



ZIMBABWE FOOTBALL ASSOCIATION(ZIFA)

FORENSIC AUDIT FOR THE PERIOD 1 DECEMBER 2018 TO
30 NOVEMBER 2021





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27 October 2022

Attention: Mr. Blessing Rugara

The Chairperson
ZIFA Restructuring Committee
Zimbabwe National Sports Stadium
Warren Hills/Belvedere
HARARE

Dear Sir,

RE: FORENSIC AUDIT SERVICES ON THE OPERATIONS OF THE ZIMBABWE FOOTBALL ASSOCIATION (ZIFA)

At your request and as documented in our contract dated 29 April 2022, we carried out forensic audit services on the operations of the Zimbabwe Football Association (ZIFA) and now have pleasure in submitting our report for your attention.

This report contains our findings and observations together with our comments, where appropriate. The report is based on documentation, information and explanations supplied to us by ZIFA staff and other affected entities and individuals. The report has been compiled solely to provide you with our findings in respect of the special audit which we performed on your behalf, in terms of our mandate. Annexures and Exhibits have been attached to the report and should be read together with the report.

We reserve the right to supplement or amend this report upon receipt of additional information.

Should you have any queries or require clarification on any part of this report please do not hesitate to contact BDO Zimbabwe Chartered Accountants on 0242 703 877.

Yours faithfully,


BDO Zimbabwe
Chartered Accountants

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1 Abbreviations/Acronyms

The following Abbreviations/Acronyms will be used throughout this report and their meanings are as explained below:

Abbreviation/Acronym	Description
CEO	Chief Executive Officer
ZIFA	Zimbabwe Football Association
FIFA	Fédération Internationale de Football Association
COSAFA	Council of Southern Africa Football Association
CAF	Confederation Of Africa Football
PFMA	Public Finance Management Act (Chapter 22:19)

2 List of individuals

The following list of individuals should be read in conjunction with the contents of this report:-

Individual	Description
Honorable Gift Banda	ZIFA Vice President/Current Interim President
Felton Kamambo	ZIFA-Former ZIFA President
Phillemon Machana	ZIFA-Former Board Member, Conduit Investments (Private) Limited-Director and shareholder
Farai Jere	ZIFA- Executive Committee Member
Bryton Malandule	ZIFA- Former Board Member
Barbara Chikosi	ZIFA- Executive Committee Member
Sugar Chagonda	ZIFA- Executive Committee Member
Joseph Mamutse	ZIFA CEO & General Secretary
Xolisani Gwesela	Former Acting ZIFA CEO & Director Communications & Competitions
Merlin Chifamba	ZIFA-Accountant
Wilson Mutekede	ZIFA-Technical Director
Wellington Mpandare	ZIFA-National Teams Manager
Alfonce Gwarinda	ZIFA-Human Resource Officer
Marshall Jonga	ZIFA-Head of Beach Soccer, Rollertag Investments (Private) Limited-Shareholder
Liberty Mateveke	ZIFA-Bookkeeper

3 List of entities

The following list of entities should be read in conjunction with the contents of this report:

Entity	Description
BDO Zimbabwe Chartered Accountants	Authors of the report
SRC	Sports and Recreation Commission
ZIFA	Zimbabwe Football Association
Rollertag	Rollertag Investments (Private) Limited
Conduit	Conduit Investments (Private) Limited
ZRC	ZIFA Restructuring Committee
PNA Chartered Accountants	ZIFA Auditors

4 List of annexures

The following annexures should be read in conjunction with the contents of this report:-

Annexure	Description
Annexure 1	ZIFA Statutes
Annexure 2	ZIFA Restructuring Committee and BDO Engagement letter
Annexure 3	Request for proposal
Annexure 4	FIFA Forward Development Programme Regulations-Forward 2.0
Annexure 5	FIFA COVID 19 relief plan report
Annexure 6	ZIFA Finance and Administration Policy and Procedures manual
Annexure 7	Email confirmation from SRC for revised audit period
Annexure 8	List of expenditure with no supporting documents from 1 December 2018 to 31 December 2018
Annexure 9	List of expenditure with no supporting documents from 1 January 2019 to 31 December 2019
Annexure 10	List of expenditure with no supporting documents from 1 January 2020 to 31 December 2020
Annexure 11	List of expenditure with no supporting documents from 1 January 2021 to 31 November 2021

5 List of exhibits

The following exhibits should be read in conjunction with the contents of this report:

Exhibit	Description
Exhibit 1	Extract of bank statement for Ecobank account number 0181197610292101
Exhibit 2	Confirmation email from the bookkeeper
Exhibit 3	Confirmation from COSAFA
Exhibit 4	Confirmation from the Accountant
Exhibit 5	US\$240,000 supporting documents
Exhibit 6	Invoices for US\$48,135.64 and US\$52,668
Exhibit 7	Stock count sheets
Exhibit 8	FIFA response to the ZIFA Debt restructuring project application
Exhibit 9	FAW First quotation
Exhibit 10	FAW Second quotation
Exhibit 11	Minutes of the evaluation committee meeting held on the 15th of March 2021
Exhibit 12	Confirmation from Liberty Mateveke
Exhibit 13	COVID 19 distribution budget
Exhibit 14	Statutory Instrument 85 of 2020
Exhibit 15	Extract of the bank statement for the receipt of the FIFA funds
Exhibit 16	ZIFA Emergency Committee meeting minutes for the transfer of funds into Conduit Investments
Exhibit 17	Extract of the bank statement for the receipt of funds transferred to Conduit Investments
Exhibit 18	2019 AFCON Budget and letter to SRC
Exhibit 19	ZIFA Emergency Committee meeting minutes approving the charter plane to CAIRO
Exhibit 20	Proof of Payment (POP) for ZWL91,400
Exhibit 21	POP for ZWL50,000
Exhibit 22	POP for ZWL100,000
Exhibit 23	POP for US\$75,000
Exhibit 24	Bank statement with a cash withdrawal of US\$80,000 for Charter Plane
Exhibit 25	Email trail from the Accountant for the payment for the charter plane
Exhibit 26	Bank statement for withdrawal of US\$10,000, Payment voucher for payment of US\$10,000 to Mr Jonga and POP for ZWL\$50,000 to Air Zimbabwe
Exhibit 27	Registrar of companies search file
Exhibit 28	Email from the Human Resource Manager confirming non-declaration of interest by Mr. Machana
Exhibit 29	Emergency Committee meeting minutes for the US\$10,000 loan to Marambanyika

Exhibit 30	Emergency Committee meeting minutes for the US\$17,000 loan for payment to Engineering Authority Guest House
Exhibit 31	POP for the US\$10,000 loan to Marambanyika and the US\$17,000 loan to Engineering Guest House
Exhibit 32	Conduit Investment POP of the ZWL\$70,400 loan to ZIFA and ZIFA proof of receipt for the loan
Exhibit 33	POP for the repayment of the ZWL\$70,400 loan from Conduit
Exhibit 34	Payment voucher and acknowledgement of receipt for F Kamambo perdiems
Exhibit 35	POP for the US\$922 loan repayment to Conduit Investments
Exhibit 36	Proof of receipt for the US\$2,300 loan from Conduit Investments
Exhibit 37	POP for the US\$2,300 loan from Conduit Investments
Exhibit 38	Emergency Committee meeting minutes for the 28 December 2020 and 11 January 2021 loans
Exhibit 39	POP of the 28 December 2020 and 11 January 2021 loans from Conduit Investments
Exhibit 40	POP to Rennies Travel by Rollertag on behalf of ZIFA
Exhibit 41	POP for the repayment of the US\$21,000 loan from Rollertag
Exhibit 42	Confirmation from COSAFA
Exhibit 43	Email confirmation from Bookeeper, Liberty Mateveke
Exhibit 44	Extract from the PFM Act
Exhibit 45	Email confirmation from SRC for revised audit period
Exhibit 46	First questionnaire for Liberty Mateveke
Exhibit 47	Second questionnaire for Liberty ,Mateveke
Exhibit 48	Questionnaire for Merlin Chifamba
Exhibit 49	First questionnaire for Wilson Mutekede
Exhibit 50	Second questionnaire for Wilson Mutekede
Exhibit 51	Questionnaire for Barbara Chikosi
Exhibit 52	Specimen questionnaire for Sugar Chagonda
Exhibit 53	Specimen questionnaire for Farai Jere
Exhibit 54	Questionnaire for Marshall Jonga
Exhibit 55	Specimen questionnaire for Pillemon Machana
Exhibit 56	Specimen questionnaire for Felton Kamambo
Exhibit 57	Specimen questionnaire for Bryton Malandule
Exhibit 58	Specimen questionnaire for Joseph Mamutse
Exhibit 59	ZIFA 2020 Proposed budget
Exhibit 60	Ecobank statement extract for the receipt of bus funding from FIFA

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6 BACKGROUND

- ZIFA is a private organisation of an associative nature, which is registered under the SRC Act (Chapter 25:15) as the national association for the administration of all football matters in Zimbabwe.
- The headquarters are located at 53 Livingstone Avenue, Harare and it was founded in 1965 and became an affiliate of Fédération Internationale de Football Association (FIFA) in that same year. It is also an affiliate of the Confederation of Africa Football (CAF) since 1980 and Council of Southern Africa Football Association (COSAFA) since 1997.
- The bodies of the Association include the Congress, which is the supreme and legislative body, the Executive Committee, standing and ad-hoc committees which shall advise and assist the Executive Committee in fulfilling its duties¹.
- The general secretariat is the administrative body, the judicial bodies are the Disciplinary Committee, the Appeals Committee and the Ethics Committee.
- The bodies of ZIFA are either elected or appointed by ZIFA itself without any external influence and in accordance with the procedures described in the ZIFA Statutes.
- The ZIFA Restructuring Committee engaged BDO Zimbabwe Chartered Accountants to perform an investigation in accordance with ISRS 4400 (Engagements to perform agreed-upon procedures regarding financial information) on the operations ZIFA for the period 1st of December 2018 until the 30th of November 2021².
- ZRC is a special committee of the SRC board which was mandated to look into the affairs of the administration of football in Zimbabwe and compile its recommendations regarding the revamping of football administration in the country. It has terms of reference which include the commissioning of this forensic audit report. The ZRC is not responsible for the running of football in Zimbabwe.

