were prepared under the supervision of the Finance Manager Mr M.S Chawarura Bachelor of Commerce - Accounting Degree (MSU), Institute of Chartered Secretaries and Administrators (ICSAZ)

The external auditors are responsible for independently reviewing and reporting on the Commission's financial statements. The financial statements have been examined by the Commission's external auditors and their report is presented on page 3-6

The financial statements and the notes thereto set out on pages 7 to 18, which have been prepared on the going concern basis, were approved by the Commissionees and were signed by ;


Chairman
4/07/2017
Date


Acting Director General
16/06/2017
Date

Sports Industry and Business Development

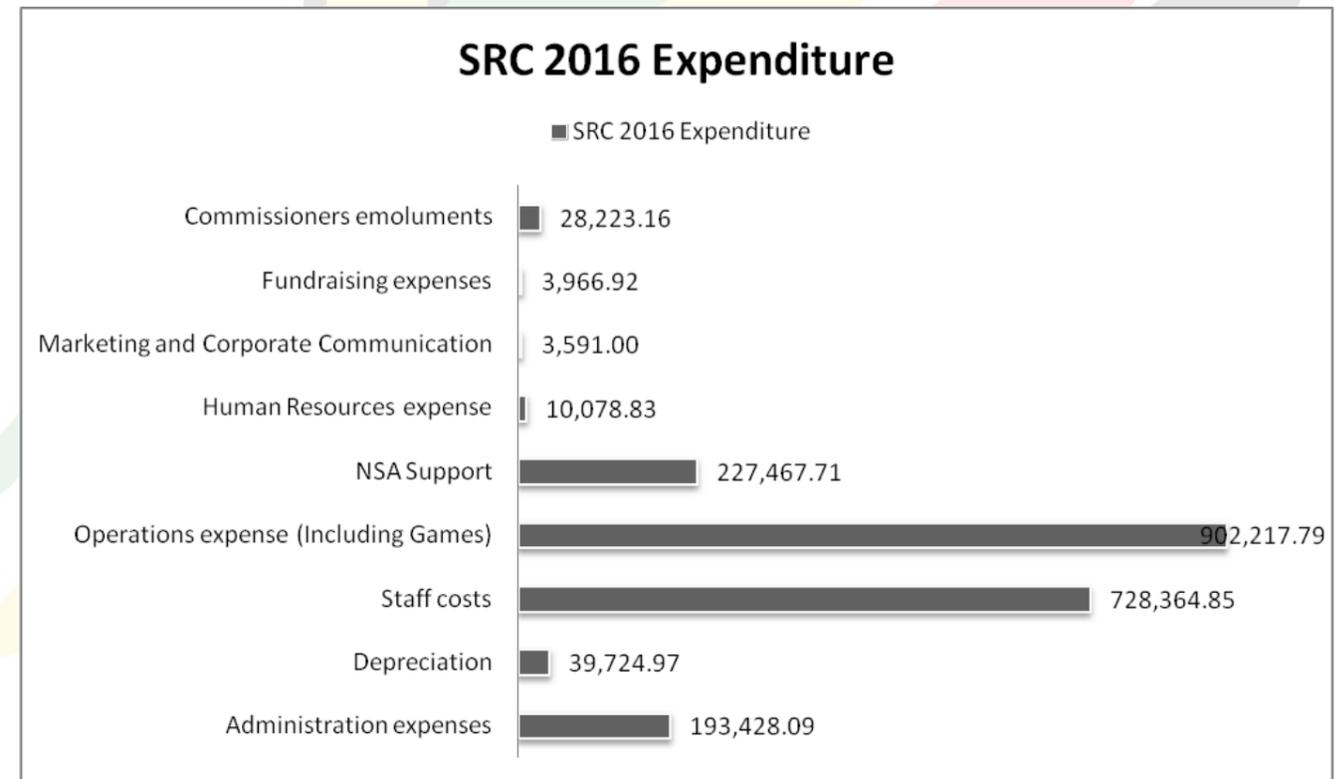
The Commission did not fare well in this income stream as it managed to raise a **US\$7,950** compared to a budgeted figure of **US\$50,000**. This income is largely attributed to SRC Chairman's Golf day which raked in **US\$7,225**.

Levies

The Commission managed to raise **US\$147,259** from the collection of the levies. Of this amount **US\$130,621** was raised through gate levies and **US\$16,638** from sportsman levies. The gate levies collected fared very well as they surpassed the set target slightly by **US\$621**. In contrast the sportsman levies did not perform as expected as only 30% of the expected income was collect during the period under review. The poor performance of the sportsman levy is attributed to the resistance by National Sports Associations to pay the levy coupled with the cumbersome payment processes outlined in the relevant Statutory Instrument.

Expenditure

A total of **US\$2,137,063** was expensed in 2016 and the major cost centres and amounts expensed are depicted in the graph below;



Administration Expenses

A total of **US\$193,428** was expensed in 2016 towards the Commission's administration costs. The Commission had budgeted **US\$154,326** towards the same cost centre. The negative variance is attributed to increased Repairs and Maintenance costs of the aged SRC vehicle fleet and the transfer of former CSDP vehicles to SRC Main Account during the course of the year. Legal costs, Finance charges and T&S costs also contributed to the negative variance. The detailed administration expenses are shown in the table below;

Repairs and maintenance	19,771.84
Regional administration expenses	22,533.53
Audit fees	7,712.40
Insurances and licences	14,942.00
Board & Committee meetings expense	11,154.29
Head office rentals	45,518.04
Fuel and oil	27,331.55
Finance Services	7,305.38
Meetings, local travel & subsistence	4,081.26
Foreign travel & subsistence	1,753.46
Communication & Information technology	11,295.96
Legal fees	5,410.00
Service hiring fees	18.00
Printing & Stationery	2,033.60
Parking Tollgate & Other Vehicle Fees	76.00
Computer Consumables & Expenses	3,001.80
Petty Cash Expenditure	848.10
Cleaning & Hygiene	775.72
6% gate levy collection allowance	7,742.04
Sundry Expenses	122.62
Total	193,428.09

It is important to note that the Commission financed the administration expenses through cash payments and accumulation of debts e.g. Head Office expenses were financed through accumulation of debt.

