ZADT

Zimbabwe Agricultural
Development Trust

# ZIMBABWE AGRICULTURAL DEVELOPMENT TRUST

## 2024 Annual Report

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# ACRONYMS AND ABBREVIATIONS

| | |
|---|---|
| BDO | Business Development Officer |
| CEO | Chief Executive Officer |
| CSA | Climate Smart Agriculture |
| CIMMYT | International Maize and Wheat Improvement Centre |
| DANIDA | Danish International Development Agency |
| DCA | Dan Church Aid |
| FACHIG | Farmers' Association of Community Self-Help Investment Groups |
| FCDO | Foreign Commonwealth & Development Office |
| Hivos | Humanistic Institute for Cooperation with Developing Countries |
| HR | Human Resources |
| IESBA | International Ethics Standards Board of Accountants |
| MFI | Micro Finance Institution |
| MEAL | Monitoring Evaluation Accountability & Learning |
| MT | Metric Tonne |
| RBZ | Reserve Bank of Zimbabwe |
| RTGS | Real Time Gross Settlement |
| SARCOF | Southern African Regional Climate Outlook Forum |
| SDC | Swedish Development Centre |
| SIDA | Swedish International Development Agency |
| SNV | Stitching Nederlandse Vrijwilligers (Netherlands Development Organisation) |
| MSME | Micro Small to Medium Enterprises |
| SME | Small to Medium Enterprises |
| USD | United States Dollars |
| WC | Working Capital |
| ZADT | Zimbabwe Agricultural Development Trust |
| ZWG | Zimbabwe Dollar |

# 1. EXECUTIVE SUMMARY

In 2024, the Zimbabwe Agricultural Development Trust (ZADT) continued its mission of facilitating access to finance for smallholder farmers, women, and youth amid challenging macroeconomic conditions. The depreciation of the Zimbabwe Gold (ZWG) currency, the cessation of the foreign exchange auction system, and persistent inflationary pressures created an uncertain financial landscape. Despite these challenges, ZADT continued to pursue its mandate of impacting on smallholder farming.

One of the year's key achievements was the full-scale implementation of the Creating Adaptive Unique Systems for Financing Entrepreneurial Women and Youth (CAUSEWAY) Project, launched in 2023 with funding from the Swedish Embassy and the Foreign Commonwealth & Development Office (FCDO). By December 2024, 6,986 women and youth had been trained in financial literacy and business planning, exceeding year-one targets. More than 500 beneficiaries successfully accessed funding through contracted financial institutions.

To further support smallholder agribusinesses, ZADT expanded its partnership network. A total of 14 financial institutions—including 4 commercial banks and 10 microfinance institutions were contracted to disburse the ZADT CAUSEWAY Revolving Facility, enabling greater access to capital for trained entrepreneurs. Under the CAUSEWAY Project initiative, 138 agricultural students from universities and colleges also received business incubation grants, fostering youth entrepreneurship in agribusiness.

Looking ahead, ZADT remains committed to ensuring sustainability and expanding financial inclusion. The continued rollout of the CAUSEWAY Project, financed by US$ 2.5 million from Sida and US$500,000 from FCDO, will play a critical role in bridging financing gaps for smallholder farmers and agribusinesses. Strengthening partnerships, optimizing fund management, and improving access to finance remain top priorities in achieving long-term impact.

ZADT acknowledges and appreciates the unwavering support of its funding partners. With their collective efforts, the Trust remains poised to drive agricultural growth, financial empowerment, and sustainable development in Zimbabwe.

# 2. MESSAGE FROM THE CHAIRPERSON

## Introduction

I hope this message finds you in good health and high spirits. As we reflect on the year 2024, it is essential to acknowledge the dynamic economic landscape that has shaped our operations and the agricultural sector at large.

## Macroeconomic Environment

The year 2024 presented a complex economic environment characterized by persistent challenges in the dual currency regime. The Zimbabwe Gold (ZWG) continued to experience depreciation against the US Dollar since its commissioning as the functional currency in Zimbabwe, exerting upward pressure on the exchange rate and contributing to inflationary trends. The cessation of the foreign exchange auction system in April 2024 necessitated a shift, compelling companies to source foreign currency through local banks at market-determined rates. This transition underscored the critical need for robust monetary policies to stabilize the economy.

In this context, I extend my sincere commendation to the monetary and fiscal authorities for their unwavering commitment to stringent monetary policies. Their proactive measures, including adjustments to banking policies, medium-term accommodation, and statutory reserve requirements, have been pivotal in mitigating inflationary pressures and fostering economic stability.

## Financial Performance of the Trust

Amidst these economic challenges, the Zimbabwe Agricultural Development Trust (ZADT) demonstrated resilience and adaptability. The Trust's capital base grew slightly by 4.8% to US$10,626,615 thanks to the FCDO contribution to the ZADT Causeway Revolving Fund. The Trust continues to navigate a constrained funding environment. Our co-investments portfolio was characterized by carryover facilities across various fund categories, with Treasury Bills still constituting a significant portion. Throughout the financial year, we actively explored avenues to unlock value from these Treasury Bills, which are managed by the Ministry of Finance and Economic Development.

## Trust Performance in 2024

In line with our mission to facilitate access to finance for smallholder farmers, women, and youth, the Trust made significant strides in 2024. The Creating Adaptive Unique Systems for Financing Entrepreneurial Women and Youth (CAUSEWAY) project, launched in August 2023 with funding from the Swedish Embassy and the British Embassy, has been a cornerstone of our efforts. This three-year project aims to capacitate 11,000 women and youths in entrepreneurship, financial literacy, and the preparation of bankable business plans and financial proposals. By December 2024, a total of 6,986 people had been trained under several agricultural value chains. We intensified training and mentorship activities to meet the project's first-year targets. Just over 800 beneficiaries managed to access funding through contracted financial institutions.

## Outlook

Looking ahead, the Trust remains resolute in its mission to ensure operational sustainability and to empower smallholder farmers and agribusinesses. The infusion of US$2.5 million from the Sida-funded CAUSEWAY Project and US$500,000 from FCDO for providing access to finance to trained women and youth will significantly bolster our activities over the next three years. We are committed to exploring innovative avenues to optimize the value of Treasury Bills and to enhance our portfolio of offerings, thereby strengthening our support for the agricultural sector.

## The Secretariat

Our dedicated Secretariat, under the astute leadership of the Chief Executive Officer, has been instrumental in driving day-to-day operations. The Board is committed to providing all the necessary support to ensure the successful implementation of Trust activities under our mandate.

## Appreciation

I wish to express my profound gratitude to all our esteemed stakeholders, including our funding partners, for their unwavering support, which has been integral to our success. I also extend my sincere appreciation to my fellow Trustees, the Secretariat team, and our valued business partners for their dedication and collaboration throughout the year. Your contributions have been invaluable in strengthening the Trust and advancing our shared vision of sustainable development.

As we embark on the journey ahead, I am confident in our collective ability to overcome challenges and achieve greater heights of success. Your continued support remains indispensable, and we eagerly anticipate another year of fruitful collaboration.

Warm regards

Rachel Pfungwa Kupara

Board Chairperson

## 3. MESSAGE FROM THE CEO

In 2024, the Zimbabwe Agricultural Development Trust (ZADT) continued to navigate a challenging operational landscape, marked by persistent macroeconomic factors that closely mirrored those of previous years. Despite these ongoing challenges, the Trust implemented several initiatives aimed at bolstering support for smallholder agribusinesses.

### Financial Position and Fund Management

The overall fund size grew by 4.9% to US$10,626,615 from what it was in 2023 due FCDO contribution to the Revolving Facility under CAUSEWAY as well as appreciation (revaluation) of the investments in property. The ZADT co-investment portfolio was characterized by longer-term carryover facilities across various fund categories. Notably, Treasury Bills (TBs) constitute more than 50% of the ZADT Fund. Throughout the financial year, the Trust actively explored avenues to extract value from these Treasury Bills, issued by the Ministry of Finance and Economic Development.

### Impact Fund and Support for Smallholder Agribusinesses

ZADT continued to explore funding opportunities to support the ZADT Impact Fund portfolio, targeting smallholder agribusinesses, which remained underfunded, with the portfolio standing at 4.48% against a 2024 target of 9%. However, the Trust leveraged partnership collaborations to enhance activities under this fund category. ZADT received GBP500,000 from the Foreign Commonwealth Development Office (FCDO) to support women and youth that received capacity building under the CAUSEWAY Project of which by 31 December 2024 US$477,627 had been received. By the end of the year the Fund had benefitted about 871 smallholder farmers; being women (603), youth (268).Since 2019, the co-investment funding model has cumulatively impacted a total of 12,122 smallholder farmers directly and indirectly as of the end of 2024.

### CAUSEWAY Project Implementation

During 2024, the Trust made significant strides in empowering smallholder farmers through implementing the Creating Adaptive Unique Systems for Financing Entrepreneurial Women and Youth (CAUSEWAY) project, which was launched in August 2023. This three-year project is aiming to capacitate 5,000 women and 6,000 youths in entrepreneurship, financial literacy, and the preparation of bankable business plans and financial proposals to financial institutions. The project also targets 300 tertiary agriculture students from colleges and universities, providing small business grants for supervised project implementation.

In 2024, the Trust intensified training and mentorship activities to meet the project's first-year targets. As of 31 December 2024, the Trust had capacitated 3,848 women in financial literacy, access to finance, business planning and preparation of financing proposals to submit to financial institutions. This represented 192% of the year's target of 2,000. The corresponding performance for youth was 3,138 representing 157%. A total of 871 capacitated women and youth managed to receive loans by the end of the year. Of this number women (above 35 years) constituted 69% (603) while youth were 31% (268).

## Financial institutions supporting trained women and youth

A total of 4 commercial banks and 10 microfinance institutions (MFIs) managed to sign up as disbursement channels for the ZADT CAUSEWAY Revolving Facility during Quarter 3. However, one bank and 10 MFIs had managed to disburse some funds to the target beneficiaries from August to 31 December 2024. I am happy with the response and zeal expressed by the contracted financial institutions in support of the Project. We continue to engage development partners for additional funds to support the capacitated women and youth.

I am also happy to report that under Key Result Area 3 of the project which is targeting to capacitate 300 in-school youths enrolled at agricultural tertiary institutions over the three-year period, the Project managed to capacitate and support 138 students in year 1 against an annual target of 100 students. These were from seven tertiary institutions comprising of three Universities and four agricultural colleges in 2024. The students were supported with average grants of US$475 after successfully undergoing training in financial literacy, access to finance and business planning and preparing project proposals which they presented before panels of judges. After receiving the grant funds, the students started implementing their projects using college facilities with mentorship being provided by lecturers. Funds were disbursed at the end of Quarter 3 and by 31 December 2024 several student groups had completed at least a cycle of their projects and managed to realize some incomes. Based on the experience gained under the first round we look forward to onboarding the next set of 100 students in 2025.

The Trust has an enrolment of 10 staff members dedicated to the CAUSEWAY project with six (6) Business Development Officers (BDOs) based in six value chain corridors. These BDOs mobilize and coordinate all the field level activities for the women and youths in collaboration with development partners in their respective corridors. During the year they managed to facilitate the capacitation of all the beneficiaries which I alluded to earlier. They also link the trained women and youth to financial institutions. While the targets for training have been exceeded for the year, focus is now on mentorship to prepare funding proposals for submission to financial institutions.

In summary, despite a challenging macroeconomic environment in 2024, ZADT remained steadfast in its commitment to supporting smallholder farmers and agribusinesses. Through strategic partnerships and targeted initiatives like the CAUSEWAY Project, the Trust continued to empower women and youth entrepreneurs, contributing to food security, employment and the overall resilience and growth of Zimbabwe's agricultural sector.

I would like to take this opportunity to express my profound gratitude to ZADT Trustees for providing all the necessary support and guidance during the 2024 financial year. I also thank our business partners for the support rendered to us during the year. Finally, I would like to thank all my colleagues in the Secretariat for the determination and resilience shown during the year under difficult conditions. We look forward to another year of success in 2025.

Godfrey R. Chinoera
Chief Executive Officer


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## ZADT REPORT FOR THE PERIOD JANUARY TO DECEMBER 2024

### 4. Introduction

In 2024 ZADT went into full implementation of the Swedish Embassy (SIDA) and FCDO funded Creating Adaptive Unique Systems for Financing Entrepreneurial Women and Youth (CAUSEWAY). This issue of the Annual Report focuses on the achievements from implementing the Project as the Trust pursues its vision of impacting on enhancing smallholder agriculture in Zimbabwe. The report also presents the financial statements audited for the year.

### 5. The 2003/2024 agricultural season

The 2023/2024 agricultural season in Zimbabwe was significantly affected by the El Niño phenomenon, leading to drought conditions that impacted crop production across the country. The season experienced below-average rainfall due to El Niño, resulting in partial or complete crop failures in many regions. Nevertheless, farmers accessed inputs through several key programs. The Presidential Input Support Scheme continued to provide essential inputs to small-scale farmers. The National Enhanced Agricultural Productivity Scheme offered support to enhance productivity. Private sector agro-value chain players engaged in contract farming arrangements whilst Self-Financing initiatives also played a significant part as some farmers relied on personal resources for input procurement.

In terms of cereal production maize output declined to approximately 1.1 million metric tons, a significant decrease from the previous season's 2.3 million metric tons. Production levels for sorghum and millets were also adversely affected, with reports indicating substantial reductions due to drought conditions. The 2023/2024 season underscored the vulnerability of Zimbabwe's agriculture to climatic variations, emphasizing the need for strategies to enhance resilience against such shocks.

## 6. The ZADT Strategy

The Trust is in its second year of the Five Year (2023 to 2027) Strategy whose focus is on five key result areas (KRA) as presented below:

**1. Access to Finance**

Increasing access to finance for smallholder farmers and related agribusinesses.

**2. Revolving Fund**

Growing the fund for enhanced service delivery.