¹ Annexure 1-ZIFA Statutes

² Annexure 2-ZIFA Restructuring Committee and BDO Engagement letter

7 SCOPE

7.1 Mandate

The forensic audit covered the following areas:

- i. Verify that all grants received from the Government of Zimbabwe, COSAFA, CAF and FIFA were recorded in the financial records of ZIFA.
- ii. Ascertain whether the grants in (i) were utilized for the intended purposes.
- iii. Verify completeness of all other income received by ZIFA
- iv. Verify expenditure incurred by ZIFA ensuring that it is adequately supported and was for the benefit of the Association
- v. Check for compliance with procurement laws and regulations, PFM Act and FIFA regulations concerning financial matters
- vi. Verify the completeness and accuracy of the Association's liabilities and the existence and recoverability of debtors as of 30 November 2021
- vii. Ascertain how the payables arose and if they are valid obligations of the Association
- viii. Identify actual and potential financial losses to ZIFA from the areas investigated
- ix. Identify asset misappropriations, financial statements fraud and any other suspected cases of fraud
- x. Identify weaknesses in policies and procedures and internal controls and make recommendations for their improvements

7.2 Procedures performed

Our forensic audit procedures were developed based on the following:

- Understanding of the terms of reference
- Experience in conducting forensic audits

We performed the following procedures on the broad headings above:

7.2.1 Verify that all grants received from the Government of Zimbabwe, COSAFA, CAF and FIFA were recorded in the financial records of ZIFA

- Requested for confirmations for grants availed to ZIFA from 2018 to 2021 from Government of Zimbabwe, COSAFA, CAF and FIFA.
- Traced the grants received to the bank statements to confirm whether they were credited into ZIFA accounts.
- Compared confirmations from Government of Zimbabwe, COSAFA, CAF and FIFA with ZIFA ledgers to ensure all grants received were recorded.
- Quantified any variances noted or unrecorded income.

7.2.2 Ascertain whether the grants in (i) were utilized for the intended purposes.

- Reviewed Government of Zimbabwe, COSAFA, CAF and FIFA requirements on utilisations of grants availed to ZIFA.
- Obtained and inspected ZIFA expenditure to verify if there was compliance with Government of Zimbabwe, COSAFA, CAF and FIFA requirements.
- Traced the expenditure to the bank statements/receipts & recorded payment details.
- Inspected payments for authorisation of transactions.
- Inspected the sources of funds for expenditure to ensure that funds from each grant were used for intended purpose.
- Ensured the expense represents a genuine business cost belonging to the association.

7.2.3 Verify completeness of all other income received by ZIFA

- Obtained confirmations for prize money received from CAF, COSAFA etc and trace to bank statements and ledger
- Where possible, recomputed income and trace it to the ledger.
- Where computations could not be done, we trace receipted income to the bank and the ledger.
- Investigated any variance noted.

7.2.4 Verify expenditure incurred by ZIFA ensuring that it is adequately supported and was for the benefit of the Association

- Obtained an understanding of the Association's regulations governing expenditure.
- Obtained and inspected Invoices for the selected expenditure.
- Inspected payment vouchers for the authorising signature.
- Ensured the expense represents a genuine business cost belonging to the association.

7.2.5 Check for compliance with procurement laws and regulations, PFMA and FIFA regulations concerning financial matters

- Obtained an understanding of the procurement laws and regulations governing ZIFA.
- Reviewed procurement transactions to check for compliance with procurement laws and regulations.
- Documented any deviations from procurement laws and regulations.

7.2.6 Verify the existence and recoverability of debtors as of 30 November 2021

- Verified existence of debtor's balance by obtaining debtors confirmations
- Obtained explanations for variances noted between the confirmed amount and the balance per ledger.
- Tested the recoverability of debtors by reference to subsequent receipts.
- Investigated variances

7.2.7 Ascertain how the payables arose and if they are valid obligations of the Association

- Verified existence of creditors balance by obtaining creditors confirmations
- Agreed the balance per ledger with the confirmed balance to ascertain completeness and accuracy thereof.
- Verified invoices to establish if they were for valid ZIFA expenses
- Investigated on any variances

7.2.8 Identify actual and potential financial losses to ZIFA from the areas investigated

- Quantified all the potential losses to ZIFA identified in the areas investigated

7.2.9 Identify asset misappropriations, financial statements fraud and any other suspected cases of fraud**7.2.10 Identify weaknesses in policies and procedures and internal controls and make recommendations for their improvements**

- Reviewed ZIFA policies, procedures and internal controls
- Identified any weaknesses in the policies, procedures and internal controls
- Documented weaknesses identified in policies, procedures and internal controls
- Provided recommendations for weaknesses documented

8 PERIOD EXAMINED

The original terms of reference covered the period 1st of January 2018 to 30th of November 2021. However, as per the attached email, this was changed during the investigation to the 1st of December 2018 to 30th November 2021³.

9 LIMITATIONS AND SUBSEQUENT EVENTS

- We have included all information that we came across which is relevant to the scope of our work. However, it is possible that documents and information exist which were not made available to us or which we were unable to locate.
- We were not given information by Banks regarding the sale of foreign currency to third parties hence we could not establish if all such transactions were above board.
- Some of the officials who were ZIFA board members during the period under investigation did not respond to our questionnaires hence their explanations are not included in this report.
- Any document or information brought to our attention after the date of this report which would affect our findings will require our report to be adjusted accordingly

³ Annexure 7-Email confirmation from SRC for revised audit period

10 DETAILED FINDINGS

10.1 Table of findings

The table below shows the results of the forensic audit;

	Terms of reference	Findings and conclusion
1	Verify that all grants received from the Government of Zimbabwe, COSAFA, CAF and FIFA were recorded in the financial records of ZIFA.	Refer to note 12
2	Ascertain whether the grants in (i) were utilized for the intended purposes.	Refer to note 13
3	Verify completeness of all other income received by ZIFA	Refer to note 14
4	Verify expenditure incurred by ZIFA ensuring that it is adequately supported and was for the benefit of the Association	Refer to note 15
5	Check for compliance with procurement laws and regulations, PFMA and FIFA regulations concerning financial matters	Refer to note 16
6	Verify the completeness and accuracy of the Association's liabilities and the existence and recoverability of debtors as of 30 November 2021	Refer to note 17
7	Ascertain how the payables arose and if they are valid obligations of the Association	Refer to note 18
8	Identify actual and potential financial losses to ZIFA from the areas investigated	Refer to note 19
9	Identify asset misappropriations, financial statements fraud and any other suspected cases of fraud	Refer to note 20
10	Identify weaknesses in policies and procedures and internal controls and make recommendations for their improvements	Refer to note 21

11 FINDINGS

12 Verification of grants received by ZIFA from Government of Zimbabwe, COSAFA, CAF and FIFA

12.1 Requirement/regulations

- For the period under investigation, all grants received from FIFA were supposed to be deposited into FIFA designated bank accounts. However, grants received from other donors, such as the Government of Zimbabwe, COSAFA and CAF were deposited into the ZIFA general bank accounts.
- All grants received should be recorded in the Association's books of accounts and reported in the ZIFA annual financial statements.

12.2 Grants from Federation Internationale de Football Association (FIFA)

ZIFA being a member association of FIFA, for the period under investigation, was entitled to receive an annual grant of US\$1,000,000 for a four-year cycle 2019 to 2022, allocated to support operational needs and development projects, and an additional grant of US\$3,000,000 over the same four-year cycle to support specific projects, travel, accommodation and equipment needs under the FIFA forward program 2.0.⁴

ZIFA was also entitled to receive a Covid 19 Relief grant from FIFA of US\$1,500,000 in two parts, first portion of US\$1,000,000 in 2020 and the other portion of US\$500,000 in 2021⁵.

According to the confirmation we received from FIFA, the following grants were remitted to ZIFA during the period under investigation.

12.2.1 Grants received in 2018

Date transferred	Amount Transferred (US\$)	Purpose of funds	Date received (Bank statement)	Bank	Account number	Ledger amount (US\$)	Variance (US\$)
19-Dec-18	182,700.00	Forward program	20-Dec-2018	Eco bank	0181197610292101	-	182,700.00

12.2.1.1 Unaccounted for grant income

The grant of US\$182,700 received on 20 December 2018⁶ was omitted from the Association's books of accounts for 2018. The grant was deposited into a FIFA designated Ecobank account number 0181197610292101 which had been recently opened on 20 December 2018 by Kamambo, Machana and Mamutse, who were the signatories. According to the Accountant, the new bank account had not been disclosed to the finance department by the end of the 2018 financial year, hence the omission of the grant from the financial statements. On 24 December 2018, an amount of US\$50,000 was transferred from the new bank account into the ZIFA General account number 0011097610292102⁷ and accounted for as Sponsorship income on posting to the ledger.

⁴ Annexure 4 - FIFA Forward Development Programme Regulations-Forward 2.0

⁵ Annexure 5 - FIFA covid 19 relief plan report

⁶ Exhibit 1 - Extract of bank statement for Ecobank account number 0181197610292101

⁷ See Exhibit 1 - Extract of bank statement for Ecobank account number 0181197610292101

We also noted three cash withdrawals of US\$10,000 each made in the name of Mr. Mamutse, from the Ecobank account on 21 December 2018, 24 December 2018, and 28 December 2018 respectively⁸. We could not trace the cash withdrawals to the accounting records of ZIFA and no supporting documents were availed to show how the funds were utilised.

Any two of the signatories to the new Ecobank account could sign, however, we could not establish the two signatories for the cash withdrawals because of lack of supporting documents.

The remaining bank balance of US\$102,319.97, after deducting US\$50,000, US\$30,000 and bank charges of US\$380.03 was reported as grant income in the 2019 financial statements. This bank account then became the main FIFA designated account in 2019 where most of the funds from FIFA were now being deposited.

It should be noted that we are unable to confirm whether there are other ZIFA bank accounts which were opened and operated during the period under audit without the knowledge of the finance team. ZIFA should consider engaging the RBZ so that it can compel all banks to disclose information of all bank accounts which were opened and operated during the period under audit.

12.2.2 Grants received in 2019

Date transferred	Amount Transferred (US\$)	Purpose of funds	Date received (Bank statement)	Account number (Eco bank)	Ledger amount (US\$)	Variance (US\$)
16-Jan-19	750,000.00	Forward program	18-Jan-19	0181197610292101	750,000.00	-
03-Apr-19	170,000.00	Forward program	04-Apr-19	0181197610292103	170,000.00	-
20-Aug-19	100,000.00	Forward program	28-Aug-19	0181197610292101	100,000.00	-
01-Jul-19	3,000.00	FIFA Congress 2019 Daily Allowances	-	-	3,000.00	-
Nov-19	-	Direct payments	-	-	2,009.34	2,009.34
Dec-19	-	Direct payments	-	-	2,642.81	2,642.81
Jan-19	-	Direct payments	-	-	50,000.00	50,000.00
Sep-19	-	Direct payments	-	-	251,797.05	251,797.05
Sub-total for 2019	1,023,000.00				1,329,449.20	306,449.20

⁸ See Exhibit 1 - Extract of bank statement for Ecobank account number 0181197610292101

12.2.2.1 Direct payments by FIFA

In 2019, FIFA made direct payments to some suppliers of ZIFA amounting to ZWL2,950,207.86 (US\$306,449.20)⁹. We requested for correspondences between FIFA and ZIFA regarding the payments to establish the suppliers involved and how the debts arose, however, none was availed. We also requested for a confirmation from FIFA for all direct payments made and at the time of writing this report we had not obtained a response. Due to the lack of supporting documents, we could not determine the nature and purpose of expenditure that was being paid for.

