



# NATIONAL AIDS COUNCIL OF ZIMBABWE

## Audited Financial Statements For the Year Ended December 31, 2011

All communications should be addressed to  
"The Comptroller and Auditor-General"

Reference: SB 100

P.O. Box CY 143, Causeway, Harare  
Telephone No.: 793611/3-4/762817/8/20-23  
Telegrams: "AUDITOR"  
Fax: 706070/793612  
E-mail: ocag@auditgen.gov.zw



OFFICE OF THE COMPTROLLER  
AND AUDITOR-GENERAL  
5<sup>th</sup> Floor, Burroughs House  
Cnr. Fourth Street/ George Silundika Avenue  
Harare

**REPORT OF THE COMPTROLLER AND AUDITOR-GENERAL**  
TO  
**THE MINISTER OF HEALTH AND CHILD WELFARE**  
AND  
**THE BOARD OF DIRECTORS**  
IN RESPECT OF THE FINANCIAL STATEMENTS OF  
**NATIONAL AIDS COUNCIL OF ZIMBABWE**  
FOR THE YEAR ENDED DECEMBER 31, 2011.

**Report on the Financial Statements**

I have audited the accompanying financial statements of the National AIDS Council, which comprise the statement of financial position as at December 31, 2011, and the statement of comprehensive income, the statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes as set out on pages 3 to 19.

**Management's Responsibility for the Financial Statements**

The Council's management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRS) and in the manner required by the National Aids Council Act (Chapter 15:14). This responsibility also includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

**Opinion**

In my opinion, the financial statements give a true and fair view of the financial position of National Aids Council as at December 31, 2011, its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

**Report on other legal and regulatory requirements**

In my opinion, the financial statements have been properly prepared in compliance with the disclosure requirements of the National Aids Council Act (Chapter 15:14) and other relevant Statutory Instruments.

September 13, 2012.

*M. Chiri*  
M. CHIRI,  
COMPTROLLER AND AUDITOR-GENERAL.

**NATIONAL AIDS COUNCIL**  
**STATEMENT OF FINANCIAL POSITION**  
AS AT DECEMBER 31, 2011.

	Notes	Historical Cost	
		31/12/2011 US\$	31/12/2010 US\$ Restated
<b>ASSETS:</b>			
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	4	3 033 921	1 773 771
<b>FINANCIAL ASSETS</b>			
Loans	5	105 596	-
<b>CURRENT ASSETS</b>		<b>10 849 025</b>	<b>13 845 696</b>
Interest Receivable	6	29 945	45 789
Trade and Other Receivables	7	4 355 616	4 955 474
Implementing Partners	8	877 484	1 210 485
Cash and Cash Equivalents	9	5 585 980	7 633 948
<b>TOTAL ASSETS</b>		<b>13 988 542</b>	<b>15 619 467</b>
<b>EQUITY AND RESERVES</b>		<b>12 414 200</b>	<b>12 414 832</b>
Capital Reserve		4 976 537	4 976 537
Accumulated Fund		7 286 940	7 438 295
Revaluation Reserve		150 723	-
<b>CURRENT LIABILITIES</b>		<b>1 574 342</b>	<b>3 204 635</b>
Trade and Other Payables	10	974 117	2 666 232
Provisions	11	600 225	538 403
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>13 988 542</b>	<b>15 619 467</b>

21 August, 2012.

*D. Mutambara*  
D. MUTAMBARA,  
(CHIEF EXECUTIVE OFFICER).

21 August, 2012.

*D. Mutambara*  
D. MUTAMBARA,  
(COUNCIL CHAIRMAN).