**3. Building Partnerships**

Building Strategic partnerships to drive agricultural growth.

**4. Knowledge, Learning & Visibility Impact**

Increasing ZADT knowledge, learning and visibility for impact

**5. Human Resources**

Track budget perfomance regularly to identify variances and take corrective actions

The 2024 report presents highlights of how the Trust engaged in capacity building activities or projects as a specialist partner to increase access to finance for value chain intermediaries and smallholder farmers under the first key result area. The report also presents how the Trust has fared in efforts to mobilize funds to continue direct financing of value chain intermediaries as per key result area 2.

## 7. Operating macro-economic environment

In 2024, Zimbabwe's economy faced several significant challenges that impacted its growth trajectory, Both, the International Monetary Fund (IMF) and the African Development Bank projected a GDP growth rate of 2.0% for Zimbabwe in 2024, a decline from previous years. This slowdown is primarily attributed to anticipated below-average agricultural output due to the El Niño weather phenomenon and subdued mining output resulting from lower international mineral prices. Indeed, the El Niño weather pattern led to severe drought conditions, adversely affecting agricultural productivity. This not only threatened food security but also had broader economic implications, considering agriculture's significant contribution to the national economy.

The drought also caused record low water levels in Lake Kariba, a crucial source of hydropower for Zimbabwe and Zambia. This resulted in substantial electricity shortages, with power cuts lasting up to 17 hours a day in Zimbabwe, disrupting both daily life and industrial operations.

Tongaat Hulett Zimbabwe, for example, announced plans to lay off 1,000 workers by August 2025 due to soaring operational costs and currency-related losses.

The introduction of the gold-backed Zimbabwean dollar (ZWG) in April 2024 aimed to stabilize the economy. However, by October 2024, the ZWG had lost half its value, leading to a loss of public confidence. Consumers rapidly converted their ZWG holdings into essential commodities, and the U.S. dollar became increasingly preferred for transactions. Zimbabwe's external debt, exceeding US$9 billion (approximately 33% of GDP), continued to hinder economic growth and limit access to international financial assistance. This debt burden posed challenges to sustainable development and deterred potential investors.

After a challenging 2024, the agricultural sector is expected to rebound in 2025. The World Bank emphasizes the need for Zimbabwe to bolster resilience against climate-related shocks, particularly in agriculture, to ensure sustainable development. The mining industry, a cornerstone of Zimbabwe's economy, anticipates a mixed outlook for 2025. While gold prices are projected to rise by 12%, prices for platinum group metals and lithium are expected to decline by 15%, potentially impacting revenues. Additionally, production costs are projected to rise by an average of 8%, and energy requirements are expected to increase to 800 megawatts per day from the current 600 megawatts.

The government projects a reduction in the budget deficit to 0.4% of GDP in 2025, down from 1.4% in 2024. This anticipated improvement is attributed to fiscal consolidation efforts and enhanced revenue collection measures. The World Bank's Country Engagement Note (CEN) for Zimbabwe (2025-2026) focuses on supporting the country's immediate development priorities. The CEN is structured around two pillars: reducing macroeconomic distortions and strengthening fiscal policies and building resilience by boosting pro-poor social services and empowering women.

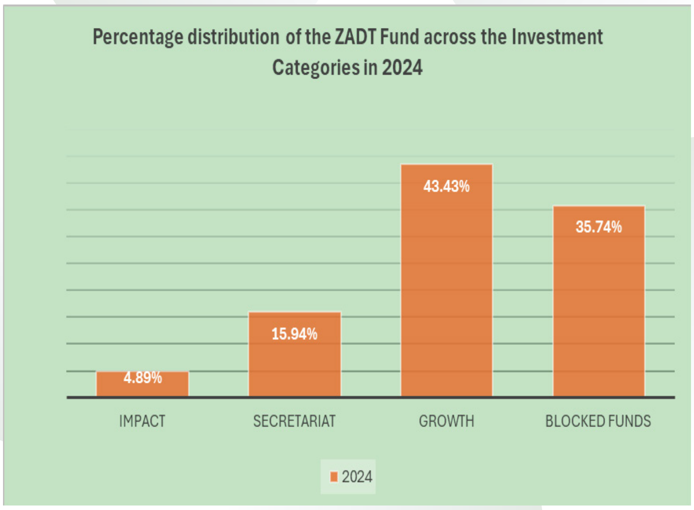
While Zimbabwe's economy shows signs of recovery in 2025, challenges such as currency instability, fluctuating commodity prices, and the need for structural reforms persist. Addressing these issues is crucial for achieving sustainable and inclusive growth.

## 8. ZADT Fund Portfolio Analysis

In 2022 the Board approved a recovery path in the ZADT Five Year Strategy (2023 – 2027) which provides a guideline in the deployment of available funds. Funds deployments were through three Investment categories namely the Impact Fund, the Growth and the Secretariat Funds. The ultimate objective is to have 60% of the Fund deployed under the impact category which directly responds to the core mandate of the Trust of benefitting smallholder farmers. The Secretariat and Growth funds should ultimately constitute 30% and 10% of the Fund, respectively fulfilling the sustainability and growth objectives of the Trust. Figure 1 presents the average distribution of the Fund across these categories for the period 2023 and 2024.

## Fund utilization

Figure 1: Comparative distribution of the core ZADT Fund by Fund Categories in 2024




The bulk of the fund remains locked in Treasury Bills held at the Ministry of Finance and Economic Development. Unlocking value from the Treasury Bills is key in achieving the target deployments in the respective investment categories. It is important to note that the Trust carried over the investments from the previous financial year. Blocked funds largely remained at the same levels as in 2023. So all the available funds were deployed as at 31 December 2024.

Investments from the Secretariat were mainly to raise income for sustainability of the Trust and these were mainly in property and the stock market. The Trust disinvested in livestock and redeployed the funds into higher interest-bearing portfolios. The overall fund size grew by 4.9% to US$10,626,615 due FCDO contribution of US$477,627 to the Revolving Facility under CAUSEWAY as well as appreciation (revaluation) of the investments in property.

## 8.1 Impact Fund portfolio

The Impact Fund is at the core of the ZADT mandate of improving smallholder farmers. Activities in this portfolio are funded from ZADT's own resources as well as from partnership engagements. However, ZADT is currently engaged in significant and impactful activities through partnership funds such as the Sida and FCDO funded CAUSEWAY Project which is benefitting 11,300 women and youth through capacity building and access to finance over a three-year period from 2023 to 2026.

### The Marirangwe United Bush Dairy Initiative

In line with our investment mandate the Trust went into the Marirangwe United Bush Dairy Cooperative to assist the cooperative reach minimum economic level by investing $40,500. ZADT exited the cooperative in 2024. This opened up an opportunity for either existing or new smallholder farmers to take up equity in the cooperative. The farmers that had been struggling to repay their short-term loans for the business had an uplift when the funder DanChurchAid converted the loans into grants. This is expected to improve the viability of the cooperative.

## Opportunities for Youth Employment

The first phase of the Opportunities for Youth Employment (OYE) co-funded by SNV Netherlands and ZADT came to an end during Quarter 1 of 2024. ZADT facilitated access to finance to youth that were identified by SNV. ZADT provided capacity building in financial literacy and provided the financial support in the form of concessionary loans.

## The CAUSEWAY project

The Creating Adaptive Unique Systems for financing Entrepreneurial Women and Youth (CAUSEWAY) project funded by Sida and Foreign Commonwealth Development Office (FCDO) which was signed off and launched in 2023 went into full implementation in 2024. Details are presented below.

### 8.1.1 The CAUSEWAY Project

The CAUSEWAY project aims at capacitating a global target of 11,300 women and youth-led agribusiness beneficiaries over a 3-year period through training and mentorship in financial literacy, entrepreneurship, business planning and proposal writing.

The CAUSEWAY project has four main key result areas. Key Result Areas 1 and 2 aim to respectively capacitate 5,000 and 6,000 women and youth-led agribusinesses with training in financial literacy, business planning, hands-on technical support and business advisory support. These will then be linked to local financial institutions to submit their proposals for funding consideration. The capacity building activities are meant to de-risk these target clientele so that financial institutions will consider them for funding using their own resources. Many of the financial institutions engaged under the project indicated liquidity challenges to support the target clientele. FCDO pledged support for the project through availing seed capital to enable the targeted clientele to access funding for a 12-month period from April 2024 to 31 March 2025. This funding was channelled into a Revolving Facility for disbursement through partner financial institutions.

Key Result Area 3 aims at providing startup capital grants to at least 300 students at agricultural9 tertiary education institutions to implement income-generating Agri-projects. This KRA is in support of the Government policy under Education 5.0 on curriculum reform which aims to produce graduates who can address real world challenges and drive industrial growth. It encourages active learning and problem solving.

Under Key Result Area 4 the project aims to enhance the lending capacity of financial institutions. The targeted outcome is access to finance to women and youth through identified financial institutions of which the project is to engage at least 4 commercial banks and 6 microfinance institutions that will be capacitated to provide financial services.

The project managed to recruit and deploy six Business Development Officers (BDOs) who are coordinating activities in each of the targeted six corridors. Below are some highlights of achievements under respective KRAs.

# Project achievements from inception to 31 December 2024

### 8.1.2 Key Result Area 1: Strengthening capacity of women-led growth-oriented agribusinesses to access financial services

**Table 1 below presents key activities which were undertaken under this KRA.**

Table 1: Capacity of women-led growth-oriented agribusinesses to access financial services

| Tasks | Target over 3 years | Cumulative Achievement to 31/12/2024 | % Cumulative Achievement to 31/12/2024 | Annual Target [Jan – Dec] 2024 | Actual Achievement [Jan-Dec] 2024 | % Annual Achievement 2024 |
|---|---|---|---|---|---|---|
| Key Result Area 1 | | | | | | |
| Selecting of Women MSMEs | 5000 | 3764 | 75% | 2000 | 3295 | 165% |
| Women MSMEs Verification Visits | 18 | 11 | 61% | 6 | 7 | 117% |
| Financial Literacy Training & mentoring | 5000 | 3764 | 75% | 2000 | 3295 | 165% |
| Mentoring & Technical backstopping | 2500 | 1139 | 46% | 1000 | 389 | 39% |
| Financial Proposals written | 1500 | 368 | 25% | 500 | 264 | 53% |
| Number of Women Linked to Financial Institutions | 1500 | 430 | 29% | 500 | 264 | 53% |
| Total Amount availed to women MSMEs | US$375,000 | US$332,887 | 89% | US$125,000 | US$332,887 | 266% |
| Knowledge sharing meetings with Field Officers | 36 | 23 | 64% | 12 | 5 | % |
| Knowledge sharing meetings with PFIs | 30 | 13 | 43% | 10 | 5 | 50% |
| Women SMEs trained on business plans | 5000 | 3848 | 77% | 2000 | 389 | 19.5% |
| Business exposure and peer learning | 18 | 1 | 0% | 6 | 1 | 17% |
| Profiling Beneficiary Women Businesses | 2 | 1 | 50% | 1 | 1 | 100% |

By the end of 2024, the CAUSEWAY Project had trained 3,848 women aged 36–65 years in business plan development, reaching 77% of its three-year target. Financial literacy training far exceeded expectations, with 3,295 women trained representing 165% of the annual goal. This does not just show strong demand, but that the project is effectively reaching and equipping women with the foundational skills needed to engage with formal economic systems.

In 2024, the focus shifted from training to outcomes. The number of women who were linked to financial institutions and succeeded in accessing funding increased from 104 in the inception phase to 368 women as at 31 December 2024. A total of 264 women Agro-entrepreneurs secured USD 332,887 in loans which was more than double the annual target of USD125,000. This demonstrates that CAUSEWAY is enabling women to translate skills into action and attract investment for their businesses, proving both bankability and growing economic participation.

The beneficiary women Agro- entrepreneurs were mainly funded under the USD 375,000 supported by the FCDO revolving fund facility, which built trust with financial institutions and catalysed further private sector engagement. This validates the project's model of using catalytic funding to de-risk lending and create a sustainable financing pathway for women-led enterprises

CAUSEWAY also fostered a support ecosystem, with 3,764 women receiving tailored mentorship in business proposal writing through partner referrals and institutional collaboration. This mentoring has directly contributed to the quality of proposals submitted and funded, showing that technical support is critical for bridging the gap between training and accessing finance.

Beyond those who accessed funding, approximately 1,945 women gained exposure to financial literacy and business planning through peer networks and community engagement. This highlights the project's growing grassroots impact and visibility, expanding awareness and ambition among women outside the formal training pipeline.

### 8.1.3 Key Result Area 2: Enhancing capacity of youth-led start-ups and growth-oriented agribusinesses to access financial services.

Table 2: Capacity building of youth-led start-ups and growth-oriented agribusinesses

| Tasks | Target over 3 years | Cumulative Achievement to 31/12/2024 | % Cumulative Achievement to 31/12/2024 | Annual Target [Jan – Dec] 2024 | Actual Achievement [Jan-Dec] 2024 | % Annual Achievement 2024 |
|---|---|---|---|---|---|---|
| Key Result Area 2 | | | | | | |
| Selecting of Youth SMEs | 6,000 | 3,138 | 52% | 2,000 | 1138 | 57% |
| Youth MSMEs Verification Visits | 18 | 9 | 50% | 6 | 4 | 67% |
| Financial Literacy Training | 6,000 | 3,138 | 52% | 2,000 | 469 | 23% |
| Mentoring & Technical backstopping | 3,000 | 943 | 31% | 1,000 | 755 | 76% |
| Financial Proposals written | 3,000 | 290 | 10% | 1,000 | 290 | 29% |
| Number Youths Linked to Financial Institutions | 1,500 | 248 | 17% | 500 | 136 | 27% |
| Total Amount availed to Youth MSMEs | US$750,000 | US$196,175 | 26% | US$250,000 | US$196,175 | 79% |
| Knowledge sharing meetings with PFIs | 36 | 22 | 61% | 12 | 22 | 183% |
| Youth SMEs trained on business plans | 6,000 | 3,138 | 52% | 2,000 | 2,950 | 148% |
| Business exposure and peer learning | 18 | 0 | 0% | 6 | 1 | 17% |
| Profiling Beneficiary Youth Businesses | 2 | 1 | 50% | 1 | 1 | 100% |

Since its inception in June 2023, the CAUSEWAY Project has trained 3,138 youth in financial literacy and business development, reaching 52% of its three-year target. While this shows strong initial outreach, it also underscores the need to deepen engagement and support youth in moving from training to action, particularly in preparing fundable business proposals.