We found it unusual that FIFA paid ZIFA suppliers directly however, due to lack of information we could not establish the reason from both FIFA and ZIFA why that was the case.

⁹ Exhibit 2 - Confirmation email from the bookkeeper

12.2.3 Grants received in 2020

Date transferred	Amount Transferred (US\$)	Purpose of funds	Date received (Bank statement)	Bank	Account number	Ledger amount (US\$)	Variance (US\$)
17-Jan-20	300,000.00	Forward program	21-Jan-20	Banc ABC	11640496633010	300,000.00	-
03-Mar-20	20,100.00	Forward program	04-Mar-20	Ecobank	5783600011483	20,100.00	-
06-Mar-20	400,000.00	Forward program	09-Mar-20	Ecobank	5783600011483	400,000.00	-
17-Apr-20	26,500.00	Forward program	29-Apr-20	Ecobank	5783600011483	26,500.00	-
04-May-20	733,595.22	Forward program	07-May-20	Ecobank	5783600011483	733,595.22	-
06-Aug-20	1,253,299.51	Forward program + COVID-19 Relief Grant	18-Aug-20	Ecobank	5783600011483	1,253,299.51	-
21-Aug-20	386,867.26	Forward program + COVID-19 Relief Grant Women's Football	25-Aug-20	Ecobank	5783600011483	386,867.26	-
Total for 2020	3,120,361.99					3,120,361.99	-

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12.2.4 Grants received in 2021

Date transferred	Amount Transferred (US\$)	Purpose of funds	Date received (Bank statement)	Account number (Ecobank)	Amount per Ledger (US\$)	Variance (US\$)
15-Jan-21	800,000.00	Forward program	21-Jan-21	5783600011483	800,000.00	-
29-Jan-21	500,000.00	COVID-19 Relief Grant	01-Feb-21	5783600011483	500,000.00	-
16-Jul-21	49,665.25	Forward program	23-Aug-21	5783600011483	49,665.25	-
31-Aug-21	400,000.00	Forward program	01-Sep-21	5783600011483	400,000.00	-
07-Sep -21	296,586.00	Forward program	08-Sep-21	5783600011483	296,586.00	-
01-Oct-21	147,000.00	Forward program	04-Oct-21	5783600011483	147,000.00	-
Aug-21	-	Direct payment to COSAFA	-	-	50,000.00	50,000.00
Total	2,193,251.25				2,243,251.25	50,000.00

Total received from FIFA 2018 to 2021

Grant total (US\$)	6,519,313.24			6,875,762.53	356,449.20
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COSAFA confirmed that they were paid US\$50,000.00 by FIFA on behalf of ZIFA. The amount was not confirmed by FIFA but was recorded in the books of ZIFA as income¹⁰.

12.3 Grants from Confederation of African Football (CAF)

According to the confirmation we received from CAF, the following grants were received by ZIFA for the period under investigation:

Date transferred	Amount transferred (US\$)	Purpose of funds	Date received (Bank statement)	Account number (Eco bank)	Ledger amount (US\$)	Variance (US\$)
03-Jun-19	200,000.00	Annual subvention	05-Jun-19	0181197610292104	200,000.00	-
15-Jun-20	200,000.00	Annual subvention	18-Jun-20	5783600003463	200,000.00	-
01-Sep-20	300,000.00	Covid 19 Relief	11-Sep-20	5783600003463	300,000.00	-
05-Oct-21	250,000.00	Annual subvention	07-Oct-21	5783600003463	250,000.00	-
Total	950,000.00				950,000.00	-

All grants received from CAF were recorded in the accounting records of ZIFA.

12.4 Grants from Council of Southern Africa Football Associations (COSAFA)

ZIFA did not receive any grant from COSAFA for the period under audit.

12.5 Grants from the Government of Zimbabwe

Grants from the Government of Zimbabwe come to ZIFA through the Sports and Recreation Commission (SRC). According to the confirmation we received from SRC, the following grants were remitted to ZIFA for the period under investigation.

Date transferred	Amount Transferred (ZWL)	Date received (Bank statement)	Account number (Ecobank)	Ledger amount (ZWL)	Variance (ZWL)
16-Apr-19	10,000.00	17-Apr-19	0011097610292102	10,000.00	-
26-Apr-19	75,800.00	26-Apr-19	0011097610292102	75,800.00	-
Total	85,800.00			85,800.00	-

¹⁰ Exhibit 3 - Confirmation from COSAFA

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All grants received from Government of Zimbabwe were recorded in the accounting records of ZIFA.

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13 Ascertaining whether the grants were used for intended purposes

13.1 Utilisation of grants from FIFA

13.1.1 Requirements

- a) In terms of expenditure relating to FIFA grants, ZIFA is governed by the **FIFA FORWARD Development Programme Regulations Forward 1.0 which ended in 2018 and 2.0 which started in 2019**. According to the FIFA regulations, the grants should be applied to meet operational/ running costs which include the following:
- Governance structure and administration
 - The national teams
 - Domestic competitions
 - Permanent administrative and technical staff
 - Financial management (audits)
 - Website and other communication platforms
 - Training for key football stakeholders (administrators, technical staff, volunteers, etc.)
- b) Article 8 (d) of the FIFA Forward 2.0 regulations states that any member association or confederation receiving funding from Forward 2.0 must open a separate bank account in its own name (i.e., the name of the member association or confederation) with a bank in the country in which it has its registered headquarters especially for Forward 2.0 funding and for its direct benefit. This bank account may be the same as for Forward 1.0, the previous cycle ending on 31 December 2018. Any transfer of Forward 2.0 funds must be made by the FIFA general secretariat to the Forward 2.0 account of the beneficiary member association or confederation. The member associations or confederations must make all payments related to Forward 2.0 directly from the Forward 2.0 account. Any funds not used at the end of the period covered by the contractual relationship shall be kept in the Forward 2.0 account until they are completely used up. The Forward 2.0 account may under no circumstances have a negative balance (overdraft) or be pledged. FIFA reserves the right to demand a statement of the Forward 2.0 account at any time. The provisions of this article are the same in FIFA Forward 1.0.
- c) Article 8 (v) of FIFA Forward regulations 2.0 prohibits usage of cash.
- d) Article 8 (u) of FIFA Forward regulations state that any member association or confederation receiving funding from Forward 2.0 must avoid any situation giving rise to a conflict of interest.
- e) According to the FIFA forward regulations Article 8 (x) ZIFA was supposed to use the FIFA forward funds exclusively for the purpose allocated¹¹.

ZIFA received grants totalling US\$6,569,146.20 for the period under audit. These grants were meant for the purposes shown in the table below:

FIFA Forward program	3,985,560.47
Specific projects	1,083,585.73
COVID-19 relief grant	1,500,000.00

¹¹ Annexure 4 - FIFA Forward Development Programme Regulations-Forward 2.0

13.1.2 Utilization of the FIFA forward program grant

ZIFA was receiving funding from different organizations, for instance from FIFA, CAF among others. We noted that ZIFA did not maintain separate ledger accounts for recording expenditure incurred on utilizing funds received from each funding organization, instead they maintained one ledger for recording all their transactions. Due to this, we were unable to identify expenses which were paid utilizing FIFA Forward funds from the ledger. However, we traced some of the expenditure for the FIFA Forward grant through bank statements. In the process of tracing payments which were made from the bank statements, we noted the following:

- ZIFA would sometimes transfer funds from the dedicated FIFA Forward account into a ZIFA general account which was being credited with funds from other sources¹².
- There were instances when FIFA funds were being transferred into the general account when the general account had insignificant or no funds. On such instances we were able to trace utilisation of the FIFA grant from the general account. However, when funds were transferred into the general account when it had other funds, we were unable to verify how the grants were utilised.
- There were instances when the details of payments were clearly described on the bank statements, and on those instances, we were able to identify whether the expenditure was for intended purposes or not. However, there were also instances when details of payment were not described and for those instances we could not establish if the grant was being used for intended purposes or not.

This happened on both payments which were made directly from the FIFA Forward dedicated account and from the general account.

13.1.2.1 Expenditure for FIFA Forward funds in 2018

ZIFA received US\$182,700.00 from FIFA in 2018 for the period under audit. Part of the grant was utilized from the FIFA dedicated account as stipulated by Article 8 (d) of the Forward regulations, however the other part was transferred to the general account in breach of Article 8 (d) quoted above. The table below shows grants utilized from Forward account and grants transferred to general accounts.

Description	Ref	Used for intended purposes?	Verified supporting documentation?	Amount (US\$)
Grant received	-	-	-	182,700.00
Cash withdrawals	-	Not known	No	(30,000.00)
Transferred to general account	See note 13.1.2.2 below	Not known	No	(50,000.00)
Bank charges	-	Yes	Yes	(380.03)
Bank balance as at 31 December 2018				102,319.97

13.1.2.2 Transfer to general account

ZIFA transferred US\$50,000.00 to the ZIFA General Ecobank account 0011097610292102. This was a breach of article 8 (d) of the FIFA forward regulations which stipulated that member associations or confederations were to make all payments directly to service providers and suppliers of goods from the Forward program account.

¹² Exhibit 4 - Confirmation from the Accountant

The funds were mixed with those from other sources; hence we were not able to verify if the funds were utilized for the intended purpose.

13.1.2.3 Cash withdrawals

We were not availed supporting documentation for the cash withdrawals to enable us to determine whether the money withdrawn was used for intended purposes or not. Additionally, this was a breach of Article 8 (v) of the FIFA Forward regulations 2.0 which states that associations should avoid usage of cash.