**NATIONAL AIDS COUNCIL**

**STATEMENT OF COMPREHENSIVE INCOME**  
FOR THE YEAR ENDED DECEMBER 31, 2011.

	Notes	Historical Cost	
		31/12/2011 US\$	31/12/2010 US\$ Restated
<b>INCOME</b>		<b>34,568,248</b>	<b>39,883,160</b>
AIDS Levy		26,459,054	20,522,121
Revenue Grant	12	1,395,028	1,248,385
Global Fund		5,566,889	17,429,484
Investment Income	13	1,114,115	654,879
Profit on Disposal of Property, Plant and Equipment		14,730	14,202
Other Income		18,432	14,089
<b>EXPENDITURE</b>		<b>34,719,603</b>	<b>42,383,452</b>
HIV/AIDS Programmes/Intervention	14	19,595,747	9,225,225
Coordination/Capacity Building Costs	15	2,115,199	1,730,173
Global Fund For AIDS, Tuberculosis and Malaria.	16	5,900,062	26,934,643
Expanded Support Programmes	17	796,560	852,211
Administration Expenses	18	1,648,734	1,254,249
Board Expenses	19.1	51,230	54,109
Employment Costs	21	4,612,071	2,332,842
<b>DEFICIT FOR THE YEAR</b>		<b>(151,355)</b>	<b>(2,500,292)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Gains on revaluation of property, plant and equipment		150,723	-
<b>TOTAL COMPREHENSIVE LOSS</b>		<b>(632)</b>	<b>(2,500,292)</b>

**NATIONAL AIDS COUNCIL**

**STATEMENT OF CASH FLOWS**

FOR THE YEAR ENDED DECEMBER 31, 2011.

	Notes	Historical cost	
		31/12/2011 US\$	31/12/2010 US\$ Restated
<b>Cash Flows From Operating Activities</b>		<b>(1,862,710)</b>	<b>6,259,681</b>
Deficit for the year		(151,355)	(2,500,292)
<b>Adjusted for :</b>		<b>(846,504)</b>	<b>(249,378)</b>
Depreciation		220,519	130,833
Increase in provisions		61,822	316,451
Profit on disposal of Property, Plant and Equipment		(14,730)	(14,202)
Prior year adjustments		-	(27,581)
Interest earned		(1,114,115)	(654,879)
<b>Operating deficit before changes in working capital</b>		<b>(997,859)</b>	<b>(2,749,670)</b>
<b>Working Capital Changes</b>		<b>(864,851)</b>	<b>9,009,351</b>
Decrease in Trade and other receivables		827,264	6,630,386
Increase in trade and other payables		(1,692,115)	2,378,965
<b>Cash Flow from Investing activities</b>		<b>(185,258)</b>	<b>250,341</b>
Proceeds from disposal of Property, Plant and Equipment		16,088	26,250
Purchase of Property, Plant and Equipment		(1,331,305)	(386,935)
Interest Received		1,129,959	611,026
<b>Net Increase/(Decrease) in Cash and Cash equivalents</b>		<b>(2,047,968)</b>	<b>6,510,022</b>
<b>Cash and Cash equivalents at the beginning of the year</b>		<b>7,633,948</b>	<b>1,123,926</b>
<b>Cash and Cash Equivalents at the end of the period 9</b>		<b>5,585,980</b>	<b>7,633,948</b>

**NATIONAL AIDS COUNCIL**

**STATEMENT OF CHANGES IN EQUITY**

FOR THE YEAR ENDED DECEMBER 31, 2011.

	Capital Reserves	Accumulated Fund	Revaluation Reserve	Total
	US \$	US \$	US\$	US \$
Balance as at January 01, 2010.	4,976,537	9,966,168	-	14,942,705
Prior Year Adjustment		(27,581)		(27,581)
Deficit for the year restated	-	(2,500,292)	-	(2,500,292)
<b>Restated Balance as at December 31, 2010.</b>	<b>4,976,537</b>	<b>7,438,295</b>	<b>-</b>	<b>12,414,832</b>
<b>Restated Balance as at January 01, 2011.</b>	<b>4,976,537</b>	<b>7,438,295</b>	<b>-</b>	<b>12,414,832</b>
Deficit for the year	-	(151,355)	-	(151,355)
Other comprehensive income	-	-	150,723	150,723
<b>Balance as at December 31, 2011.</b>	<b>4,976,537</b>	<b>7,286,940</b>	<b>150,723</b>	<b>12,414,200</b>