A total of US$196,175 in loans were disbursed to youth entrepreneurs in 2024 (being 79% of the annual target of US$250,000. Approximately 408 additional youth gained exposure to financial literacy and business development knowledge through peer learning and success stories shared by funded entrepreneurs. This helped to raise awareness and inspire action, even among those not yet formally engaged in the proposal pipeline.

The CAUSEWAY Project is strengthening collaboration with development partners, private sectors, and value chain stakeholders to provide targeted Youth Entrepreneurs with training, mentoring, and technical support in business proposal writing.

**Figure 2: A Young CAUSEWAY Beneficiary in the Manicaland Corridor**

With ZADT's assistance, Percy Rusero successfully secured a $3,000 loan from Empower Bank, which he used to purchase two in-calf heifers to expand his dairy business.

### 8.1.4 Key Result Area 3: Strengthening Business Incubation and mentorship for youth pursuing tertiary agricultural education.

Under this KRA the CAUSEWAY Project is capacitating in-school youth in agricultural tertiary institutions (Universities and Agricultural Colleges), in line with Government focus under Curriculum Education 5.0. Over the three-year period the Project is targeting to capacitate 300 students (100 students per year).

### Tertiary Institutions and Grant Fund Disbursements distribution

During the period the Project identified and engaged seven (7) tertiary agricultural education institutions i.e. three (3) universities namely, Midlands State University (MSU), Great Zimbabwe University (GZU) and University of Zimbabwe (UZ) and four (4) agricultural colleges, i.e. Gwebi, Mlezu, Rio-Tinto and Esigodini. These institutions participated in the first round of students who received grant fund disbursement and commenced implementing their projects from August 2024. In total, the project supported 58 initiatives, comprising of 45 group-based projects and 14 individual projects, resulting in an overall average group size of 4 members. Table 3 presents the participating agricultural tertiary education institutions, value chains, the number of projects distribution of the participating students by gender and the total grant amounts awarded per institution. The BDOs responsible for the respective institutions are also indicated.

Table 3: Tertiary agricultural institutions and grant fund disbursements

| Institution | Responsible BDO | Value Chain | No of Projects | Sex of Student Grant Recipients | | Total | Amount awarded |
|---|---|---|---|---|---|---|---|
| | | | | M | F | | |
| Great Zimbabwe University, Masvingo Province | Beauty Nare | Horticulture, Apiculture, Poultry, Aquaculture | 4 | 11 | 11 | 22 | US$13,250 |
| Esigodini Agricultural college, Matabeleland South | Qhelani Moyo | Cabbages, Potatoes, Piggery, Aquaculture, Broilers, Mushroom, Sasso Chickens | 8 | 17 | 8 | 25 | US$11,712 |
| Gwebi College of Agriculture, Mashonaland West | Clayton Chidewu | Poultry, Pigs, Goats, Bees, Tomatoes, Azolla, Fence | 18 | 19 | 10 | 29 | US$16,039 |
| University of Zimbabwe, Harare | Clayton Chidewu | Granadilla, Poultry, Aquaculture | 4 | 14 | 13 | 27 | US$13,250 |
| Rio Tinto Agricultural College, Midlands. | Precious Nemutenzi | Cabbages, Potatoes, Piggery, Aquaculture, Broilers, Sasso, Mushroom | 5 | 4 | 3 | 7 | US$3,430 |
| Mlezu College of Agriculture, Midlands | Precious Nemutenzi | Tomatoes, Mushroom, Broilers, Sweet Potatoes, Rabbit, Piggery, Goat | 7 | 8 | 2 | 10 | US$4,043 |
| Midlands State University, Midlands | Benhilda Nkomo | Black Soldier Fly, Broilers, Garlic, Fish farming, Honey, Mushroom | 12 | 10 | 8 | 18 | US$9,042 |
| Total | | | **58** | **83** | **55** | **138** | **US$ 70,766** |
| Overall, Gender (%) | | | | **60%** | **40%** | **100%** | |

Out of the targeted 100 students for year 1, ZADT managed to incubate businesses from a total of 138 young students who are currently enrolled at the participating tertiary institutions

translating to a 138% performance. Each student accessed an average grant amount of US$475.00 to implement an approved project of their choice at the respective colleges with appropriate supervision/mentorship being provided by appointed Lecturers at each institution. A total of thirty-six (36) lecturers provided mentorship to the students.

Figure 3: Adjudication Event at Gwebi College

Gwebi Students presenting their proposal before a panel of judges

Panel of Judges going through Student Proposal presentations at Gwebi Agriculture College

Participating institutions provided the requisite facilities to be used by funded students including providing supervision of the students. The CAUSEWAY project conducted infrastructure audits of the pledged facilities by the colleges. These included facilities such as pigsties, poultry houses, fishponds, goat and rabbitry houses, greenhouses, irrigation plots and equipment. Interested students at each institution underwent two-day training sessions on Entrepreneurship, Financial Literacy and Proposal writing before writing funding proposals which they pitched and presented before panels of Judges.

In November 2024 the Project started recruitment of students to be incubated under Round 2. The Project engaged three additional tertiary institutions namely Lupane State University, Gwanda State University and Manicaland State University for Applied Sciences (MSUAS). This brings to ten (six Universities and four Agricultural colleges) the total number of tertiary institutions participating under Round 2 as at 31 December 2024.

Presented below is an example of supported students who were positively impacted by the projects which they implemented.

Figure 4: Mlezu College Student doing Mushroom Farming Project

Milicent Katena, a Mlezu College student who started her mushroom farming business with a $500.00 CAUSEWAY grant.

## Exposure visits for capacitated women and youth

In 2024, an exposure visit was conducted for 30 farmers (7 youths and 23 women) from Zaka, Gutu, and Masvingo rural areas, who had received credit input support from Zimbabwe Super Seeds under the CAUSEWAY Project. The visit was to Ebenezer Farm (Managed by Turning Matabeleland Green "TMG" Hamara) in the Matabeleland South Corridor. TMG oversees the day-to-day operations at Ebenezer Farm—an innovative training hub that blends practical, hands-on farming with business development and leadership training.

The farm serves as a live learning environment where young people are nurtured to become independent agricultural entrepreneurs who contribute to local food systems, environmental restoration, and economic resilience, The visit aimed to enhance their understanding of diverse agricultural practices and improve smallholder business operations. Participants gained insights into horticultural and poultry value chains, learning key principles such as diversification, record-keeping, and increasing production volumes to reduce risks and increase profits. The visit also equipped farmers with climate-smart farming technologies and regenerative agriculture skills, highlighting the importance of contract farming and private sector partnerships in capacitating farmers.

Figure 5: Women and youth participants on a look and learn visit at Hamara Farm

## 8.1.5 Key Result Area 4: Improving capacity of commercial banks and microfinance institutions to provide financial services to youth and women-led start-ups and growth-oriented agri-businesses.

Under this KRA the project is expected to undertake several activities leading to the improvement of the capacity of the targeted financial institutions to provide financial services to youth and women.

### Engagement of financial institutions

The CAUSEWAY project had planned to engage at least four (4) commercial banks and six (6) microfinance institutions. By the end of the reporting period the project had secured Agreements with a total of four (4) commercial banks (i.e. NMB Bank, BancABC, Agricultural Finance Corporation (AFC Bank), and ZB Bank, as well as nine (9) microfinance institutions,(namely Virl Finance, Oakfin Finance, Generational Impact Finance (GIF), Zimbabwe Microfinance Fund (ZMF), Zimbabwe Women's Bank, Tatu Capital, Empower Bank, Inclusive Financial Services (IFS), Village Capital (VCF)).The CAUSEWAY had engaged more Financial institutions by the end of the period to stir competition, spread the risk and regional coverage of the fund. The approved financial Institutions had to access the available funds on a first-come first served basis which pushed the participating institutions to quickly approve eligible facilities and request for fund disbursements to support the approved project.

## Training staff of financial institutions

A training session targeting staff of contracted financial institutions involved in the CAUSEWAY Project was held in December 2024. A total of 20 participants from Commercial Banks attended. These were from ZB Bank (2) AFC Bank (4), NMBZ Bank (6) BancABC (1) POSB (3). From the MFIs a total of 18 participants were trained. The distribution was as follows- ZMWF (2) Women's Bank (2), Tatu Capital (3), GIF (3), Old Mutual (3), Village Capital (2), Empower Bank (3).

## Disbursements by ZADT

ZADT is expected to contribute US$500,000.00 to the revolving fund. As of 31 December 2024, ZADT contributed US$20,900.00 towards this commitment. During the reporting period ZADT prioritized processing of disbursements from FCDO because of its limited disbursement window which was up to 31 March 2025.

## Leverage of Financial Institution Funds

To achieve true financial inclusion, ZADT will continuously engage with partner institutions to explore blended finance models that reduce reliance on the revolving fund, building institutional confidence and capacity to support marginalized groups using internal funds.

One of the key objectives of the revolving fund is to catalyse increased lending by financial institutions to women and youth in agriculture, not only through direct fund disbursement from ZADT, but also by encouraging institutions to commit their own capital toward this target group. The project aims to have mobilised financial institutions to disburse a total of US$1,125,000 towards women and youth by end of year three with an annual target of US$375,000. The revolving fund acts as a de-risking instrument intended to stimulate broader financial inclusion.

## CAUSEWAY Revolving Fund

ZADT received revolving fund financing of £500,000 from the Foreign, Commonwealth and Development Office (FCDO), which was later increased by an additional £153,000, bringing the total to £653,000 in support of the CAUSEWAY Project. The end of the year US498,527.00 had been disbursed by all the participating financial Institutions to 871 eligible women and youth enterprises.

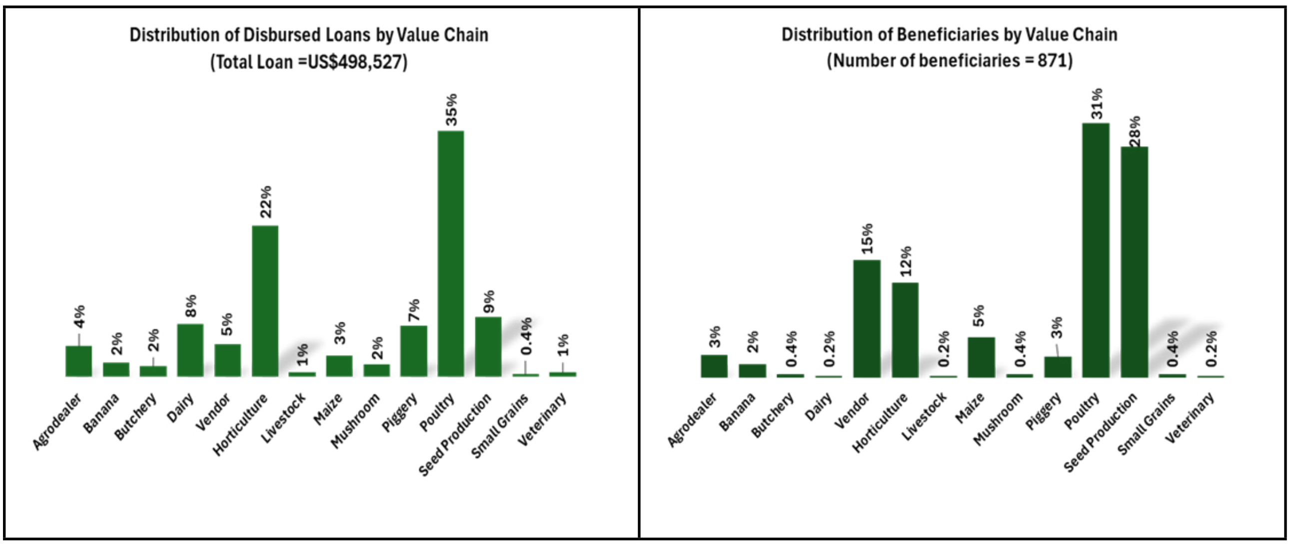
Table 4: Summary loan beneficiaries and values distribution by gender category as at 31 December 2024

| Beneficiary Group | Number of Beneficiaries | % of Total Beneficiaries | Loan Value (US$) | % of Total Loan Value | Mean Loan value per Person (US$) |
|---|---|---|---|---|---|
| Women Youth (18–35 years) | 170 | 19.5% | 60,725 | 12.2% | 357 |
| Men Youth (18–35 years) | 98 | 11.3% | 116,450 | 23.4% | 1,188 |
| Women Adults (36–65 years) | 603 | 69.2% | 321,352 | 64.5% | 533 |
| Totals | 871 | 100% | 498,527 | 100% | 572 (overall avg.) |

The results from Table 4 show that men youth received disproportionately larger loans. Although constituting only 11% of the recipients they accessed 23% of the total disbursements. Average loan sizes for this category is three times higher than that of women youth. Women between the ages 36 and 65 years dominated in both number and total value but with moderate average loan size. Women youth were the second largest group but lowest share of loan value and lowest average loan size. Traditionally men are said to be higher risk takers than women.