13.1.2.4 Expenditure for FIFA Forward funds in 2019

ZIFA received US\$1,023,000.00 in 2019 and had an opening bank balance of US\$102,319.97 from 2018 resulting in a total of US\$ 1,125,319.97 available in 2019. The table below shows how the funds were utilized:

Description	Ref	Used for intended purposes?	Verified supporting documentation?	Amount (US\$)
Opening bank balance				102,319.97
Grant received				1,023,000.00
Transfer to general account	See note 13.1.2.2 above	Not known	No	(548,140.32)
Purchase of football equipment	See note 13.1.2.9 below	Yes	Yes	(240,000.00)
Cash withdrawals	See note 13.1.2.3 above	Not known	No	(127,400.00)
Allowances and per diems to Board and management	-	Yes	Yes	(70,147.00)
Travel expenses	-	Yes	Yes	(67,614.16)
National team allowances	-	Yes	Yes	(39,100.00)
Operating expenses	-	Yes	Yes	(13,895.92)
Bank charges	-	Yes	Yes	(9,830.00)
FIFA congress daily allowances	-	Yes	Yes	(3,000.00)
Closing balance at 31 December 2019	-	-	-	6,192.57

13.1.2.5 Expenditure for FIFA Forward funds in 2020

The table below shows how the funds were utilized:

Description	Ref	Used for intended purposes?	Verified supporting documentation?	Amount (US\$)
Opening bank balance	-	-	-	6 192.57
Grant received				1,480,195.22
Transfer to general account	See note 13.1.2.2 above	Not known	No	(1,114,086.89)
Payments to Board and management	-	Yes	Yes	(160,475.55)
Debt repayment	See note 13.1.2.6 below	Yes	Yes	(59,058.20)
Travel expenses	-	Yes	Yes	(56,054.92)
Salary - National team coach	-	Yes	Yes	(50,000.00)
Administrative expenses	-	Yes	Yes	(21,583.75)
Cash withdrawals	See note 13.1.2.3 above	Not known	No	(15,850.00)
Operating expenses		Yes	Yes	(-9,278.48)
Closing balance at 31 December 2019		-	-	-

13.1.2.6 Travel and accommodation expenses

ZIFA made payments amounting to US\$59,058.20 to legacy creditors in 2020 relating to travel and accommodation expenses utilizing FIFA Forward funds. The funds were re-imbursed by FIFA under the legacy debts clearance plan.

13.1.2.7 Expenditure for FIFA Forward funds in 2021

ZIFA received US\$1,299,665.25 in 2021. The table below shows how the funds were utilized.

Description	Ref	Used for intended purpose	Verified supporting documentation	Amount (US\$)
Opening balance				-
Grant received				1,299,665.25
Purchase of football equipment	See note 13.1.2.9	Yes	Yes	(130,516.26)
Transfer to general account	See note 13.1.2.2	Not known	No	(628,167.98)
Allowances and per diems to Board and management		Yes	Yes	(30,835.00)
Travelling expenses - national teams		Yes	Yes	(134,174.00)
Accommodation		Yes	Yes	(154,823.00)
Operating expenses		Yes	Yes	(68,284.31)
Loan repayments		Not known	No	(45,400.00)
National team players - allowances		Yes	Yes	(29,000.00)
Administration expenses		Yes	Yes	(21,583.75)
Legal fees		Yes	Yes	(20,000.00)
Administrative expenses		Yes	Yes	(13,910.00)
Staff allowances		Yes	Yes	(10,000.00)
Operating expenses		Yes	Yes	(12,990.95)
Closing bank balance				-

13.1.2.8 Loan repayments

ZIFA made payments of US\$25,600.00 and US\$19,800.00 to Conduit Investments and Sports Unlimited respectively. Were told by the Bookkeeper that they were loan repayments, however the loan agreements were not availed to enable us to validate this assertion. The Conduit loan was to meet CHAN 2020 expenses, but we were not able to verify how the funds from Sports Unlimited were used due to lack of supporting. Mr. Machana was a shareholder and director of Conduit Investments whereas Mr. Givemore Chidhakwa was a director. We were not availed evidence that the two officials declared their interests on this transaction with ZIFA.

13.1.2.9 Purchase of football equipment

13.1.2.10 Requirements

- According to the ZIFA Constitution, “the ZIFA Emergency Committee authorises transactions or major activities requiring immediate settlement between two meetings of the Board¹³. All decisions taken by the Emergency Committee shall be ratified by the Board at its next meeting.”
- Authority limits according to ZIFA Finance and Administration Policy and Procedures manual¹⁴;
 - CEO approval limit up to US\$20,000
 - Board member finance approval limit up to US\$50,000
 - Board approval limit above US\$50,000
- Article 8 (u) of FIFA Forward regulations states that any member association or confederation receiving funding from Forward 2.0 must avoid any situation giving rise to a conflict of interest¹⁵.
- Other requirements according to the ZIFA Finance and Administration Policy and Procedure manual;
 - If a member of the Board or of a committee of the Board or a spouse of such a member has an interest appearing to come into conflict with his duties as a member, the member shall forthwith disclose the fact to the Board or to the committee, as the case may be.
 - The Administration Officer shall at least source three quotations when procuring any goods or services.
 - On receipt of goods purchased, a Goods Received Voucher is raised acknowledging the receipt.

During the period under investigation football equipment was purchased from Rollertag Investments. From 2018 to 2021, a total of US\$1,073,912.05 was paid to Rollertag by ZIFA from the FIFA grant for the purchase of football equipment. The table below shows the details of the purchases:

¹³ See Annexure 1-ZIFA Statutes

¹⁴ Annexure 6- ZIFA Finance and Administration Policy and Procedures manual

¹⁵ See Annexure 4- FIFA Forward Development Programme Regulations-Forward 2.0

Rollertag transactions

Payment details			Invoice details					
Date	Amount (US\$)		Date	Invoice number	Items bought	Qty	Total Amount (US\$)	Price per unit
13/05/2019	240,000.00		10/05/2019	85	Bibs - adults (10 pack)	380	3,530.96	9.29
					Aluminium pumps and needles	200	1,393.80	6.97
					Fifa approved match ball	160	4,646.00	29.04
					Official match balls size 5	1,080	31,360.50	29.04
					Official match balls size 4	1,440	33,534.00	23.29
					Beach ball	160	3,726.00	23.29
					Fustal balls	160	3,726.00	23.29
					2-inch cones	2,000	9,292.00	4.65
					9-inch cones	1,000	4,646.00	4.65
					Magnetic clip board	300	5,226.75	17.42
					Junior pair gloves	100	1,742.25	17.42
					Non finger gloves	200	3,484.50	17.42
					Boxes-whistle (box of 10)	90	313.61	3.49
					First aid kit	100	2,903.75	29.04
					Basic soccer kits combo (14 players)	170	5,5913.00	328.90
					Basic soccer kits combo (14 players)	210	7,4623.50	355.35
19/08/2020	291,400.00		17/08/2020	372	Soccer balls size 3	3,000	64,500.00	21.50
					Moulded soccer balls size 4	3,000	64,500.00	21.50
					Match balls	2,000	48,000.00	24.00
					Training Balls	2,000	44,000.00	22.00
					Soccer kit sets socks, gk, bags, nos snr	200	28,000.00	140.00
					Soccer kit sets socks, gk, nos, bags ,jnr	200	28,000.00	140.00
					Bibs set of 10	400	12,000.00	30.00

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13.1.2.11 Board approval for Rollertag transactions

There was no evidence availed to us to prove that the following purchases from Rollertag above US\$50,000 were approved by the Board:

Ledger details		
Date	Reference	Amount (US\$)
5/1/2019	QT01168	240,000.00
8/19/2020	PNA11221	291,400.00
10/21/2020	PNA11173	51,294.60
1/21/2021	-	130,516.26
3/1/2021	-	259,897.60
6/10/2021	-	52,668.00

13.1.2.12 Outstanding deliveries for goods already paid for to Rollertag

In 2021, two invoices amounting to US\$48,135.64 and US\$52,668.00 paid on 23 April 2021 and 10 June 2021 respectively had their deliveries still outstanding up to the time of our investigation¹⁶. Mr Marshall Jonga confirmed that the goods were yet to be delivered. He also said that the goods were in his warehouse, and this had been communicated to Mr Gift Banda who told him that the ZIFA Secretariat will advise when to deliver¹⁷. On 26 October 2022 Mr Banda corroborated what Mr Jonga had said through a tele-conversation.

13.1.2.13 Ownership of Rollertag

FIFA Forward Development Programme Regulations 8(u) states that any member association or confederation receiving funding from Forward 2.0 should avoid any situation giving rise to a conflict of interest¹⁸. On the 8th of September 2022, we met Mr Marshall Jonga who is the head of beach soccer and a ZIFA Councillor at our offices located at 3 Baines Avenue Harare, and he confirmed that he is the beneficial shareholder of Rollertag Investments, a situation which created a conflict of interest. Mr Jonga confirmed that he did not declare his interest to ZIFA as he was not required to do so since he was not a ZIFA Executive member.

¹⁶ Exhibit 6- Invoices for US\$48,135.64 and US\$52,668

¹⁷ Exhibit 54-Questionnaire for Marshall Jonga

¹⁸ See Annexure 4- FIFA Forward Development Programme Regulations-Forward 2.0

13.1.2.14 Distribution of goods that were purchased from Rollertag

By the time we conducted our investigation, goods worth US\$791,171 purchased from Rollertag had not been distributed. We conducted a physical stock count on 20 July 2022 and established the following stocks at ZIFA warehouse in Mt. Hampden¹⁹:

Description of stock		Total On hand (Units)	Value (US\$)
1	Footballs	8,974	246,606.00
2	Boots	4,688	267,188.00
3	Bibs	4,000	137,400.00
4	Kits	261	87,689.00
5	Aluminium ball pumps	484	2,217.00
6	Bags	311	50,071.00
Total			791,171.00

Most of the goods in the warehouse were received in 2019 and 2020. According to the ZIFA Secretariat, the goods were not distributed due to COVID-19 disruptions.

According to questionnaire responses from Wilson Mutekede and Barbara Chikosi, the football equipment supplied by Rollertag was of poor quality²⁰. In his questionnaire Marshall Jonga disputed the assertion saying that the quality supplied was commensurate with the prices charged²¹.

13.1.3 Utilisation of grants for specific projects

13.1.3.1 Requirements

- According to the FIFA forward regulations Article 8 (x) ZIFA was supposed to use the FIFA forward funds exclusively for the purpose allocated.
- According to the FIFA forward regulations Article 8 (y) any major change concerning a project should be approved by the FIFA development committee.²²

For the period under audit ZIFA received funds for 3 specific projects, which were the Debt restructuring project, Vehicles projects and Re-introduction of youth league project. The grants availed for each project are shown in the table below.

Debt restructuring project	US\$639,999.73
Vehicles project	US\$296,586.00
Re-introduction of Youth League	US\$147,000.00
Grand total	US\$1,083,585.73

¹⁹ Exhibit 7-ZIFA Stock count sheets

²⁰ Exhibits 49,50 & 51-Questionnaire for Wilson Mutekede and Barbara Chikosi

²¹ Exhibit 54-Questionnaire for Marshall Jonga

²² See Annexure 4 - FIFA Forward Development Programme Regulations-Forward 2.0

13.1.3.2 Debt Restructuring Project

ZIFA approached FIFA Projects Committee for funds to clear its legacy debts. The committee approved the project and requested ZIFA to submit quotations for external auditors to be appointed to verify the legacy creditor balances. PNA Chartered Accountants were appointed to conduct the exercise as of 1 April 2020. The creditors verification exercise commenced in March 2020 and was concluded in June 2020. ZIFA applied for US\$753,299.51 on 09 June 2020 and the application was successful. However, FIFA retained US\$113,299.78 as payment of the debt ZIFA owed to FIFA²³. We were not availed information to enable us to verify how this debt arose.