SPORTS AND RECREATION COMMISSION

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

General information

Business

The Commission coordinates, controls and develops the activities of sport and recreation, to ensure proper administration of organisations undertaking the promotion of sports and recreation and to authorise national and international sporting and recreation activities.

REGISTERED OFFICE

National Sports Stadium
Samora Machel Avenue West
HARARE

COMMISSIONERS

Comm. Edward Siwela (Chairman)
Comm. Lillian R. Mbaiwa (Vice Chairman) (Appointed 1 January 2017)
Comm. Joseph Mungwari (Appointed 1 January 2017)
Comm. Titus I. Zvomuya (Appointed 1 January 2017)
Comm. James R. Goddard (Appointed 1 January 2017)
Comm. Nicholas M. Vingirai (Appointed 1 January 2017)
Comm. John Falkenberg (Appointed 1 January 2017)
Comm. Clement Mukwasi (Appointed 1 January 2017)

Comm. David A. Ellman-Brown (Outgoing 2016)
Comm. Obadiah T. Moyo (Outgoing 2016)
Comm. Jessimine K. S. Nyakatawa (Outgoing 2016)
Comm. Aisha T. Tsimba - Nyamweda (Outgoing 2016)
Comm. Miriam Mushayi (Outgoing 2016)
Comm. Ethan Dube (Outgoing 2016)
Comm. Aaron F. Kanyangarara (Outgoing 2016)

DIRECTOR GENERAL - ACTING

Mr. Joseph Muchechetere

AUDITORS

Nolands Harare Chartered Accounts
7 Glenara Avenue South
Cnr Samora Machel, Eastlea
P O Box CY1063
Causeway
HARARE

BANKERS

CBZ Bank Limited
Sapphire House Branch
HARARE

LAWYERS

Gill, Godlonton and Gerrans Legal Practitioners
Beverly Court Building
Cnr Nelson Mandela / Fourth Street
HARARE

INDEX TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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Statement of financial position	9
Statement of comprehensive income	10
Statement of changes in reserves	11
Statement of cashflows	12
Notes to the financial statements	12-18

Audit and Statutory Compliances

The Commission as a grant aided institution must conform to the requirements of the Public Finance Management Act (Chapter 23:16), in terms of financial management and statutory compliances. During the period under review the Commission prepared and submitted audited financial statements and quarterly financial statements within the periods specified in the relevant Act. It is important to note that the audit reports are clean, however, the issue of going concern was reiterated by the auditors. The Commission expended at total of **US\$7,714** towards audit related works of the Commission and these was paid out.

Marketing, Corporate Communication and Fund Raising Costs

A total of **US\$3,591** was expended towards website development and hosting, exhibitions and other marketing related activities and **US\$3,967** was invested in funding raising activities.

Operating Costs

A total of **US\$902,218** was expended towards the operations of sport and recreation business. The breakdown of the sporting activities is shown below;

OPERATING EXPENSES

Africa Union Sport Council Region 5	745,868.54
National Youth Games (ZNYG)	105,400.95
National Paralympics Games (ZNPG)	37,238.70
ANSA - Expenditure	7,727.00
Sport Development & Governance	5,850.60
Youth Education through Sport (YES) Festival contribution	132.00
Total	902,217.79

National Sport Association Support

This line item catered for the following grants issued to support the following National Associations and activities;

NSA SUPPORT

ZOC Rio 2016 Olympic Games Support	90,000.00
ZNPC Rio 2016 Paralympic Games	70,411.71
Danhiko Paralympic Games	30,000.00
Independence Cup - ZIFA	23,000.00
Zimbabwe Football Association Support	13,056.00
Basketball Union of Zimbabwe Support	1,000.00
Total	227,467.71

Sports Industry and Business Development

At total of US\$4,467 was expended during the period towards Sports Industry and Business Development. Of this expenditure, US\$3,967 was expended towards the SRC Chairman's Golf Day and US\$500 towards Sports Symposium.

Debtors Management

The Commission is owed more than **US\$358,711** by ZIFA and PSL through non remittance of gate levies by the 2 institutions. The debt dates back to period 2009 to 2013. The debts were mainly caused by the institutions failure to comply with the SRC Act. The Commission took it upon itself to correct this anomaly by arranging to collecting the levy at source as opposed to wait for remittances by the 2 National Associations.

Creditors Management

The Commission owes more than **US\$820,000** to various creditors and these include ZIMRA (PAYE), Ministry of Local Government, Public Works and National Housing (Rent), Modern Security, Commissioners fees. The Commission has consistently tried to pay the creditors and maintain good relations with the creditors to avoid litigations. The creditors figure grew over the years because of unavailability of administrative government grant.



Rutendo Nyahora
at the Rio 2016 Olympic Games



Mighty Warriors before departure to the Rio Olympic Games