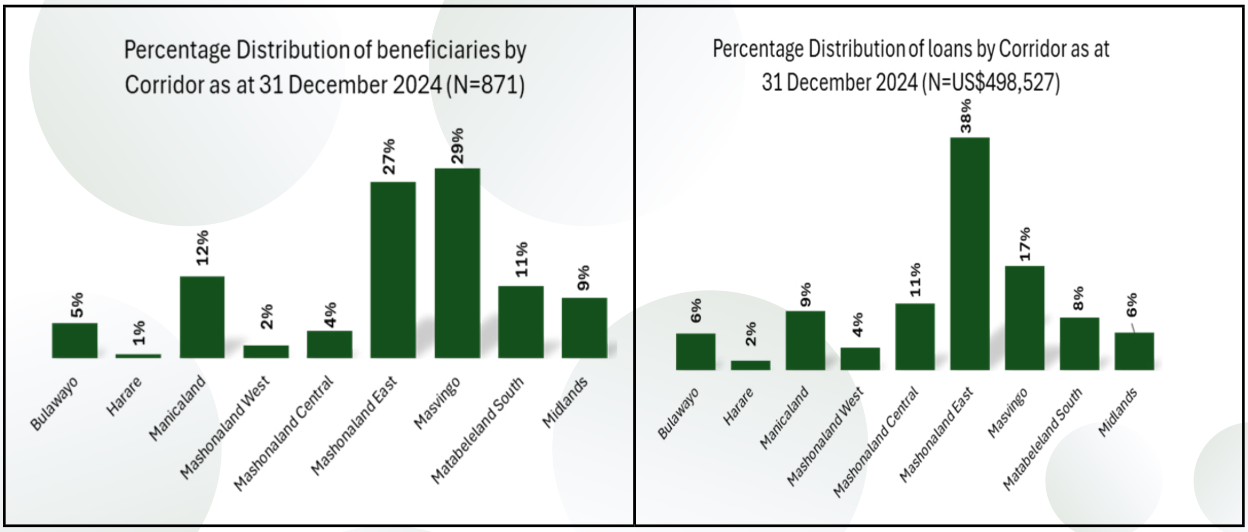
The loan distribution pattern, see Figures 6 and 7, reveals that poultry and horticulture production value chains received the largest share (57%) of loans disbursed, due to high working capital requirements. In contrast, smallholder and peri-urban farmers opted for cheaper local resources to reduce costs. The most common value chains were poultry, seed production and vending in agricultural produce, with poultry being the most popular among women and youth entrepreneurs due to its quick production cycles and low entry and exit costs. This highlights the importance of tailoring financial solutions to specific value chains and market systems to support smallholder farmers.

**Figure 6: Distribution of the number of beneficiaries and value of loans by value chain**




Whilst Masvingo has the highest proportion (29%) of funded beneficiaries, the province only got 17% of the total loan values. Mashonaland East has the largest share (38%) of the total loan values disbursed due to the high working capital requirements for poultry and horticulture enterprises as earlier noted above.

Figure 7: Spatial distribution of beneficiaries and value of loans




Midlands and Matabeleland had low figures as participants were reluctant to take short term loans as majority of farmers are mostly involved in long-term projects in livestock i.e. beef and goat production. Even some short-cycle crop projects such as horticulture may require some capital investment in water and irrigation because of the drier conditions compared to Mashonaland provinces where natural rainfall, rivers, shallow wells and dams are common sources of water.

Figure 8: The FCDO CAUSEWAY Revolving Facility Launch at the Golden Conifer in Harare

The CAUSEWAY project conducted Revolving Fund launches in six agricultural value chain corridors, bringing together key stakeholders to harmonize objectives and procedures with participating financial institutions. This helped financial institutions appreciate the facility's terms and conditions, streamlining lending processes for women and youth trained under the project. Effective partnerships were established and strengthened with financial institutions to facilitate access to finance for target beneficiaries, ultimately adapting models and systems to serve rural and peri-urban women and youth entrepreneurs.

## 8.1.6 PARTNERSHIPS

### Developmental and Private Entities

ZADT partnered with various development and private sector entities to identify and provide access to finance training for Women and Youth beneficiaries. These partners were either already working with farmers in need of such support or approached ZADT highlighting the financing and capacity gaps among their beneficiaries; engagement with additional organizations is ongoing. Table 5 presents these partners and the areas they operate within the CAUSEWAY target corridors .

Table 5: ZADT CAUSEWAY Project Partners

| Partner | Corridor | | | | | |
|---|---|---|---|---|---|---|
| | Manicaland | Mash East | Masvingo | Midlands | Mat South | Mat North |
| SNV | | | | Mwenezi | | |
| Ecodit | | | Chiredzi | | | |
| Turning Matabeleland Green (TMG) | | | Chiredzi | | | |
| Zimbabwe Super Seeds | Mutasa, Makoni Chipinge | | Bikita, Zaka Gutu | | | |
| Aquaculture Zimbabwe | | | | | | |
| SMECZ[1] | | Seke | | Gweru | Mat North | |
| MWACSMED[2] | | Marondera | | Gweru | Bulilima | Mangwe, Umguza, Nkayi |
| Unlimited Hope Alliance | | Goromonzi | | | | |
| Core Foundation | Makoni | | | | | |
| Hand in Hand | | Chikomba | | Chirumanzu | | Plumtree |
| HOCIC[3] | | | | | Bulilima | Mangwe, Umguza, Nkayi |

1. Small to Medium Enterprise Cooperation Zimbabwe
2. Ministry of Women Affairs, Community, Small to Medium Enterprises and Enterprise Development
3. Hope for A Child in Christ
4. Ministry of Youth Empowerment Development and Vocational Training
5. Local Initiatives and Development Agency

| Partner | Corridor | | | | | |
|---|---|---|---|---|---|---|
| | Manicaland | Mash East | Masvingo | Midlands | Mat South | Mat North |
| SAFIRE | Buhera | | | | | |
| MYEDV[4] | Mutasa | | | | | |
| LiD[5] Agency | | | | Mberengwa | | |
| Empower Bank | | Mrewa | | | | |
| Dawnview Cattle Ranch | | Marondera | | | | |

Key

| | |
|---|---|
| (dark green) | Area where partner has presence in corridor |
| (blank) | Partner has no presence in corridor |

## 8.2 Stories of success under the CAUSEWAY Project

### 8.2.1 A story of change from one trained and funded woman beneficiary (KRA 1) – Winnie Chiweshe

Figure 9: Winnie Chiweshe - Broiler Production in Mrewa

One of the beneficiary women within the 35 to 65 years age range is Winnie Chiweshe, a broiler farmer who started her business in 2014. Despite setbacks caused by the Covid 19 pandemic, Winnie revisited her business in 2022, growing from a scale of just 50 broilers. Her breakthrough came in 2024 when she was introduced to the CAUSEWAY Project, received access to finance training and accessed a loan through Generational Impact Finance (a Microfinance Institution(MFI) participating in the disbursement of the ZADT Revolving Fund.

"The CAUSEWAY Project and Generational Impact Finance (GIF) have been a game-changer for my business. I'm grateful for the support and guidance they've provided" commented Winnie.

The training and access to finance saw Winnie's business grow sustainably from a scale of 50 broiler birds every six (6) weeks to the current batch sizes of 400. Her gross margin has been correspondingly growing from US$150 to US$800. Winnie's business success has had a profound impact on her family's life. Earnings from the broiler business contributed to meeting the costs for constructing a five-roomed house at Murewa Growth Point.

Reminiscing on her growth Winnie had this to say,

"My business has not only improved the quality of my family's day-to-day life, but it's also given me a sense of purpose and fulfilment. I'm excited to see where this journey has taken me".

Winnie is now focused on expanding her business further and plans to scale up to 1,000 broilers. Before securing her first loan, Winnie had previously attempted unsuccessfully to access financing on her own but faced challenges. The CAUSEWAY programme was her first formal access-to-finance training, which equipped her with the knowledge and skills to successfully prepare a bankable funding proposal. Winnie's story illustrates the impact that targeted support, access to finance, and entrepreneurial training can have on smallholder farmers.

### 8.2.2 The story of Jonathan Murwira, a young Poultry Entrepreneur (KRA 2)

### A Journey of Growth: How the CAUSEWAY Project Transformed Jonathan Murwira's Poultry Business

Jonathan Murwira's poultry enterprise is a testament to resilience and determination. In 2024, with support from the CAUSEWAY Project and funding from AFC Bank, he was able to scale his operations significantly.

Figure 10: Jonathan Murwira of Poultry Plug Enterprise

"Accessing finance was my biggest challenge. Without ZADT's guidance, I wouldn't have secured the loan. Their help was a game changer." — Jonathan Murwira

### From small beginnings to big growth.

Jonathan began poultry farming in 2020 with just 200 chickens, limited experience, and seed capital from a friend and a US$500 prize from a Telecel Zimbabwe draw. Over the years, he built his capacity through trial and error, eventually growing to 9,500 birds by 2024. He had previously benefited from other agricultural programmes but struggled to access finance independently to expand further.

## Access to Finance through ZADT's Support.

Jonathan learned about the CAUSEWAY Project during the Mustard Seed Expo. He later attended a ZADT training session on financial literacy and business planning. Though he had some experience with business planning, it was ZADT's hands-on support—reviewing his loan proposal, submitting it to AFC Bank, and engaging with the bank to address concerns—that unlocked a US$15,000 loan for his business.

## Impact and Sustainability.

With the funding, Jonathan expanded his production capacity and secured a market through an offtake agreement with Pro-Agromark Abattoir. He invested in infrastructure including a cold storage facility, with plans to install a solar system. ZADT's mentorship also strengthened his financial management and aligned his loan repayment with his production cycle.

Jonathan prioritizes biosecurity and environmental sustainability and continues to use proceeds to reinvest in his business. With continued support from the CAUSEWAY Project, he's not only building a thriving enterprise but also creating opportunities for other youth.

## 8.2.3 Broiler Project at Gwebi College of Agriculture (KRA 3)

Figure 11: Colleta Tsabora and her group from Gwebi College

Colleta Tsabora and her group successfully pitched and implemented a broiler project at Gwebi College. Under a project named Champions Last Together (CLT), the group accessed a grant of US$2,500, which they used to launch a 600-broiler chicken project. The funds were used to purchase 600-day-old broiler chicks, equipment such as drinkers, feeding trough, and inputs. Despite the challenges they faced, the grant played a pivotal role in establishing a promising broiler farming business for Colleta and her team. The group generated a US$203 profit in six weeks from their first batch.

The group is reinvesting the profits into the business and plans to expand production from 600 birds to 800 birds. However, the journey wasn't without challenges. The group faced a mortality rate of 10% against a normal of not more than 5% on the first batch. They plan to use lessons learnt to improve their management. Additionally, the group faced challenges in securing a stable market when a deal with a buyer fell through, forcing them to find new clients. Competition also increased as other students at the college had birds ready for the market at the same time, flooding the market. Despite these setbacks, the group pushed forward, determined to succeed.

Through the CAUSEWAY Project, Colleta and her colleagues gained practical skills in financial management, client relations, and negotiation. As the leader of the group Colleta had this to say, She explains, "The CAUSEWAY Project put me in the business world—something I wouldn't have done alone. It taught me how to handle clients, manage money, and create a business plan." This experience not only helped her develop as an entrepreneur but also opened her eyes to the business world. The students were able to balance their studies with the poultry business.

The group has bigger plans beyond their college life. They aim to continue with broiler production. After graduation, the group plans to purchase a 10-hectare plot in the Nyabira area and scale their operations to produce batches of 40,000 broilers at a time. This ambitious vision reflects their commitment to growing their business and contributing meaningfully to Zimbabwe's agricultural sector.

The story of Colleta and her group is a testimony to the transformative power of opportunity and support. The CAUSEWAY Project not only helped them start their business but also gave the students the tools and confidence to overcome challenges and succeed.

### 8.2.4 Michelle Tinevimbo Gumbo – The Young Potato Farmer

Michelle is a student from Esigodini Agricultural College. After successfully undergoing the training in financial literacy she decided to venture into potato production. She prepared and pitched her project proposal. After successfully presenting the idea at a panel of judges she received a grant amount of US$472. Potato is a labor-intensive crop but with this funding Michelle managed to do all the production and marketing activities. She managed to raise 1,200 plants and harvested 2.7 tonnes of table potatoes. She sold the potatoes at prices ranging from US$6 to US$10 and attained a gross income of US$1,250 translating into a gross margin of US$845. With this, she has reinvested US$1,200 back into the project. She managed to pay US$150 of her tuition fees from the profit whilst setting aside US$170 for personal expenses. Out of the harvested crop she also set aside 70kgs for household consumption.

Figure 12: Michelle Gumbo from Esigodini College

Throughout her project, Michelle faced a few challenges, including a supplier who failed to supply quality seed. Despite the setbacks encountered including criticisms from her peers, who doubted her decision to go solo with the potato project. She remained focused on her objectives and achieved a successful outcome. Her goal is to further grow her business and continue reinvesting for long-term sustainability. Michelle has secured a farm where she plans to continue with the potato project after graduating.Michelle Tinevimbo Gumbo's journey is a practical example of how determination, careful planning, and resourcefulness can lead to success in agriculture. As a beneficiary of the SIDA grant under KRA3, Michelle's story reflects the impact of financial support and training on empowering women in agriculture and entrepreneurship.

# 9 Trust Governance

## 9.1 Board of Trustees

The Board of Trustees carries the mandate to superintend over the ZADT assets. In 2024 there were six members making up the ZADT Board comprising of two women and four men.

The Board provided due oversight to the Secretariat during the financial year to ensure the Trust maintained focus in executing its mandate. The members of the Board of Trustees in 2023 and their brief profiles are presented in Table 6.

Table 6: ZADT Board of Trustees in 2024

**RACHEL KUPARA: BOARD CHAIRPERSON**

Rachel is a Chartered Accountant with vast experience in the Financial Services Sector where she has worked for various companies at senior management positions, in Insurance and Banking; Agriculture & Agro-processing and manufacturing industries. She has served on the Boards of several big Corporates. Currently she sits on boards of BAT Zimbabwe Limited, Dairibord Holdings Limited, Financial Securities Exchange (Finsec) as Chair, First Mutual Wealth Management, and Zimbabwe Insurance Brokers.