The net balance of the requested funds of US\$639,999.73 was credited into ZIFA account on 18 August 2020. By the time ZIFA received the funds the bulk of the legacy creditors had already been paid except for ZWL34,090.36 and US\$73,568.00. According to the ZIFA Bookkeeper they paid legacy creditors before receiving FIFA funds to take advantage of the favorable monetary policy measures which were in place at the time. The balance of the funding which came from FIFA was used to meet other operating expenses.

13.1.3.3 Funding of ZIFA vehicles project

13.1.3.3.1 Requirements

- According to the ZIFA Finance and Administration Policy and Procedures manual, receipt of purchased goods should be acknowledged by a Goods Received Voucher (GRV).

13.1.3.3.2 Delay in delivery of 2 buses purchased by ZIFA

ZIFA sought quotations for buses, including one from FAW. FAW submitted a quotation dated 16 February 2021 with a validity period of 30 days. The quote showed two models of buses, downgraded model costing US\$126,930.00 and the standard model costing US\$147,893.00²⁴. According to the evaluation committee meeting minutes held on the 15th of March 2021, it was resolved to procure two buses from FAW. Based on the FAW quotation for standard model buses, which had already lapsed, ZIFA made an application to FIFA for funding. On 22 July 2021, FAW sent a revised quotation, with a validity period of 30 days, now showing the downgraded model with a revised price of US\$171,664.00²⁵. It should be noted that the major difference between the downgraded model and the standard model is that the latter has air-conditioners, which is a requirement by FIFA.

On the 7th of September 2021, ZIFA received US\$296,586.00 from FIFA for the purchase of the 2 buses²⁶. Payments totalling US\$295,000 were made to FAW on the 15th and 21st of September 2021. According to ZIFA, this payment for two standard model buses based on 16th of February 2021 quotation. By the time payment was made the validity of the 16th of February 2021 quotation had already lapsed. When we visited FAW on the 9th of September 2022, we established that FAW was prepared to deliver two downgraded model buses for the US\$295,000 already paid, despite the same model being quoted at US\$171,664.00 each as per the 22 July 2021 quote.

²³Exhibit 8 - FIFA response to the ZIFA Debt restructuring project application
²⁴Exhibit 9-FAW First quotation
²⁵Exhibit 10-FAW Second quotation
²⁶Exhibit 60-Ecobank statement extract for the receipt of bus funding from FIFA

The ZIFA Human Resources Manager (Mr Gwarinda) told us that the buses we saw at FAW Zimbabwe did not have air-conditioners, hence could not be accepted.

It can be noted that the problem arose because of the delay in the ZIFA board deciding to accept the FAW quotation when it had almost lapsed. More time was then lost applying and eventually receiving funding from FIFA. ZIFA needs to engage FAW to find a way of resolving the impasse.

13.1.3.4 Re-introduction of Youth League Project

During the year 2021, ZIFA made an application for US\$210,000 to FIFA for the reintroduction of the youth league. FIFA agreed to avail US\$147,000 for the project and the funds were transferred into the ZIFA account on 04 October 2021. We noted the following irregularities in the manner the grant provided by FIFA was utilised;

- Evaluation Committee meeting minutes held on the 15th of March 2021 indicated that quotations were sourced to determine who could supply ZIFA with equipment. The evaluation committee agreed that equipment for the project was to be procured from PNR Sports at a cost of US\$53,200.²⁷
- Despite the resolution made by the Evaluation Committee, the contract for the supply of the equipment was awarded to Rollertag Investments who got paid US\$52,688 for the contract on 06 October 2021.
- Upon inquiry with the project manager, he told us that the decision was made by the Chief Executive Officer after he had made his own independent visits to the prospective suppliers where quotations had been sourced. He concluded that PNR Sports had no capacity to supply the required equipment.
- From the US\$147,000 which was availed by FIFA for the introduction of youth league project, only US\$52,668 paid to Rollertag was used towards the project and the remainder of the funds, US\$94,332.00²⁸, was used for other purposes. This meant that these funds were not used for the intended purpose in contravention of the FIFA forward regulations.

13.1.3 Utilisation of FIFA and CAF COVID 19 relief grant

13.1.3.1 FIFA requirements

Member associations were entitled to a universal solidarity grant of US\$1 million, split into two instalments of US\$500,000 in 2020 and 2021, together with an additional grant of US\$500,000 allocated specifically to women's football.

13.1.3.2 Solidarity grant was to be used to:

- resume competitions, where conditions permit;
- develop and implement safe return-to-play protocols;
- support national teams at all levels to take part in competitions that have resumed;
- pay staff, administration and operating costs, and maintain football's infrastructure;

²⁷ Exhibit 11 - Minutes of the evaluation committee held on the 15th of March 2021

²⁸ Exhibit 12 - Confirmation from Liberty Mateveke

- cover the costs of contractual breaches and any other additional costs as a result of the pandemic;
- help the wider football community to cover their costs and get back on track.

13.1.3.3 Women's football grant was to be used for:

- women's leagues,
- clubs,
- player associations,
- registered female players or people directly linked to women's football.

13.1.3.4 CAF requirements

There were no specific requirements on how the US\$300,000 CAF COVID-19 grant was to be used.

Date received	Source	Purpose	Amount (USD)
06-August-2020	FIFA	Solidarity grant	500,000.00
21-August-2020	FIFA	Women's football grant	500,000.00
01-September-2020	CAF	COVID-19 Subvention	300,000.00
01-February-2021	FIFA	Solidarity grant	500,000.00
Total			1,800,000.00

ZIFA Board drafted a budget on how the funds were going to be distributed to all ZIFA affiliates. The budget was done in US\$, however, the Board indicated that a rate of US\$1: ZWL82.56 was to be used for payments made in ZWL. The rate used was the interbank exchange rate ruling on the date the first allocation of the COVID-19 funds was received from FIFA²⁹.

Beneficiary	Original Budgeted in USD	Interbank exchange rate	Paid in USD	Paid in ZWL	Unpaid (USD)
Men Football					
Regions x 4	124,000.00	82.56	-	10,237,539.20	-
Provinces x 10	160,000.00	82.56	-	13,209,728.00	-
Area zones x 4	10,000.00	82.56	-	825,608.00	-
FUTSAL	10,000.00	82.56	-	825,608.00	-
Beach	10,000.00	82.56	-	825,608.00	-
NAPH	5,000.00		5,000.00		-
Tertiary	5,000.00		5,000.00		-
NASH	5,000.00		5,000.00		-
Referees	10,000.00	82.56	-	825,608.00	-
Coaches	10,000.00	82.56	-	-	10,000.00
National team Open players and technical team	80,000.00	82.56	-	6,604,864.00	-

²⁹ Exhibit 13 - ZIFA Covid 19 distribution budget.

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National Team CHAN players and technical team	20,000.00	82.56	-	1,651,216.00	-
ZIFA Staff COVID-19 assist grant	30,000.00	82.56	-	2,476,824.00	-
Other including bank charges	20,000.00		20,000.00	-	-
National teams' matches all age groups	400,000.00		400,000.00	-	-
Medicals & Equipment	65,000.00		65,000.00	-	-
Referees season fees (D1 to D4)	66,000.00	82.56	-	-	66,000.00
PSL Clubs (shared equally among 18 clubs)	100,000.00		100,000.00	-	-
PSL Office	10,000.00		10,000.00	-	-
PSL Referees entire season fees	44,000.00	82.56	-	3,632,675.20	-
Women Football					
Zimbabwe Women Soccer League Clubs	75,000.00	82.56	-	6,192,060.00	-
ZWSL Office/Board-Women	15,000.00		15,000.00	-	-
Regions and clubs x 4	20,000.00	82.56	-	1,651,216.00	-
Referees	4,000.00	82.56	-	-	4,000.00
Coaches	4,000.00	82.56	-	-	4,000.00
NAPH	2,000.00	82.56	-	165,121.60	-
Tertiary	2,000.00	82.56	-	165,121.60	-
NASH	2,000.00	82.56	-	165,121.60	-
Staff & Rentals	2,000.00		2,000.00	-	-
National Teams' Matches all age groups	200,000.00		200,000.00	-	-
National under 20 Team	10,000.00	82.56	-	-	10,000.00
Transport, referees' expenses (distributed towards both PSL and Regional Club)	100,000.00	82.56	-	-	100,000.00
COVID-19 medicals & football equipment	58,000.00		58,000.00	-	-
Bank charges and other	6,000.00		6,000.00	-	-
Other					
Administration	100,000.00		100,000.00	-	-
Unanticipated urgent COVID-19 interventions not yet allocated	16,000.00		16,000.00	-	-
Total	1,800,000.00		1,007,000.00	49,453,919.20	194,000.00

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13.1.3.5 Payment to some beneficiaries in ZWL

On 19 August 2020 ZIFA exchanged US\$500,000 with ZWL at a rate of US\$1: ZWL82.56. The proceeds, together with other funds which were already in ZWL bank accounts, were used to pay some of the beneficiaries. According to some representatives of affiliates that received ZWL, ZIFA said it was illegal to pay in US\$ hence the ZWL payments. However, according to section 6 of Statutory Instrument (SI) 85 of 2020, which was ruling at the time, entities were permitted to make payments in US\$ using free funds. See extract below:

*“Payment for goods and services using free funds
6. (1) In this section—
“free funds” bears the meaning given to that term in Statutory Instrument 109 of 1996, and includes funds lawfully held or earned in foreign currency by any person.*

(2) Notwithstanding these regulations, any person may pay for goods and services chargeable in Zimbabwe dollars, in foreign currency using his or her free funds at the ruling rate on the date of payment.

(3) The payment envisaged in subsection (2) may be done electronically through a foreign currency account or in cash or through any electronic payment platform.”³⁰

The above shows that the assertion by ZIFA that payments in US\$ was illegal was not true. The conversion of grants to ZWL at the official exchange rates resulted in loss of value to the beneficiaries.

According to exchange rates which were obtaining in the market on 19 August 2020, the affiliates lost about ZWL9,248,560 or US\$112,022 because of ZIFA’s conversions to ZWL.

We were not given explanations by the ZIFA Board members involved in the transaction as they did not respond to our questionnaires.

We requested information from Ecobank to establish third parties who bought the US\$ which were liquidated from the ZIFA bank account, however the bank declined citing client confidentiality. If ZIFA wants to pursue the matter, they can approach the Courts and apply for a Court order to compel the bank to release the information.

13.1.3.6 Outstanding COVID-19 payments

An amount of US\$194,000 which was supposed to be paid to referees, coaches transport, referees’ expenses, had not been paid at the time of the investigation. The funds are no longer in ZIFA’s bank accounts as they were used for other purposes.

No explanation was given to us as to why the beneficiaries were not paid and how the funds were used.

a. Payments to ZIFA Board members

The amount allocated under budget line-item administration was paid to ZIFA Board members as follows:

Name of Director	Designation	Amount paid (US\$)
Felton Kamambo	President	20,000.00
Philemon Machana	Acting Vice President	18,000.00
Farai Jere	Executive Committee member	15,500.00
Bryton Malandule	Executive Committee member	15,500.00
Barbara Chikosi	Executive Committee member	15,500.00

³⁰ Exhibit 14 - Statutory Instrument 85 of 2020

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Sugar Chagonda	Executive Committee member	15,500.00
Total		100,000.00

The officials who are listed above were board members during 2020 when the above payments were made. We held a meeting with one of the directors, Ms. Barbara Chikosi, at 3 Baines Avenue on 15 September 2022 and she explained that her understanding was that the US\$15,000 that she was paid was Board allowances which were due to her³¹.

We were, however, not able to get confirmation from Mr Machana (Board member finance) as he did not respond to our questionnaire.

We analyzed the 2020 proposed budget and established that board members were entitled to the following³²:

		ZWL	RBZ rates @ 03.01.2020	US\$
Executive committee meetings	12 members x 4 meetings (Allowances, accommodation & travel)	625,000	16.8329	37,129.67
10 x Standing committees	5 members per committee x 4 meetings	1,500,000	16.8329	88,952.67
				126,082.34

Due to lack of adequate supporting documents and explanations, we were unable to conclusively establish if the US\$100,000 paid using the COVID-19 grant was for genuine accruals of board fees.

13.2 Funds transferred to Conduit Investments (Private) Limited

13.2.1 Requirements

- According to the FIFA forward regulations Article 8 (d) all grants from FIFA were supposed to be deposited into a FIFA dedicated bank account.
- Article 8 (u) of FIFA Forward regulations states that any member association or confederation receiving funding from Forward 2.0 must avoid any situation giving rise to a conflict of interest³³.

13.2.2 Findings

On 18 January 2019, ZIFA received a grant of US\$749,996 from FIFA in the Ecobank FIFA designated bank account 0181197610292101³⁴. In contravention of Article 8 (d) paragraph 3 above, the ZIFA Emergency Committee made a resolution to move US\$ 740,270 to a bank account in the name of Conduit Investments,

³¹ See Exhibit 51-Questionnaire for Barbara Chikosi

³² Exhibit 59-ZIFA 2020 Proposed budget

³³ See Annexure 4- FIFA Forward Development Programme Regulations-Forward 2.0

³⁴ Exhibit 15 - Extract from the Bank statement for the receipt of the FIFA Forward Funds

a company owned and directed by Mr. Pillemon Machana³⁵. On 5 February 2019 US\$740,170 was transferred from the Conduit Investments bank account to a new ZIFA Ecobank account³⁶.

According to the ZIFA Emergency Committee meeting minutes of 18 January 2019, the transfer was a precautionary measure to prevent funds from being garnished by creditors.

13.3 Africa Cup of Nations 2019 (AFCON) Charter plane

ZIFA sought quotations and prepared and approved a budget for costs to be incurred in preparing for and during the Africa Cup of Nations (AFCON) 2019 tournament which was to be held in Cairo, Egypt in June 2019. ZIFA then wrote to the Sports and Recreation Commission requesting for budgetary support. The budget included US\$57,000 for airfares to the tournament³⁷.

We however noted that on 12 June 2019, the ZIFA Emergency Committee approved the chartering of a plane to Cairo at a cost of US\$150,000. This means ZIFA overspent by an amount of US\$93,000 on travel costs alone³⁸.

The minutes of the Emergency Committee meeting which were availed to us were not signed and no justification has been given to us as to why this decision was made.

13.3.1 Payments for the plane

Details per Air Zimbabwe supplier statement				Interbank exchange rate	US\$
Date	Received from	Purpose	Amount		
22/06/2019	Fredrics Int	Charter plane	ZWL91,400 ³⁹	6.2867	14,538.63
24/06/2019	Universal Waters	Charter plane	ZWL50,000 ⁴⁰	6.3237	7,906.76
26/06/2019	Sinyoro Emily Bianca	Charter plane	ZWL100,000 ⁴¹	6.3698	15,699.08
26/06/2019	ZIFA	Charter plane	US\$75,000 ⁴²	1.0000	75,000.00
TOTAL					113,144.47

The cost of the charter plane was US\$150,000 and US\$113,144.47 was paid as shown above, leaving a balance of US\$36,855.53. The balance is part of the legacy debt of US\$753,299.51 (See 13.1.3.2) which was subsequently paid using the FIFA legacy debt relief funds.

13.3.2 US\$75,000 payment

On 25 June 2019, a cash withdrawal of US\$80,000 was made from Ecobank for use as part payment for the charter plane⁴³. However, only US\$75,000 was paid to Air Zimbabwe and we were not availed supporting documents to show how the balance of US\$5,000 was used.

³⁵ Exhibit 16 - ZIFA Emergency Committee meeting minutes for the transfer of FIFA funds into Conduit Investments

³⁶ Exhibit 17 - Extract from the Bank statement for the receipt of funds transferred to Conduit Investments

³⁷ Exhibit 18-2019 AFCON Budget and letter to SRC

³⁸ Exhibit 19-ZIFA Emergency Committee meeting minutes approving the charter plane to CAIRO

³⁹ Exhibit 20-POP for payment of ZWL\$91,400

⁴⁰ Exhibit 21-POP for payment of ZWL\$50,000

⁴¹ Exhibit 22-POP for payment of ZWL\$100,000

⁴² Exhibit 23-POP for payment of US\$75,000

⁴³ Exhibit 24-Bank statement with a cash withdrawal of US\$80,000 for Charter Plane

13.3.3 ZWL\$91,400 and ZWL\$100,000 payments

The above payments were made by third parties to Air Zimbabwe. According to the supplier statement and the email sent to the ZIFA Accountant (Merlin Chifamba) by Mr. Joseph Mamutse on the 5th of May 2020, they were for the AFCON 2019 charter plane⁴⁴. We were not availed information to establish if these were loans or donations to ZIFA.

13.3.4 ZWL\$50,000 payment

According to the proof of payment, the funds were transferred to Air Zimbabwe from a ZB Bank account and signed for by Marshall Jonga and Onai Mukumire. On the same date, Marshall Jonga was paid US\$10,000 by ZIFA and the cash was collected on his behalf by Dumisani Nyoni and the description on the payment voucher was "Air Zimbabwe charter"⁴⁵.

On the date of payment, the ZWL\$50,000 which was paid to Air Zimbabwe was equivalent to US\$7,906.76, using the RBZ interbank rate. As a result of this arrangement, ZIFA was prejudiced of US\$2,093.24 with Jonga and Mukumire being the beneficiaries. No explanation was given why ZIFA had to pay through third parties instead of paying direct to Air Zimbabwe.

13.4 Loans to ZIFA

13.4.1 Loans from Conduit Investments

In 2019,2020 and 2021, Conduit Investments was giving ZIFA some loans. We performed a company search at the Registrar of Companies and confirmed that Mr. Phillemon Machana is a director and shareholder of Conduit Investments⁴⁶. Mr. Givemore Chidhakwa, who is a ZIFA councilor is a Co-Director with Mr. Machana in Conduit Investments. At the time of these transactions, Mr. Phillemon Machana was a ZIFA Board member responsible for finance issues. As a result, we decided to confirm if Mr. Machana's interest was properly declared to ZIFA as this was a situation which gave rise to conflict of interest in contravention of the FIFA Forward Development Programme Regulations 8(u). On 22 July 2022, the ZIFA Human Resources Manager, Mr. Alfonse Gwarinda through an email confirmed that there was no declaration of interest which was made by Mr. Phillemon Machana⁴⁷.

The table below shows the loans which were given to ZIFA by Conduit Investments:

Date	Ref	Loans from Conduit		
		Details	Amount (US\$)	Amount (ZWL)
10/06/19	LDV0002	Loan received T Marambanyika	10,000.00	-
13/06/19		Payment to Engineering Authority Guest House on behalf of ZIFA	17,000	
12/07/19	LEG0001	Loan received	-	10,000.00
12/07/19	LEG0002	Loan received	-	10,000.00

⁴⁴ Exhibit 25-Email trail from the Accountant for the payment of the charter plane

⁴⁵ Exhibit 26-Bank statement with US\$10,000 withdrawal for charter plane, Payment voucher indicating a payment of US\$10,000 to Mr. Jonga and the POP of ZWL\$50,000 to Air Zimbabwe

⁴⁶ Exhibit 27-Registrar of companies search file

⁴⁷ Exhibit 28-Email from the Human Resource Manager confirming non-declaration of interest by Mr. Machana

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25/07/19	FFA002	Loan received		70,400
28/11/19	LDV0003	Loan received	922.00	-
20/11/19	LDV0004	Loan received	2,300.00	-
28/12/20	EDA0007	Advance received	10,000.00	-
11/01/2021	R16FTRQ210110006	Loan received	15,000.00	-
Total			55,222.00	90,400.00

Except for the two loans of ZWL\$10,000 dated 12 July 2019, we were not availed any supporting documents. We were provided with the following for the other loans:

13.4.1.1 US\$10,000 loan received T Marambanyika and US\$17,000 payment to Engineering Authority Guest House

The ZIFA Emergency Committee on the 7th of June 2019 resolved to borrow an amount of US\$10,000 from Conduit Investments payable directly to Dr Marambanyika's account on behalf of ZIFA to cover camp transport, medicals and other contingencies for the National team that was in Egypt for the 2019 AFCON⁴⁸. We were provided with the acquittals and supporting documents for how the money was used. Another ZIFA Emergency Committee meeting was held on the 12th of June 2019 where the President indicated that the association was in dire need of a total US\$23,600 to pay for hotel accommodation for the team in Egypt hence ZIFA borrowed US\$17,000 from Conduit payable directly to the hotel⁴⁹. On 14 June 2019, the ZIFA Ecobank account 0181197610292106 was debited with US\$27,000 to Conduit Investments as a loan repayment⁵⁰. The US\$27,000 included the US\$10,000 loan with the beneficiary being Dr Marambanyika and the balance of US\$17,000 was an amount that had been paid directly to Engineering Authority Guest House on behalf of ZIFA. For the two loans, we were not provided with the loan agreements and evidence of ratification by the Board.