**TAWANDA NAMUSI: BOARD MEMBER**

Tawanda is the Chief Executive Officer of Interfresh. He is a Chartered Accountant with considerable knowledge and experience in the financial services sector accumulated over a period spanning over 12 years. He has worked in the Meat, Horticulture and Assurance Sectors in both the local and international markets. His core strengths include capital raising, business reorganizations, strategic planning and monitoring, international financial reporting, internal controls, and corporate governance among other skills sets. Before joining Interfresh Tawanda was the Chief Financial Officer at Blue Agri.

**LEIF REECKMANN: BOARD MEMBER**

Leif is a Danish national equipped with a background in farming, dairy, transport, and logistics. He currently is the Managing Director of Kefalos Cheese Products (Pvt) Ltd, a company he joined in 1997 as a Production Manager and rose through the ranks. Leif encapsulates a hands-on principle whose management approach is very unconventional and elicits self-actualization in his peers and subordinates, encouraging them to be out of the box thinkers and decision makers.

## KENNEDY MUGOCHI: BOARD MEMBER

Kennedy is an experienced Development expert whose career spans close to twenty years. Areas of expertise includes Programme/project management; development and implementation of complex multi-stakeholder initiatives; Human rights research and documentation; Local and international human rights and governance lobby and advocacy; Project monitoring and evaluation; Proposal writing and fundraising; Grant making and Team management. He is currently employed by HIVOS Foundation as the Regional Director for East Africa based in Kenya. Previously he was the Regional Director for Hivos Southern Africa. He holds a Doctorate in Development Studies.

## LUCY FULGENCE SILAS: BOARD MEMBER

Lucy is an international development professional with over 20 years' experience in management, consultancy, and leading development programs in the NGO sphere in East and Southern Africa. Lucy's areas of expertise include strategic planning, improving operational efficiencies, project management, stakeholder engagement, operations management, donor engagement and management, and budgeting. She joined SNV Tanzania in 2017 as Deputy Country Director. Prior to joining SNV, Lucy was Country Director of D-tree international for 8 years where she provided strategic leadership to the Tanzania and Malawi offices. Her work experience covered a variety of sectors including women and youth economic empowerment, health, enterprise development, agriculture, renewable energy and Water and Sanitation.

She sits on various Boards and consultative committees at national and regional levels with not-for-profit institutions and organizations. Lucy holds a Bachelor of Science Degree in Biology and an MBA from the University of Phoenix, USA. She is currently the Country Representative for Zimbabwe and Zambia.

## AGMOS MOYO

Agmos Moyo is a highly respected legal practitioner known for his dedication to justice, integrity, and client-focused advocacy. His professional journey is marked by landmark cases and contributions to legal reform initiatives in Zimbabwe. With years of experience in legal practice, he has built a strong reputation for his advocacy skills, strategic thinking, and commitment to justice. Moyo has represented clients across various sectors, including private businesses, civic organizations, and individuals, and is recognized for his professionalism and deep knowledge of Zimbabwean law. His contributions to the legal fraternity continue to influence emerging lawyers and promote the rule of law in Zimbabwe.

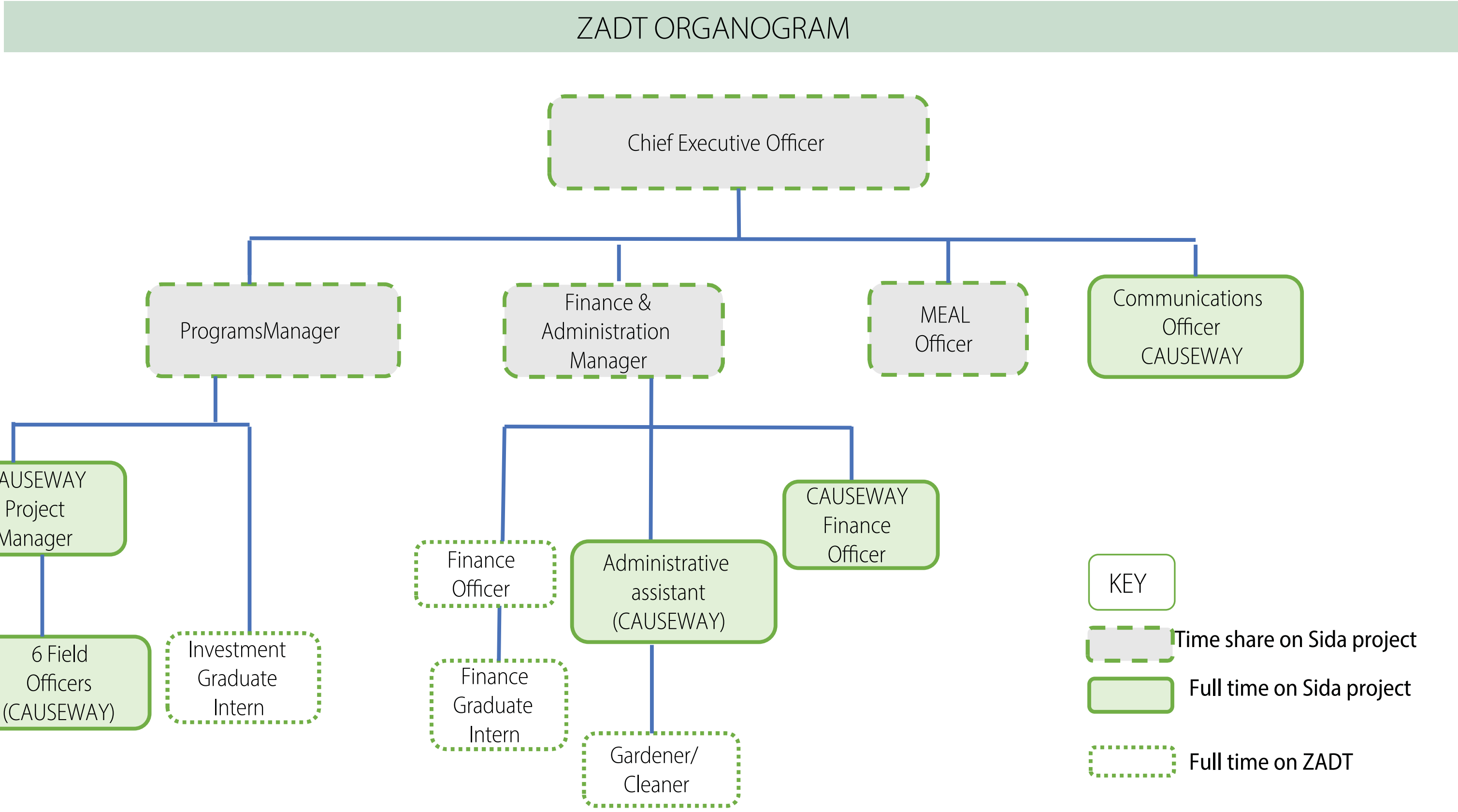
## GODFREY CHINOERA

Chief Executive Officer. Godfrey` is a seasoned development expert with many years of experience in strategic planning, programme management, partnership engagement and fund raising and management for the benefit of disadvantaged communities such as smallholder farmers, women, and youth. His expertise overlays the several years that he spent working in the financial services sector where he was involved in development banking focusing on agribusiness, project financing, advisory and trade financing structures. He is employed as CEO at ZADT where he heads the Secretariat which he was hired to establish in 2013 and is responsible for the development and execution of the corporate strategy of the Trust. He also ensures effective monitoring and management of corporate principal risks that the Trust faces.

He holds a Bachelor of Science (Hons) Degree in Agriculture, a Post-Graduate Diploma in Management and a master's in business administration (MBA) degree.

## 9.2 ZADT Secretariat

Figure 13: The ZADT Secretariat Organogram




The Secretariat, which runs the day-to-day operations of the Trust as an autonomous management body, is headed by the Chief Executive Officer who reports to the Board. The Secretariat has four functional units which are Projects and Investments, Finance and Administration, Communications and Monitoring Evaluation Accountability and Learning These are presented in the Organogram in Figure 13. These units are headed by staff who report directly to the Chief Executive Officer. Figure 14 presents the staff members and their roles.

Figure 14: The ZADT Staff in 2024 and their designations

Godfrey Ruramai Chinoera
Chief Executive Officer

Fortunate Vengesai
Programmes Manager

Phillipa Mukwenha
Finance & Administration Manager

Pedzisai Nemadziva
Project Manager

Morris Mudiwa
MEAL Officer

Karen Maturure
Communications Officer

Kumbirai Tarangenyi
Administration Assistant

Lisa Marevesa
Finance Officer

Clayton Chidewu
Business Development Officer (Mashonaland East)

Manenji Chakanyuka
Business Development Officer (Manicaland)

Beauty Nare
Business Development Officer (Masvingo)

Benhilda Chipiwa Nkomo
Business Development Officer (Masvingo)

Sharon Muzvidzwa
Finance Intern

Qhelani Moyo
Business Development Officer Matabeleland South/ Bulawayo

Leonard Maziyo
Gardener

Rufaro Chanakira
Investments Intern

Precious Nemutenzi
Business Development Officer (Midlands)

Christopher Kanyenga
Finance Officer

## 10. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024



# General Information

for the Year ended 31 December 2024

| | |
|---|---|
| **Country of Incorporation and Domicile** | Zimbabwe |
| **Nature of Business and Principal Activities** | Provision of access to finance and related capacity building services to smallholder farmers and other agricultural value chain actors whose businesses directly or indirectly benefit smallholder farmers. |
| **Board of Trustees** | Rachel Pfungwa Kupara (Chairperson) (Appointed in May 2020)<br>Leif Reeckmann (Reappointed in January 2023)<br>Tawanda Namusi (Reappointed in May 2023)<br>Lucy Fulgence (Appointed in January 2021)<br>Kennedy Mugochi (Reappointed in November 2024)<br>Agmos Moyo (Appointed in September 2024) |
| **Registered Office** | Zimbabwe Agricultural Development Trust<br>44 The Chase<br>Mt Pleasant<br>Harare |
| **Business Address** | Zimbabwe Agricultural Development Trust<br>44 The Chase<br>Mt Pleasant<br>Harare |
| **Bankers** | FBC Crown Bank<br>Ecobank<br>Stanbic Bank |
| **Auditors** | Nolands Harare Chartered Accountants<br>Registered Auditors<br>No.7 Glenara Avenue South<br>Eastlea<br>Harare |
| **Attorneys** | V Nyemba and Associates Legal Practitioners<br>6th Floor Beverly Court<br>100 Nelson Mandela Avenue<br>Harare<br><br>Danziger and Partners Legal Practitioners<br>5th Floor First Mutual Building<br>Corner 9th Avenue and Jason Moyo Bulawayo |
| **Secretariat** | Ruramai Godfrey Chinoera - Chief Executive Officer<br>Fortunate Vengesai - Programmes Manager<br>Morris Mudiwa - M & E and Risk & Compliance Officer<br>Phillipa Mukwenha - Finance and Adminstration Manager |
| **Main Funders** | Danish International Development Agency ("DANIDA")<br>Foreign Commonwealth Development Office ("FCDO")<br>Ford Foundation<br>DanChurchAid ("DCA") |
| **Preparer** | Phillipa Mukwenha [Finance and Administration Manager] |

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# Trustees' Responsibilities and Approval

for the Year ended 31 December 2024

The Board of Trustees is responsible for the preparation, presentation and integrity of the financial statements and all the information contained in the report. The information contained in these financial statements has been prepared in accordance with the accounting policies described in note 2 of the financial statements and they incorporate full and responsible disclosure to ensure that the information contained therein is both reliable and relevant.

The Board of Trustees is also responsible for the systems of internal control. These are designed to provide reasonable, but not absolute assurance as to the reliability of the financial statements and to safeguard, verify and maintain accountability of assets, and to prevent and detect material misstatements and losses. The systems are implemented and monitored by suitably trained personnel, with an appropriate segregation of authority and duties. Nothing has come to the attention of the Trustees to indicate that a material breakdown in the functioning of these controls, procedures and systems has occurred during the period under review.

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

These financial statements are prepared on the going concern basis. Nothing has come to the attention of the Board of Trustees to indicate that the Trust will not remain a going concern for the foreseeable future.

The Trustees have reviewed the Trust's cash flow forecast for the year to 31 December 2025 and, in light of this review and the current financial position, they are satisfied that the trust has or had access to adequate resources to continue in operational existence for the foreseeable future.

The Trust's independent auditor, Nolands Chartered Accountants (Zimbabwe), has audited the financial statements and their report appears on page 40 - 42.

The financial statements set out on pages 42 to 67, which have been prepared on the going concern basis, were approved by the Board of Trustees on 22 / 04 2025 and were signed on its behalf by:

| | |
|---|---|
| Rachel Pfungwa Kupara | Ruramai Godfrey Chinoera |
| [Board Chairperson] | [Chief Executive Officer] |

## Trustees' Governance Report

In line with sound corporate governance principles, the Board of Trustees continues to exercise its fiduciary and strategic oversight responsibilities, ensuring the effective implementation of the Zimbabwe Agricultural Development Trust's (ZADT) developmental mandate.

The Board is composed of up to seven members, as stipulated in the Trust Deed. Three trustees represent the founders and donor/investor institutions—specifically, one each from SNV, Hivos, and a broader Donor/Investor constituency. The Chief Executive Officer serves as an ex officio member. The remaining four trustees are independent Zimbabwean professionals. The Chairperson is appointed by the founding and donor entities. Trustees serve a maximum term of six years and are ineligible for reappointment thereafter.

In 2024, the Board's composition was updated with the appointment of Mr. Agmos Moyo, following the resignation of Mrs. Faith Mberi at the end of 2023.