13.4.1.2 ZWL\$70,400 loan

On 25 July 2019, Conduit Investments advanced a loan of US\$8,000 converted to ZWL\$70,400 from its Ecobank ZWL account 0181197603935601 to the ZIFA ZWL Steward Bank account 1001172359⁵¹. We were not availed the loan agreement or the Board approval for this loan as well as the supporting documents of how the loan was used. On 13 September 2019, the ZIFA Ecobank ZWL account 0011097610292101 was debited ZWL\$107,200 as repayment of the US\$8,000⁵².

13.4.1.3 US\$922 loan

On 28 November 2019, a ZIFA payment voucher indicated a payment of US\$922 to Mr. F Kamambo for perdiems together with an unsigned acknowledgment of receipt of a loan of the same amount from Conduit Investments⁵³. On 3 December 2019, the ZIFA Steward Bank ZWL account 1001462926 was debited

⁴⁸ Exhibit 29-Emergency Committee meeting minutes for the US\$10,000 loan to Marambanyika

⁴⁹ Exhibit 30- Emergency Committee meeting minutes for the US\$17,000 loan for payment to Engineering Authority Guest House

⁵⁰ Exhibit 31-POP for the US\$10,000 loan to Marambanyika and the US\$17,000 loan to Engineering Authority Guest House

⁵¹ Exhibit 32- Conduit Investment POP of the ZWL\$70,400 loan to ZIFA and ZIFA proof of receipt for the loan

⁵² Exhibit 33-POP for the repayment of the ZWL\$70,400 loan from Conduit

⁵³ Exhibit 34-Payment voucher and acknowledgement of receipt for F Kamambo perdiems

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ZWL\$14,475 for the loan repayment converted using the rate of 15.6996⁵⁴. We were not however provided with the loan agreements and Board approval for the loan.

13.4.1.4 US\$2,300 loan

On 20 November 2019, Joseph Mamutse acknowledged the receipt of US\$2,300 from Conduit Investments on behalf of ZIFA⁵⁵. ZIFA repaid the loan with an amount of ZWL\$36,110 having converted the US\$2,300 at the rate of 15.7 on 3 December 2019 through its Steward Bank ZWL account 1001462926⁵⁶. We were not availed the Board approval and the loan agreements for this loan.

13.4.1.5 US\$10,000 and US\$15,000 loans

We were only availed the Emergency Committee approvals for loans advanced on 28 December 2020 and 9 January 2021 of US\$10,000 and US\$15,000 respectively⁵⁷. According to the minutes of the Emergency Committee meeting held on the 28th of December 2020, the loan of US\$10,000 was to cover salaries, accommodation, medicals and other national team logistics expenses. In the Emergency Committee meeting minutes dated 9 January 2021, the loan of US\$15,000 from Conduit Investments was to be used for part payment of air tickets and other costs related to the CHAN team. There were however no loan agreements for the loans. The two loans were paid back on 22 January 2021 using the Ecobank account 5783600011483⁵⁸. No evidence was availed to show that the decisions to get the loans were ratified by the ZIFA Board.

13.4.2 Loan from Rollertag Investments

Rollertag paid US\$21,282.14 to RENNIES Travel for air tickets for the senior men team's travel to Cairo. The invoice was dated 20 June 2019 and the payment was treated as a loan⁵⁹.

The lender was the Head of Beach Soccer and a major supplier of football equipment to ZIFA, and this gave rise to conflict-of-interest as outlined in the FIFA Forward Development Programme Regulations 8(u⁶⁰).

The loan was repaid on 14 September 2019 through a transfer of ZWL 281,400 to Rollertag Investments⁶¹.

⁵⁴ Exhibit 35- POP for the US\$922 loan repayment to Conduit Investments

⁵⁵ Exhibit 36- Proof of receipt for the US\$2,300 loan from Conduit Investments

⁵⁶ Exhibit 37- POP for the US\$2,300 loan from Conduit Investments

⁵⁷ Exhibit 38- Emergency Committee meeting minutes for the 28 December 2020 and 11 January 2021 loans

⁵⁸ Exhibit 39-POP of the 28 December 2020 and 11 January 2021 loans from Conduit Investments

⁵⁹ Exhibit 40-POP to RENNIES Travel by Rollertag on behalf of ZIFA

⁶⁰ See Annexure 4- FIFA Forward Development Programme Regulations-Forward 2.0

⁶¹ Exhibit 41-POP for the repayment of the US\$21,000 loan from Rollertag

14 Verify completeness of all other income received by ZIFA

14.1 Prize money

ZIFA received prize money from COSAFA, and CAF tournaments held during the period under investigation.

14.1.1 Prize Money received from Confederation of African Football (CAF)

According to the confirmation we received from CAF, the following prize monies were received by ZIFA:

Date transferred	Amount transferred (US\$)	Purpose of funds	Date received (Bank statement)	Account number (Ecobank)	Ledger Amount (US\$)
11-Jun-19	250,000.00	Prize money	13-Jun-19	0181197610292106	250,000.00
11-Jun-19	316,079.00	Prize money	21-Jun-19	0181197610292106	316,079.00
06-Sep-19	236,200.00	Prize money	10-Sep-19	0181197610292104	236,200.00
02-Oct-19	13,800.00	Prize money	28-Oct-19	0181197610292104	13,800.00
02-Aug-21	131,228.00	Prize money	05-Aug-21	5783600003463	131,228.00
Total					947,307.00

All prize monies received from CAF were recorded in the accounting records of ZIFA.

14.1.2 Prize money received from Council of Southern Africa Football Associations (COSAFA)

According to the confirmation we received from COSAFA, ZIFA won prize money in COSAFA tournaments held in 2018 and 2019 amounting to ZAR500,000 and ZAR125,000 respectively. The prize money was withheld as payment of a debt that ZIFA owed to COSAFA for both years⁶². The prize monies were not recorded as income in the accounting records of ZIFA for both 2018 and 2019. We were not availed supporting documents of how the debt in question arose.

14.2 Income from Union of European Football Association (UEFA)

ZIFA received US\$50,479.58 from UEFA for the procurement of a Minivan for grassroots transportation. The grant was recorded in the accounting records of ZIFA. The van has been procured and registered in the name of ZIFA. The table below shows the details of the Minivan.

Vehicle Registration number	AFX4227
Vehicle Make	NISSAN URVAN
Owner name	ZIFA

⁶² Exhibit 42 - Confirmation from COSAFA

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At the time of the audit the vehicle had been delivered to the ZIFA head office. However, it is yet to be branded, a requirement set by UEFA upon donating funds for the vehicle.

14.3 Other income

ZIFA also received income from other sources which are explained below:

Income type	Source
Registrations	These are registration fees paid by clubs and academy on behalf of players and technical staff.
Player transfer fees	ZIFA retains 10% of transfer fees whenever there is a transfer of players between Premier Soccer League clubs.
Subscriptions	These are subscription fees paid by ZIFA affiliates.
Sponsorship and donations	Financial support given to ZIFA by corporates, individuals and well-wishers.
Nominations fees	Fees paid by aspiring councillors and executive members for consideration at the congress.
Disciplinary and appeals	Fees paid by individuals, clubs or players for fines and case appeals.
Match levies	ZIFA receives 6% from the Premier Soccer League gross takings whenever matches are played.
TV and Advertising rights	Income obtained from broadcasting and advertising companies for airing matches and advertizing during matches.
Gate takings	Collections from match entry fees whenever the national team plays.
Rental income	Income from renting out ZIFA Village premises.

Because of the nature of the income and inadequate record keeping by ZIFA, we were not able to verify completeness of other income. We traced the amounts per receipt books to the ledger and the bank statements.

14.3.1 Other income received in 2018

Income	Traced receipts to ledger & bank?	Amount (US\$)
Player transfer fees	Yes	18,917.00
Registrations	Yes	159,164.00
Subscriptions	Yes	45,000.00
Sponsorships	Yes	193,200.65
Nominations	Yes	120,327.00
Academy registrations	Yes	5,870.00
Disciplinary appeals and other fees	Yes	26,000.00
Match levies	Yes	112,800.68
TV rights	Yes	5,000.00
Gate takings	Yes	75,761.00
Match agents' registrations	Yes	2,550.00
Total		764,590.33

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14.3.2 Other income received from 1 January 2019 to 30 November 2021

Income	Traced receipts to ledger & bank?	Amount (ZWL)
Registrations	Yes	7,932,549.39
Subscriptions	Yes	45,000.00
Sponsorships	Yes	69,100.00
Academy	Yes	650,097.01
Disciplinary appeals and other fees	Yes	160,000.00
Match levies	Yes	366,432.55
TV rights	Yes	5,425.00
Gate takings	Yes	1,567,996.17
Intermediary / Match Agents	Yes	80,850.00
Donations	Yes	105,670.00
ZIFA Village	Yes	264,289.50
Other Income	Yes	3,000.00
Commission	Yes	24,404.22
Advertising rights	Yes	211,920.20
Merchandise of replica jerseys	Yes	155,876.40
Total		11,486,734.04

15 Verify expenditure incurred by ZIFA ensuring that is adequately supported and was for the benefit of the Association

We tested for the existence, occurrence and accuracy of expenses that were incurred by ZIFA from 1 December 2018 to 30 November 2021 to verify if they were adequately supported and were for the benefit of the Association. The following were the findings:

15.1 December 1, 2018 to December 31, 2018

Expenditure per ledger (US\$)	Amount selected (US\$)	Supporting documents verified (US\$)	No supporting documents (US\$) ⁶³
195,822.00	193,208.32	68,868.63	124,339.69

15.2 January 1 2019 to November 30 2021

Period end	Expenditure per ledger (ZWL)	Amount selected (ZWL)	Supporting documents verified (ZWL)	No supporting documents (ZWL)
31 December 2019	15,737,539.12	11,385,445.26	5,600,094.76	5,785,350.50 ⁶⁴
31 December 2020	192,789,799.94	135,909,774.83	130,247,138.48	5,683,150.55 ⁶⁵
30 November 2021	359,710,059.84	218,330,400.59	161,300,164.67	57,030,235.92 ⁶⁶

15.3 Three quotation system

Except for expenditure relating to purchase of football equipment and purchase of motor vehicles, no other purchases were made using the three-quotation system as required by the Finance and Administration Policy and Procedures Manual.

15.4 ZIFA suppliers list

According to the Bookkeeper (Liberty Mateveke), for the period under investigation, ZIFA did not have an approved suppliers listing, rather it sought quotations when need for procurement arose⁶⁷.

⁶³ Annexure 8-List of expenditure with no supporting documents from 1 December 2018 to 31 December 2018

⁶⁴ Annexure 9- List of expenditure with no supporting documents from 1 January 2019 to 31 December 2019

⁶⁵ Annexure 10- List of expenditure with no supporting documents from 1 January 2020 to 31 December 2020

⁶⁶ Annexure 11-List of expenditure with no supporting documents from 1 January 2021 to 30 November 2021

⁶⁷ Exhibit 43-Email confirmation from Bookkeeper, Liberty Mateveke

16 Check for compliance with procurement laws and regulations, PFMA and FIFA regulations concerning financial matters

16.1 Requirements

The ZIFA Statutes Article 1 (1) states that "ZIFA is a private organization of an associative nature, in compliance with the legislation of Zimbabwe"⁶⁸.

We checked for compliance with procurement laws and regulations, PFM Act and FIFA regulations concerning financial matters and the following were the finding:

16.2 Procurement laws and regulations

ZIFA as a private organization is not required to comply with public procurement laws and regulations. It is governed by the ZIFA Finance and administration policy and procedures manual and this was dealt with in sections 12 and 13 of this report

16.3 PFMA

Public Finance Management Act [Chapter 22:19] 4(1) states that "this Act, to the extent hereinafter indicated, shall apply to—

- (a) Ministries; and
- (b) designated corporate bodies and public entities; and
- (c) constitutional entities; and
- (d) statutory funds".

ZIFA being a private organization does not fall under this Act⁶⁹.

16.4 FIFA regulations

For issues to do with FIFA regulations refer to sections 12 and 13 of this report

⁶⁸ See Annexure 1- ZIFA Statutes

⁶⁹ Exhibit 44-Extract from the PFM Act

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17 Verify the completeness and accuracy of the Association's liabilities and the existence and recoverability of debtors as of 30 November 2021

We tested for completeness and accuracy of the association's liabilities as of 30 November 2021 as well as existence and recoverability of debtors as of 30 November 2021. We sent confirmations to creditors and debtors so that they could confirm how much they are owed by ZIFA or how much they owed ZIFA as of 30 November 2021. At the time of writing this report we had not received most of the confirmations from both debtors and creditors.

17.1 ZIFA liabilities as at 30 November 2021:

Name	Debt Confirmed (Yes/No)	Amount (ZWL)	How the payable arose
LLM Kashaya Estates & Properties	Yes	21,577.86	Rent for women football offices
Event Management	No	226,650.00	Venue and accommodation
City of Harare	No	171,226.34	Rates and water
Perfect Design	No	30,238.80	Printing of jerseys
Fair Take Trading	No	72,740.30	Printing coaching certificates
Air Zimbabwe	No	14,835.80	Outstanding balance for airfares
Genomix Medical Centre	No	113,327.75	Medical tests for Under 17
Lawrence Kamukapa	No	39,900.00	Liaison Officer during Zimbabwe vs Zambia Senior Women
Kantor and Immerman	No	20,596.78	Legal fees
Point to Point Freight Services	No	287,686.82	Clearance of referee's equipment
Realsky Freight Logistics	No	8,361.19	Clearance of referee's equipment
Charlie Stevens International	No	15,311.40	Clearance of referee's equipment
Click & Pay Investments	No	7,291.16	Balance for tickets printing
EMRAS	No	41,699.84	Ambulance hire
Traverze Travel	No	26,664.66	Airfares
Holiday Inn Harare	No	673,434.51	Accommodation senior men
Glen Lodge Byo	No	51,711.00	Accommodation
Monomotapa Hotel	No	667,165.40	Accommodation
Montgomery Gardens	No	6,649.70	Accommodation
ZESA Holdings	No	13,039.42	Electricity bill
Lalani Lodge & Conference Centre	No	5,979.00	Legacy debt
Amanzi Restaurant	No	11,269.10	Legacy debt
Betta Ball Sports	No	2,567.00	Legacy debt
Courtney Hotel	No	21,730.00	Legacy debt
Cresta Lodge Hotel	No	4,438.00	Legacy debt

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East Town Commodities	No	39,167.00	Legacy debt
Hotel Rio	No	2,488.00	Legacy debt
IRJANA Luxliner	No	12,600.00	Legacy debt
Mambosasa Legal Practioners	No	2,550.25	Legacy debt
PSMAS	No	7,500.00	Legacy debt
Zvimba District Council	No	27,250.00	Legacy debt
PSMAS	No	2,177.00	Legacy debt
PSMI West End Hospital	No	2,126.42	Legacy debt
Real Deal Car Hire	No	7,260.00	Legacy debt
Select Security	No	14,182.40	Legacy debt
Selous Hotel	No	4,041.00	Legacy debt
Spring wealth Trading	No	9,280.00	Legacy debt
TelOne	No	34,739.14	Legacy debt
Ministry of Public Works	No	19,705.16	Legacy debt
Cresta Churchill	No	24,375.00	Legacy debt
Total		2,765,533.20	

17.2 Creditors owed in USD as at 30 November 2021

Creditor	Debt Confirmed (Yes/No)	Amount (US\$)	How the debt arose
Catwalk Security Services	No	1,200.00	Security at ZIFA Village
Traverze Travel	No	3,569.42	Airfares
SeaView Travel	Yes	13,080.00	Airfares
PNA Chartered Accountants	No	4,327.02	Audit fees
Adv Tawanda Zhuwarara	No	2,000.00	Legal fees
Shockproof Investments	No	39,045.00	Payment for kits and replica
Holiday Inn Hotel	No	10,907.17	Accommodation
CAPS United FC	No	3,390.00	Bus Hire
InterPath Laboratory	No	2,761.00	Covid test
Hentrek Investments	Yes	7,520.00	Ground disinfection
UBC Clinical Laboratories	No	1,515.00	Medical tests
AMTEC Motors	No	2,220.00	Purchase of Minivan Bus
Monomotapa Hotel	No	3,883.01	Accommodation for match officials
Total		95,417.62	

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17.3 Creditors owed in Rands as at 31 November 2021

Creditor	Debt Confirmed (Yes/No)	Amount (Rands)	How the debt arose
SAFA	No	31,408.80	Accommodation

Legacy debt refers to:

- Creditors who did not respond to confirmations sent to them during the debt restructuring project done in 2020 in conjunction with FIFA.
- Creditors who refused to be paid in ZWL using the 1:1 during the debt restructuring project. According to the Accountant, some of the legacy debts date back to 2009.

17.4 Debtors as at 30 November 2021

Debtor	Confirmed?	Amount (ZWL)	Debt explanation
Premier Soccer League	No	4,773,293.94	Player registration fees
Highlanders FC	No	78,898.77	Registration of technical staff
Bulawayo Chiefs FC	No	882.36	Registration of technical staff
Manica Diamonds	Yes	52,599.18	Registration of technical staff
Whawha FC	No	236,696.31	Registration of technical staff
Mash East Province	No	2,660.00	Affiliation fees
ZPC Kariba FC	No	105,198.36	Registration of technical staff
Triangle United FC	No	105,198.36	Registration of technical staff
Askeland Media	Yes	75,924.00	Advertisements
Yadah FC	No	43,596.38	Registration of technical staff
Total		5,474,947.66	

Of the above receivables, only Askeland Media had paid its debt by the time of the investigation.

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18 Ascertain how the payables arose and if they are valid obligations of the Association

Refer to section 17 of the report

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19 Identify actual and potential financial losses to ZIFA from the areas investigated

There were several instances where we were not availed supporting documents for some transactions during the period under investigation. It could be that funds relating to the missing documents were misappropriated or there was a filing problem. Since we could not establish the reasons with certainty, we have included such areas in the table below as potential losses:

Year	Amount (US\$)	Amount (ZWL)	Description	Note
2018				
	30,000.00	-	Unaccounted for cash withdrawals	13.1.2.1
	124,339.69	-	Expenditure with no supporting documents	15.1
2019				
	127,400.00	-	Cash withdrawals with no supporting documents	13.1.2.4
	5,000.00	-	Unaccounted for cash withdrawal	13.3.2
	2,304.26	-	Part payment for charter plane through third party	13.3.4
	-	5,785,350.50	Payments with no supporting documents	15.2
	93,000.00	-	AFCON 2019 travel costs budget overrun	13.3
	8,000.00	-	Loan repayment with no supporting documents	13.4.1.2
2020				
	15,850.00	-	Cash withdrawals with no supporting documents	13.1.2.5
	-	5,683,150.55	Payments with no supporting documents	15.2
	112,022.00	-	Exchange loss	13.1.3.5
	100,000.00	-	COVID-19 payments to Board members	13.1.3.6(a)
2021				
	-	57,030,235.92	Payments with no supporting documents	15.2
	-	5,399,023.66	Amounts not collected from debtors	17.4
Total	617,915.95	73,897,760.63		

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20 Identify asset misappropriations, financial statements fraud and any other suspected cases of fraud

Refer to all sections of the report

21 Identify weaknesses in policies and procedures and internal controls and make recommendations for their improvements

21.1 Role of the emergency committee

21.1.1 Observation

The Emergency Committee is a sub-committee of the main board which is supposed to make urgent decisions in between board sittings. The decisions made are supposed to be ratified by the main board at the next sitting. We however noted that several decisions were being made and implemented by the sub-committee without them being ratified at the next board meeting. This means other board members were not involved in making key decisions about the Association.

21.1.2 Risk identified

- Rendering the main board ineffective due to non-involvement in key decision making.

21.1.1.1 Recommendation

All decisions made by a sub-committee of the board should be ratified at the next board sitting. In this age of advanced communication technology, it is not necessary to have the sub-committee as online meetings can be arranged at short notice and the full board can meet from various locations.

21.2 Absence of an approved suppliers' list

21.2.1 Observation

The Association did not have an approved suppliers list which could be used by the Secretariat to procure goods and services. This exposed the Association to dealing with non-reputable suppliers and middlemen.

21.2.2 Risk identified

- Buying overpriced goods from middlemen or non-delivery after payment.

21.2.1.1 Recommendation

A suppliers' list should be compiled after vetting potential suppliers of goods and services. The list should then be approved by the Board. Quotations would then be sought from the approved suppliers whenever a need to procure goods or services arises.

21.3 Payments with no supporting documents

21.3.1 Observation

There were several transactions which were recorded in the accounting records for which no supporting documents could be availed. These included supplier invoices, goods receipt vouchers etc. This makes it difficult to establish the validity of the transactions.

21.3.2 Risk identified

Financial losses due to fraud as a result of payment for undelivered goods or services.

21.3.1.1 Recommendation

Payments should only be processed after receipt of the goods and a supplier's invoice. The supporting documents should be properly filed for future reference.

21.4 Diversion of funds from intended purposes

21.4.1 Observation

There are instances where funds were received for specific purposes but ended up being used for other purposes. As a result, the planned projects were not implemented.

21.4.2 Risk identified

- Failure to get funding for future projects.

21.4.3 Recommendation

Funds for specific projects should be used as such.

21.5 Areas for further investigation

ZIFA should consider conducting further investigations on the following areas:

- Liquidation of foreign currency.
- Engagement of RBZ to establish if there are any ZIFA bank accounts not known by finance team.
- Dispute with FAW on purchase of buses.