## Board Committees

To strengthen governance, the Board maintains oversight of strategic matters while delegating specific responsibilities to three standing committees:

- Investment Committee
- Human Resources Committee
- Audit, Risk and Compliance Committee

Each operates under formal Terms of Reference, reviewed annually, and is responsible for monitoring strategic risks, performance metrics, and alignment with the Trust's mission.

## Investment Committee

The Investment Committee is responsible for evaluating proposed investments, particularly those exceeding management's approval limits. It reviews and recommends policy amendments, oversees the performance and quality of the Trust's investment portfolio, monitors credit risk, and ensures alignment with established risk appetite and exposure thresholds.

Where necessary, the Committee seeks external expertise, with Board approval, to conduct independent assessments of investment opportunities and ensure informed decision-making.

## Audit, Risk and Compliance Committee

This Committee is charged with ensuring that the Trust's risk management framework is robust and effective. It reviews internal control systems, accounting policies, financial reporting standards, and auditor performance. It also makes recommendations on the appointment and remuneration of both internal and external auditors, subject to Board approval.

## Human Resources Committee

The HR Committee supports the Board in CEO appointments and works closely with the CEO on the recruitment of senior management. It provides independent advice on human resource policies, organizational culture, and fair remuneration structures, fostering transparency and equity in workforce management.

## Acknowledgements

On behalf of the Board of Trustees, I wish to express our sincere gratitude to the Swedish International Development Cooperation Agency (Sida) for their generous grant of US$2.5 million for the CAUSEWAY Project (2023–2026). We also acknowledge the support of the Foreign, Commonwealth & Development Office (FCDO), which contributed an additional £500,000 in 2024 to establish a Revolving Credit Facility targeting women and youth beneficiaries.

Our deepest thanks also go to our other esteemed partners—DANIDA, the Ford Foundation, and DanChurchAid (DCA)—whose continued support and collaboration are instrumental to the Trust's mission. We value these partnerships and look forward to continued impact through shared commitment.

**Rachel P Kupara**
Board Chairperson

# Independent Auditor's Report

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Nolands
NOT YOUR ORDINARY AUDITORS

## Independent auditor's report

## To the members of Zimbabwe Agricultural Development Trust

## Opinion

We have audited the accompanying financial statements of Zimbabwe Agricultural Development Trust, which comprise of the Statement of Financial Position as at 31 December 2024, and the Statement of Surplus or Deficit and Other Comprehensive Income, Statement of Changes in Reserves and Statement of Cash flows for the year then ended, and a summary of significant accounting policies and the explanatory notes as set out on pages 43 to 67.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Zimbabwe Agricultural Development Trust, as of 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with the provisions set out on accounting policy 2.1.

## Basis of Opinion

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

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

The management is responsible for the preparation and fair presentation of these financial statements in accordance with provisions set out on accounting policy 2.1, and requirements of the Private Voluntary

Organisation Act (17:05), and for such internal controls as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

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

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

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## Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

22/04/24

Nolands Chartered Accountants

Date

# Statement of Financial Position

for the Year ended 31 December 2024

| Figures in USD | Note(s) | 2024 | 2023 |
|---|---|---|---|
| **Assets** | | | |
| **Non-Current Assets** | | | |
| Property and equipment | 4 | 488,188 | 523,733 |
| Investments in equities | 5 | 4,775,916 | 4,658,602 |
| Financial assets | 7 | 3,797,929 | 5,442,053 |
| | | **9,062,033** | **10,624,388** |
| **Current Assets** | | | |
| Trade and other receivables | 6 | 18,585 | 596,901 |
| Financial assets | 7 | 1,819,488 | 180,838 |
| Cash and cash equivalents | 8 | 1,085,911 | 305,227 |
| | | **2,923,984** | **1,082,967** |
| **Total Assets** | | **11,986,017** | **11,707,355** |
| **Reserves and Liabilities** | | | |
| **Reserves** | | | |
| Revaluation reserve | | 528,631 | 528,631 |
| Accumulated fund | | 7,598,270 | 7,320,383 |
| | | **8,126,901** | **7,849,015** |
| **Liabilities** | | | |
| **Current Liabilities** | | | |
| Revolving fund | 9 | 3,832,813 | 3,832,813 |
| Trade and other payables | 10 | 4,179 | 25,527 |
| **Total Liabilities** | | **3,836,992** | **3,858,340** |
| **Total Reserves and Liabilities** | | **11,963,893** | **11,707,355** |

The financial statements set out on pages 43 to 67, which have been prepared on the concern basis going, were approved by the Board of Trustees on 22/04/2025 and were signed on its behalf by:

Rachel Pfungwa Kupara
**[Board Chairperson]**

Tawanda Namusi
**[Board Audit, Risk & Compliance Committee Chairperson]**

# Statement of Surplus or Deficit and Other Comprehensive Income

for the Year ended 31 December 2024

| Figures in USD | Note(s) | 2024 | 2023 |
|---|---|---|---|
| Revenue1 | 1 | 235,589 | 214,023 |
| Other operating gains | 12 | 1,650,649 | 10,303,398 |
| Other operating expenses | 13 | (1,576,448) | (721,749) |
| **Operating surplus** | | **309,790** | **9,795,672** |
| Monetary (loss) / gain | | - | (4,693,115) |
| Finance costs1 | 3( | 6,168) | (4,359) |
| **Surplus for the year** | | **303,622** | **5,098,198** |
| **Other comprehensive income:** | | | |
| Revaluation surplus4 | | - | (85,660) |
| **Other comprehensive income for the year -** | | | **(85,660)** |
| **Total comprehensive income for the year** | | **303,622** | **5,012,538** |

# Statement of Changes in Reserves

for the Year ended 31 December 2024

| | Revaluation Reserve | Accumulated Fund | Total Reserves |
|---|---|---|---|
| **Balance at 01 January 2023** | **614,291** | **2,222,186** | **2,836,477** |
| Surplus for the year | - | 5,098,198 | 5,098,198 |
| Other comprehensive income | (85,660) | - | (85,660) |
| **Total comprehensive income for the year** | **(85,660)** | **5,098,198** | **5,012,538** |
| **Balance at 31 December 2023** | **528,631** | **7,320,383** | **7,849,015** |
| Surplus for the year | - | 303,622 | 303,622 |
| Other comprehensive income | - | - | - |
| **Total comprehensive income for the year** | **-** | **303,622** | **303,622** |
| **Balance at 31 December 2024** | **528,631** | **7,598,270** | **8,126,901** |

# Statement of Cash Flows

for the Year ended 31 December 2024

| Figures in USD | Notes | 2,024 | 2023 |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| **Surplus for the year** | | **303,622** | **3,373,751** |
| **Adjustments for:** | | | |
| Depreciation and amortisation | 4 | 39,761 | 3,632 |
| Fair value gains | 12 | 78,889 | (5,711,452) |
| Inflation adjustments | | - | (252,237) |
| Exchange gains | 12 | (1,114) | (3,178,658) |
| Finance costs | 13 | 6,168 | 4,359 |
| Leave pay | | (3,420) | 10,726 |
| Expected credit losses | | 2,216 | 7,039 |
| Profit on disposal | | - | (4,778) |
| **Changes in working capital:** | | | |
| Trade and other receivables | 6 | 578,317 | (563,982) |
| Financial assets | 7 | 5,952 | (2,400,465) |
| Trade and other payables | 10 | (17,929) | (27,946) |
| **Cash generated from operations** | | **992,461** | **(8,740,010)** |
| Finance costs | | (6,168) | (4,359) |
| **Net cash from operating activities** | | **986,293** | **(8,744,369)** |
| **Cash flows from investing activities** | | | |
| Proceeds from disposal of motor vehicle | | - | 4,590 |
| Purchase of property and equipment | 4 | (4,215) | 1,315 |
| Movement in equity investments | 7 | (224,632) | 2,405,262 |
| **Net cash from investing activities** | | **(228,847)** | **2,406,577** |
| **Cash flows from financing activities** | | | |
| Capital fund replenishment and recoveries | 9 | - | 3,380,202 |
| **Cash from financing activities** | | - | **3,380,202** |
| **Total movement for the year** | | **757,446** | **(2,957,591)** |
| Cash at the beginning of year | | 305,227 | 84,160 |
| Effects of exchange gains | | 1,114 | 3,178,658 |
| **Total cash at end of the year** | 8 | **1,063,788** | **305,227** |

# Accounting policies

for the Year ended 31 December 2024

**1 Trust information**

Zimbabwe Agricultural Development Trust ("the Trust" or "ZADT"), is a Trust that was formed by SNV Netherlands Development Organisation - Zimbabwe and Humanist Institute for Development Cooperation - Zimbabwe. It is funded by The Danish International Development Agency ("DANIDA"), Foreign Commonwealth Development Office ("FCDO"), Ford Foundation and DanChurchAid ("DCA"). The Trust's objective is to promote growth in primary agriculture and related value chains with the main aim of improving food security and incomes for rural communities through provision of funding for agricultural activities and related technical assistance services.

**2 Significant accounting policies**

The principal accounting policies applied in the preparation of these financial statements are set out below.

**2.1 Basis of preparation**

These accounting policies are consistent with the previous period. The financial statements have been prepared in line with entity specific accounting policies, the requirements of Private Voluntary Organisation Act (Chapter 17:05) and the Trust Deed. The basis of accounting and the presentation and disclosures contained in these financial statements are entity specific and are not intended to, and do not, comply with all the requirements of the International Financial Reporting Standards. The financial statements have been prepared in line with the requirements of the Trust Deed.

The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in United States dollars, which is the Trust's functional and presentation currency.

These accounting policies are consistent with the previous period.

**2.2 Functional and presentation currency**

Items included in the financial statements of the Trust are measured using the currency of primary economic environment in which the entity operates (the functional currency). The financial statements are presented in United Stated (US) Dollar, which is the Trust's functional and presentation currency.

The Trust had a steady increase in the use of foreign currency across its operations and reassessed its functional currency in accordance with the requirements of IAS 21. The Trust concluded that based on the primary operating environment and the Trust's own operating activities, there had been a change in its functional currency from Zimbabwean Dollar ("ZWL") to United States Dollars ("USD") with effect from the beginning of the current financial year. IAS 21 directs that entities operating in hyperinflationary economies should translate their last reported inflation-adjusted financial statements using the closing rate of exchange at the reporting date in order to derive and present comparative financial statements under a newly assessed functional currency. In light of this, the official exchange rate of ZWL6,104.7226 : US$1 was used to convert the ZWL inflated primary financial statements as at 31 December 2023 to United States Dollars.

**2.3 Significant judgements and sources of estimation uncertainty**

The preparation of financial statements in conformity with the Trust's accounting policies, requires management from time to time to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

**Critical judgements in applying accounting policies**

The critical judgement made by management in applying accounting policies, apart from those involving estimates, that have the most significant effect on the amounts recognised in the financial statements, are outlined as follows:

**Key sources of estimation uncertainty**

**Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The Trust uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Trust's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

**Fair value estimation**

Several assets and liabilities of the Trust are either measured at fair value or disclosure is made of their fair values.

Observable market data is used as inputs to the extent that it is available. Qualified external valuers are consulted for the determination of appropriate valuation techniques and inputs.

Information about the specific techniques and inputs of the various assets and liabilities is disclosed in note 16.

**Impairment testing**

The Trust reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

**Useful lives of property and equipment**

Management assess the appropriateness of the useful lives of property and equipment at the end of each reporting period. The useful lives of motor vehicles, furniture and computer equipment are determined based on Trust replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters. The useful life of manufacturing equipment is assessed annually based on factors including wear and tear, technological obsolescence and usage requirements.

**Provisions**

Provisions are inherently based on assumptions and estimates using the best information available.

**2.4 Investments in associates**

An associate is defined as an entity that the Trust has significant influence over. The Trust classifies as associate, all organisations in which the Trust has at least an ownership interest of 20% or more of the voting power (directly or through subsidiaries) unless it can be clearly demonstrated otherwise.

The investment in an associate is initially recognised at cost and subsequently accounted for using equity accounting method.

**2.5 Property and equipment**

Property and equipment are tangible assets which the Trust holds for its own use or for rental to others and which are expected to be used for more than one year.

An item of property and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Trust, and the cost of the item can be measured reliably.

**2.5 Property and equipment (continued)**

Property and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Trust and the cost can be measured reliably. Day to day servicing costs are included in surplus or deficit in the year in which they are incurred.

Property and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

When an item of property and equipment is revalued, any accumulated depreciation at the date of the revaluation is eliminated against the gross carrying amount of the asset.

Any increase in an asset's carrying amount, as a result of a revaluation, is recognised in other comprehensive income and accumulated in the revaluation reserve in equity. The increase is recognised in surplus or deficit to the extent that it reverses a revaluation decrease of the same asset previously recognised in surplus or deficit.

Any decrease in an asset's carrying amount, as a result of a revaluation, is recognised in surplus or deficit in the current year. The decrease is recognised in other comprehensive income to the extent of any credit balance existing in the revaluation reserve in respect of that asset. The decrease recognised in other comprehensive income reduces the amount accumulated in the revaluation reserve in reserves.

The revaluation reserve related to a specific item of property and equipment is transferred directly to retained income when the asset is derecognised.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation of an asset commences when the asset is available for use as intended by management. residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Trust. Leased assets are depreciated in a consistent manner over the shorter of their expected useful lives and the lease term. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

The useful lives of items of property and equipment have been assessed as follows:

| Item | Depreciation method | Average useful life |
|---|---|---|
| Buildings | Straight | 40 years |
| Furniture and fixtures | Straight | 10 years |
| Motor vehicles | Straight | 4 years |
| Office equipment | Straight | 3 years |
| ICT Systems | Straight | 5 years |

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting year. If the expectations differ from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

Each part of an item of property and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each year is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Impairment tests are performed on property and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in surplus or deficit when the item is derecognised.

### 2.6 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.
Expenditure on research (or on the research phase of an internal project) is recognised as an expense when it is incurred.

An intangible asset arising from development (or from the development phase of an internal project) is recognised when:

- it is technically feasible to complete the asset so that it will be available for use or sale.
- there is an intention to complete and use or sell it.
- it will generate probable future economic benefits.
- there are available technical, financial and other resources to complete the development and to use or sell the asset.
- the expenditure attributable to the asset during its development can be measured reliably.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Reassessing the useful life of an intangible asset with a finite useful life after it was classified as indefinite is an indicator that the asset may be impaired. As a result the asset is tested for impairment and the remaining carrying amount is amortised over its useful life.

Internally generated brands, mastheads, publishing titles, customer lists and items similar in substance are not recognised as intangible assets.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

| Item | Depreciation | Average useful life |
|---|---|---|
| Website | Straight line | 2 |

### 2.7 Financial instruments

Broadly, the classification possibilities, which are adopted by the Trust ,as applicable, are as follows:

**Financial assets which are equity instruments:**

- Amortised cost. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is met by holding the instrument to collect contractual cash flows); or
- Fair value through other comprehensive income. (This category applies only when the contractual terms of the instrument give rise, on specified dates, to cash flows that are solely payments of principal and interest on principal, and where the instrument is held under a business model whose objective is achieved by both collecting contractual cash flows and selling the instruments); or
- Designated at fair value through surplus or deficit. (This classification option can only be applied when it eliminates or significantly reduces an accounting mismatch).

**Derivatives which are not part of a hedging relationship:**

- Mandatorily at fair value through surplus or deficit.

**2.7 Financial instruments (continued)**

**Financial liabilities:**

- Amortised cost; or
- Mandatorily at fair value through surplus or deficit. (This applies to contingent consideration in a business combination or to liabilities which are held for trading); or
- Designated at fair value through surplus or deficit. (This classification option can be applied when it eliminates or significantly reduces an accounting mismatch; the liability forms part of a group of financial instruments managed on a fair value basis; or it forms part of a contract containing an embedded derivative and the entire contract is designated as at fair value through surplus or deficit).

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

The specific accounting policies for the classification, recognition and measurement of each type of financial instrument held by the Trust are presented below:

**Loans receivable at amortised cost**

**Classification**

Loans receivable and loans to directors, managers and employees and are classified as financial assets subsequently measured at amortised cost.

They have been classified in this manner because the contractual terms of these loans give rise, on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, and the Trust's business model is to collect the contractual cash flows on these loans.

**Recognition and measurement**

Loans receivable are recognised when the trust becomes a party to the contractual provisions of the loan. The loans are measured, at initial recognition, at fair value plus transaction costs, if any.
They are subsequently measured at amortised cost.

The amortised cost is the amount recognised on the loan initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

**Loans denominated in foreign currencies**

When a loan receivable is denominated in a foreign currency, the carrying amount of the loan is determined in the foreign currency. The carrying amount is then translated to the Zimbabwean Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in surplus or deficit in the other operating gains (losses).

Details of foreign currency risk exposure and the management thereof are provided in the specific notes.

**Impairment**

The Trust recognises a loss allowance for expected credit losses on all loans receivable measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective loans.

The Trust measures the loss allowance at an amount equal to lifetime expected credit losses (lifetime ECL) when there has been a significant increase in credit risk since initial recognition. If the credit risk on a loan has not increased significantly since initial recognition, then the loss allowance for that loan is measured at 12 month expected credit losses (12 month ECL).

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a loan. In contrast, 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a loan that are possible within 12 months after the reporting date.

**2.7 Financial instruments (continued)**

**Loans receivable at amortised cost (continued)**

In order to assess whether to apply lifetime ECL or 12 month ECL, in other words, whether or not there has been a significant increase in credit risk since initial recognition, the Trust considers whether there has been a significant increase in the risk of a default occurring since initial recognition rather than at evidence of a loan being credit impaired at the reporting date or of an actual default occurring.

**Significant increase in credit risk**

In assessing whether the credit risk on a loan has increased significantly since initial recognition, the Trust compares the risk of a default occurring on the loan as at the reporting date with the risk of a default occurring as at the date of initial recognition.

The Trust considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the counterparties operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information.

Irrespective of the outcome of the above assessment, the credit risk on a loan is always presumed to have increased significantly since initial recognition if the contractual payments are more than 30 days past due, unless the Trust has reasonable and supportable information that demonstrates otherwise.

By contrast, if a loan is assessed to have a low credit risk at the reporting date, then it is assumed that the credit risk on the loan has not increased significantly since initial recognition.

**Definition of default**

For purposes of internal credit risk management purposes, the Trust consider that a default event has occurred if there is either a breach of financial covenants by the counterparty, or if internal or external information indicates that the counterparty is unlikely to pay its creditors in full (without taking collateral into account).

Irrespective of the above analysis, the Trust considers that default has occurred when a loan instalment is more than 90 days past due unless there is reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

**Write off policy**

The Trust writes off a loan when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Loans written off may still be subject to enforcement activities under the Trust recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in surplus or deficit.

**Measurement and recognition of expected credit losses**

The measurement of expected credit losses (ECL) is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default, taking the time value of money into consideration.

The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. The exposure at default is the gross carrying amount of the loan at the reporting date.

Lifetime ECL is measured on a collective basis in cases where evidence of significant increases in credit risk are not yet available at the individual instrument level. Loans are then grouped in such a manner that they share similar credit risk characteristics, such as nature of the loan, external credit ratings (if available), industry of counterparty etc.

# Accounting policies (continued)

for the Year ended 31 December 2024

**2.7 Financial instruments (continued)**

**Trade and other receivables (continued)**

**Trade and other receivables denominated in foreign currencies**

When trade and other receivables are denominated in a foreign currency, the carrying amount of the receivables are determined in the foreign currency. The carrying amount is then translated to the Zimbabwean Dollar equivalent using the spot rate at the end of each reporting period. Any resulting foreign exchange gains or losses are recognised in surplus or deficit in other operating gains (losses).

**Impairment**

The Trust recognises a loss allowance for expected credit losses on trade and other receivables, excluding VAT and prepayments. The amount of expected credit losses is updated at each reporting date.

The Trust measures the loss allowance for trade and other receivables at an amount equal to lifetime losses on trade and other receivables. The provision matrix is based on historic credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current and forecast direction of conditions at the reporting date, including the time value of money, where appropriate.

The customer base is widespread and does not show significantly different loss patterns for different customer segments. The loss allowance is calculated on a collective basis for all trade and other receivables in totality.

An impairment gain or loss is recognised in surplus or deficit with a corresponding adjustment to the carrying amount of trade and other receivables, through use of a loss allowance account. The impairment loss is included in other operating expenses in surplus or deficit as a movement in credit loss allowance.

**Write off policy**

The Trust writes off a receivable when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Receivables written off may still be subject to enforcement activities under the Trust recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in surplus or deficit.

**Derecognition**

Refer to the derecognition section of the accounting policy for the policies and processes related to derecognition.

Any gains or losses arising on the derecognition of trade and other receivables is included in surplus or deficit in the derecognition gains (losses) on financial assets at amortised cost line item.

**Trade and other payables**

**Classification**

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

**Recognition and measurement**

They are recognised when the Trust becomes a party to the contractual provisions, and are measured, at initial recognition, at fair value plus transaction costs, if any.

They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

If trade and other payables contain a significant financing component, and the effective interest method results in the recognition of interest expense, then it is included in surplus or deficit in finance costs.

Trade and other payables expose the Trust to liquidity risk and possibly to interest rate risk.

**2.8 Impairment of assets**

The Trust assesses at each end of the reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Trust estimates the recoverable amount of the asset.

Irrespective of whether there is any indication of impairment, the Trust also:

- tests intangible assets with an indefinite useful life or intangible assets not yet available for use for impairment annually by comparing its carrying amount with its recoverable amount. This impairment test is performed during the annual period and at the same time every period.
- tests goodwill acquired in a business combination for impairment annually.

If there is any indication that an asset may be impaired, the recoverable amount is estimated for the individual asset. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use.

If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. That reduction is an impairment loss.

An impairment loss of assets carried at cost less any accumulated depreciation or amortisation is recognised immediately in surplus or deficit. Any impairment loss of a revalued asset is treated as a revaluation decrease.

An entity assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for assets other than goodwill may no longer exist or may have decreased. If any such indication exists, the recoverable amounts of those assets are estimated.

A reversal of an impairment loss of assets carried at cost less accumulated depreciation or amortisation other than goodwill is recognised immediately in surplus or deficit. Any reversal of an impairment loss of a revalued asset is treated as a revaluation increase.

**2.9 Revenue**

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Trust recognises revenue when it transfers control of a service to a customer.

The Trust recognises revenues when the amount of revenue can be reliable measured : when it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Trust's activities as described below:

The Trust recognises revenue from the following major sources:

- Interest income
- Grant Income
- Investment income
- Dividend and Interest from short term investments
- Guarantees
- Gains on equity instruments

**Interest income**

Revenue is recognised upfront when the loan contract has been signed rather that when cash is received and not over the term of the loan.

**Investment income**

The investment income consists of share of profit earned from joint investments through co-investments. The income is recognised when proceeds are received from the investments. The Trust also recognises interest income earned from money market investments and other long term investments when the investments mature and funds are received from the investment.

**Guarantees fees**

The Trust initially recognises income earned from guarantee fees when the fees have been received in the Trust account. The Trust accrues outstanding fees basing on the guarantee loan agreement.

**Dividend income**

Dividend income is recognised when they are received in the Trust account.

**Grant Income**

Grant income is recognised when it is received in the Trust account.

**2.9 Revenue (Continued)**

**Gains on equity instruments**

The gains on equity instruments consist of gains on disposal of equity instruments and fair value gains on equity instruments. The gains on disposal of equity instruments are recognised upon disposal of instruments and fair value gains are recognised when the market values of instruments increase.

**2.10 Co-Investments**

The Trust uses the cost method in valuing its co-investments, increases in fair value are not recognised. The cost method is very conservative meaning that only declines in the asset's fair value (impairments) are recognised in the financial statements. That occurs when the market value of the co-investments falls below historical cost. Income or dividend from co-investments are recognised under operating income.

**2.11 Revolving fund**

The revolving fund comprises of funds that have been received from funding partners for the purposes of onward investing.

**2.12 Employee benefits**

**Short-term employee benefits**

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

The expected cost of bonus payments is recognised as an expense when there is a legal or constructive obligation to make such payments as a result of past performance.

**Defined contribution plans**

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

Payments made to industry-managed (or state plans) retirement benefit schemes are dealt with as defined contribution plans where the Trust's obligation under the schemes is equivalent to those arising in a defined contribution retirement benefit plan.

**2.13 Provisions and contingencies**

Provisions are recognised when:

- the Trust has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

The amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions are not recognised for future operating losses.

If an entity has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

A constructive obligation to restructure arises only when an entity:

- has a detailed formal plan for the restructuring, identifying at least:
    - the business or part of a business concerned;
    - the principal locations affected;
    - the location, function, and approximate number of employees who will be compensated for terminating their services;
    - the expenditures that will be undertaken; and
    - when the plan will be implemented; and

**2.13 Provisions and contingencies (Continues...)**

- has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement that plan or announcing its main features to those affected by it.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

- the amount that would be recognised as a provision; and
- the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised.

**2.14 Translation of foreign currencies**

A foreign currency transaction is recorded, on initial recognition in American Dollars, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

In circumstances where the Trust receives or pays an amount in foreign currency in advance of a transaction, the transaction date for purposes of determining the exchange rate to use on initial recognition of the related asset, income or expense is the date on which the Trust initially recognised the non-monetary item arising on payment or receipt of the advance consideration.

If there are multiple payments or receipts in advance, Trust determines a date of transaction for each payment or receipt of advance consideration.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognised in surplus or deficit in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in reserves, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in reserves. When a gain or loss on a non-monetary item is recognised in surplus or deficit, any exchange component of that gain or loss is recognised in surplus or deficit.

Cash flows arising from transactions in a foreign currency are recorded in American Dollars by applying to the foreign currency amount the exchange rate between the American Dollar and the foreign currency at the date of the cash flow.

**3 Taxation**

The income earned by the Trust is exempt from corporate tax in terms of Income Tax Act (Chapter 23:06), Section 14, Third Schedule sub-paragraph 2L. The Trust being a non-profit making organisation has not provided for corporate tax on this basis.

Figures in USD

## 4 Property and equipment

| | 31-Dec-24 | | | 31-Dec-23 | | |
|---|---|---|---|---|---|---|
| | Cost / Valuation | Accumulated depreciation | Carrying Value | Cost / Valuation | Accumulated depreciation | Carrying Value |
| Land | 104,000 | - | 104,000 | 104,000 | - | 104,000 |
| Buildings | 296,000 | (7,400) | 288,600 | 296,000 | - | 296,000 |
| Furniture and fixtures | 7,383 | (738) | 6,645 | 7,383 | - | 7,383 |
| Motor vehicles | 96,000 | (24,000) | 72,000 | 96,000 | - | 96,000 |
| Office equipment | 24,565 | (7,622) | 16,943 | 20,350 | - | 20,350 |
| **Total** | **527,948** | **(39,761)** | **488,188** | **523,733** | **-** | **523,733** |

**Reconciliation of property and equipment - 31 December 2024**

| | Opening balance | Revaluation | Disposals | Additions | Depreciation | Total |
|---|---|---|---|---|---|---|
| Land | 104,000 | - | - | - | - | 104,000 |
| Buildings | 296,000 | - | - | - | (7,400) | 288,600 |
| Furniture and fixtures | 7,383 | - | - | - | (738) | 6,645 |
| Motor vehicles | 96,000 | - | - | - | (24,000) | 72,000 |
| Office equipment | 20,350 | - | - | 4,215 | (7,622) | 16,943 |
| **Total** | **523,733** | **-** | **-** | **4,215** | **(39,761)** | **488,188** |

**Reconciliation of property and equipment - 31 December 2023**

| | Opening balance | Revaluation | Disposals | Additions | Depreciation | Total |
|---|---|---|---|---|---|---|
| Land | 41,829 | 62,171 | - | - | - | 104,000 |
| Buildings | 174,584 | 121,473 | - | - | (57) | 296,000 |
| Furniture and fixtures | 1,085 | 6,305 | - | - | (7) | 7,383 |
| Motor vehicles | 134,261 | (28,992) | (8,500) | - | (769) | 96,000 |
| Office equipment | 19,644 | (367) | - | 1,926 | (854) | 20,350 |
| **Total** | **371,403** | **160,590** | **(8,500)** | **1,926** | **(1,686)** | **523,733** |

# Notes to the Financial Statements (continued)

for the Year ended 31 December 2024

| Figures in USD | Notes | 2024 | 2023 |
|---|---|---|---|
| **5 Investments in equities** | | | |
| Listed shares | | 145,916 | 145,401 |
| Unlisted shares | | 4,630,000 | 4,513,201 |
| | | **4,775,916** | **4,658,602** |
| **Listed shares** | | | |
| Old Mutual Zimbabwe Limited | | 58,619 | 54,762 |
| Padenga Holdings Limited | | 35,526 | 31,930 |
| Econet Wireless Limited | | - | 17,856 |
| Innscor Africa Limited | | 26,183 | 24,776 |
| Cassava Smartech Zimbabwe Limited | | 723 | 1,997 |
| SEED Company of Zimbabwe Limited | | 1,558 | 2,817 |
| Delta | | 5,955 | 7,013 |
| Simbisa Brands | | 4,761 | 4,249 |
| Tanganda Tea Company Limited | | 12,590 | - |
| | | **145,916** | **145,401** |
| **Unlisted shares** | | | |
| Smartsurburb (Private) Limited | | 4,630,000 | 4,485,275 |
| Marirangwe United Bush Dairy | | - | 27,926 |
| | | **4,630,000** | **4,513,201** |
| | | **4,775,916** | **4,658,602** |
| **6 Trade and other receivables** | | | |
| **Financial instruments:** | | | |
| Income receivable | | - | 7,412 |
| Partners projects receivables | 14 | 12,930 | 585,660 |
| | | **12,930** | **593,072** |
| **Non financial instruments:** | | | |
| Prepayments | | 5,655 | 3,829 |
| | | **5,655** | **3,829** |
| **Total trade and other receivables** | | **18,585** | **596,901** |
| **Split between current and non-current recevables** | | | |
| Current | | 18,585 | 596,901 |
| Non-current | | - | - |
| | | **18,585** | **596,901** |
| **7 Financial assets** | | | |
| **Long term investments** | | | |
| Co-investments | 7.1 | - | 1,644,124 |
| Treasury bills | | 3,797,929 | 3,797,929 |
| | | **3,797,929** | **5,442,053** |

The Treasury bills are initially measured at fair value and subsequently measured at amortised cost using the level 3 valuation methodology.Treasury Bills are traded on an Over the counter (OTC) market which is a secondary market that is less regulated, less transparent and less liquid. In a secondary market, zero coupon bonds are traded at discount rates agreed by the counter parties. The information was gathered on the prevailing discount rates and discounted the Treasury Bills to determine the fair value. The discounted value of the TBs at 31 December 2024 is $3,797,929.00 indicating an average discount rate of 64% from par value. The Trust is confident that the Government will honour the treasury bills due to the sovereign nature of the instrument.

| | | | |
|---|---|---|---|
| **Short-term investments** | | | |
| Co-investments | 7.1 | 1,494,716 | 119,077 |
| Partners projects investments | 14 | 7,816 | 11,044 |
| Other financial Investment | 7.2 | 22,124 | |
| Other financial assets | 7.3 | 294,833 | 50,718 |
| | | **1,819,488** | **180,838** |
| | | **5,617,417** | **5,622,891** |

# Notes to the Financial Statements (continued)

for the Year ended 31 December 2024

| Figures in USD | Notes | 2024 | 2023 |
|---|---|---|---|
| **7 Financial assets (continued)** | | | |
| **7.1 Co- investments** | | | |
| The co-investments are disaggregated as follows: | | | |
| Nurture Finance (Pvt) Limited | | - | 51,547 |
| Blue Agri (Pvt) Limited | | 1,309,157 | 1,286,680 |
| Kalimba Investments (Pvt) Limited | | 94,135 | 109,658 |
| Noble Gold Private Limited | | - | 2,216 |
| Machiareer Investments (Pvt) Limited | | - | 219,860 |
| Nhaka Life Assurance (Pvt) Ltd | | 46,525 | 65,625 |
| Ladyleopullets Pvt Ltd | | - | 27,615 |
| AgroStrong Health and Financial Services | | 41,238 | - |
| Dawnview Cattle Ranch Pvt | | 3,041 | - |
| **Total** | | **1,494,095** | **1,763,201** |
| **Split between current and non current co-investments** | | | |
| Current | | 1,494,716 | 119,077 |
| Non-current | | - | 1,644,124 |
| | | **1,494,716** | **1,763,201** |

Co- investments relates to specific projects in which the Trust invests jointly with targeted businesses under agreed terms and conditions. The investments can either be on long-term or short-term basis.

| Figures in USD | Notes | 2024 | 2023 |
|---|---|---|---|
| **7.2 Other financial Investment** | | | |
| GIF Capital | | 10,500 | - |
| OakFin Capital | | 10,801 | - |
| FCDO Revolving Fund Interest | | 823 | - |
| | | **22,124** | - |

Other financial investment relates funds loaned to Banks and Mircofinaces institutions under the Revolving funds.

| Figures in USD | Notes | 2024 | 2023 |
|---|---|---|---|
| **7.3 Other financial assets** | | | |
| Danish Consul^ | | 45,917 | 45,917 |
| Gold coins* | | 5,479 | 4,801 |
| Machiareer Investment Preference Shares~ | | 221,313 | - |
| | | **272,709** | **50,718** |

^The funds are held by Danish Consul on behalf of the Trust. The funds do not earn interest and are accessible for use by the Trust without any restrictions.

*The gold coins are valued at fair market value determined in terms of level 1 fair value hierarchy.

~ Preference Share were issued by Machiareer Investment at 18% per annum, cumulative redeemable, 2 -Year Preference Shares.They carry a cumulative dividend rate of 18% per annum and a nominal value of US$232,000.00. Preference Shares are discounted at 23% using Average WACC.

| Figures in USD | Notes | 2024 | 2023 |
|---|---|---|---|
| **8 Cash and cash equivalents** | | | |
| Cash and cash equivalents consists of : | | | |
| Cash on hand | | 176,399 | 226,403 |
| Partners projects cash on hand | 14 | 159 | 1 |
| Bank balances | | 76,349 | 33,217 |
| Partners projects bank balances | 14 | 833,004 | 45,607 |
| | | **1,085,911** | **305,227** |

# Notes to the Financial Statements (continued)

for the Year ended 31 December 2024

| Figures in USD | Notes | 2024 | 2023 |
|---|---|---|---|
| **9 Revolving fund** | | | |
| **Opening balances 1 January** | | 3,832,813 | 452,611 |
| Capital fund replenishment* | | - | 3,380,202 |
| **Closing balance 31 December** | | **3,832,813** | **3,832,813** |
| **10 Trade and other payables** | | | |
| **Financial instruments:** | | | |
| Trade payables | | 48 | 239 |
| Audit fees | | 736 | 1,808 |
| Pension and leave pay provision | | 3,377 | 17,392 |
| Partners projects payables | 14 | - | 5,964 |
| Deffered interest | | - | 125 |
| Statutory liabilities | | 18 | - |
| | | **4,179** | **25,527** |
| **Components of financial instruments** | | | |
| At amortised cost | | **4,179** | **25,527** |
| **11 Revenue** | | | |
| **Revenue from contracts with customers** | | | |
| Rendering of services | | 235,589 | 214,023 |
| The Trust disaggregates revenue from customers as follows: | | | |
| **Rendering of services** | | | |
| Income from co-Investments | | 175,486 | 166,882 |
| Dividend and Interest from short term investments | | 60,103 | 47,142 |
| | | **235,589** | **214,023** |
| **Timing of revenue recognition** | | | |
| **Over time** | | | |
| Rendering of services | | 235,589 | 214,023 |
| **Total revenue from contracts with customers** | | **235,589** | **214,023** |
| **12 Other operating gains (losses)** | | | |
| Bad debts recovered | | - | 123 |
| Sale of scrap | | - | 873 |
| Exchange gains | | 1,114 | 3,178,658 |
| Fair value gains on equity investments | | 1,582 | 31,461 |
| Fair value gains- investment properties | | 105,736 | 5,630,192 |
| Fair value gains on co-investments | | (1,738) | 49,799 |
| Mr Brands - Discount value | | (10,688) | - |
| Partners projects income | 14 | 1,554,643 | 1,412,293 |
| Profit on disposal | | - | 4,778 |
| | | **1,650,649** | **10,308,176** |

| Figures in USD | 2024 | 2023 |
|---|---|---|
| **13 Surplus for the year** | | |
| Operating surplus / (deficit) for the year is stated after charging (crediting) the following, amongst others: | | |
| **Auditor's remuneration - external** | | |
| Audit fees | 8,496 | 11,254 |
| **Remuneration, other than to employees** | | |
| Consulting and professional services | 10,382 | 5,212 |
| **Employee costs** | | |
| Salaries, wages and bonuses | 131,080 | 146,813 |
| Staff allowances | 10,599 | 6,249 |
| Overtime | - | 213 |
| Medical aid | 8,986 | 7,591 |
| Leave pay | (3,420) | 10,726 |
| Retirement benefits - defined contributions | 11,175 | 12,911 |
| **Total employee costs** | **158,421** | **184,502** |
| **Depreciation and amortisation** | | |
| Depreciation of property and equipment | 39,761 | 3,632 |
| **Total depreciation and amortisation** | **39,761** | **3,632** |
| **Movement in credit loss allowances** | | |
| Trade and other receivables | 2,216 | 7,039 |
| **Finance costs** | | |
| Bank charges | 6,168 | 4,359 |
| **Total finance costs** | **6,168** | **4,359** |
| **Expenses by nature** | | |
| The total selling and distribution expenses, marketing expenses, general and administrative expenses, maintenance expenses and other operating expenses are analysed by nature as follows: | | |
| Employee costs | 158,421 | 184,502 |
| Finance costs | 6,168 | 4,359 |
| Depreciation, amortisation and impairment | 39,761 | 3,632 |
| Other expenses | 1,378,267 | 1,944,387 |
| | **1,582,617** | **2,136,881** |

# Notes to the Financial Statements (continued)

for the Year ended 31 December 2024

| Figures in USD | Notes | 2024 | 2023 |
|---|---|---|---|
| **13 Surplus for the year (continued)** | | | |
| Operating surplus / (deficit) for the year is stated after charging (crediting) the following, amongst others: | | | |
| **13.1 Other expenses** | | | |
| Audit fees | | 8,496 | 11,254 |
| Business development meetings | | 4,563 | 3,867 |
| Annual reports concepts | | 1,386 | 2,379 |
| Review of website | | 350 | 235 |
| Board fees and other expenses | | 5,792 | 9,607 |
| Cleaning and teas | | 795 | 1,999 |
| Computer network and internet | | 5,957 | 3,244 |
| Consulting fees | | 2,307 | 2,013 |
| IT consultancy costs | | 7,200 | 3,198 |
| Expected credit losses | | 2,216 | 7,039 |
| Meadows | | - | 21,326 |
| Electricity & water | | 2,551 | 5,271 |
| General expenses | | 59 | 86 |
| Insurance | | 10,828 | 7,349 |
| Legal fees | | 207 | 1,406 |
| Motor vehicle expenses | | 5,637 | 13,159 |
| Printing & stationery | | 249 | 381 |
| Repairs & maintenance | | 2,372 | 3,042 |
| Security | | 1,830 | 1,013 |
| Telephone & fax | | 179 | 566 |
| Contingencies | | - | 136 |
| Office signage and posters printing and designing | | 1,019 | - |
| Sundry Expenses | | 1,067 | |
| Partners projects expenses | 14 | 1,313,797 | 397,346 |
| Loss on disposal | | - | 4,778 |
| | | **1,378,857** | **495,915** |

**14 Partners' Projects**

Included in the financial statements are transactions for the projects funded by DCA, AGF, SNV, Embassy of Sweden and FCDO. Below are the reports showing the breakdown of these transactions and balances:

**14.1 DanChurchAid (DCA)**

| | 2024 | 2023 |
|---|---|---|
| **Current Assets** | | |
| Cash on hand | - | 4,500 |
| Loans to 39 Dzumbunu Farmers | - | 36,000 |
| | - | **40,500** |
| **Current Liabilities** | | |
| DanChurchAid | - | 40,500 |
| | - | **40,500** |
| **Net assets** | - | - |

# Notes to the Financial Statements (continued)

for the Year ended 31 December 2024

| Figures in USD | 2024 | 2023 |
|---|---|---|
| **14 Partners' Projects (Continued)** | | |
| **14.2 African Guarantee Fund (AGF)** | | |
| **Income** | | |
| Grant income | (23,284) | 25,000 |
| | **(23,284)** | **25,000** |
| **Expenditure** | | |
| Printing & stationery | - | 252 |
| Bank charges | 184 | 493 |
| Media livestreaming | - | 870 |
| Conference package rooms | - | 1,350 |
| Mentorship Fees | - | 18,062 |
| Profiling | - | 582 |
| | **184** | **21,609** |
| **Surplus / Deficit for the year** | **(23,468)** | **3,391** |
| Opening retained income | 38,697 | 35,306 |
| **Closing retained income** | **15,229** | **38,697** |
| **Current Assets** | | |
| Cash at bank | 2,729 | 2,913 |
| Cash on hand | - | 1 |
| Receivables | 12,500 | 35,784 |
| | **15,229** | **38,697** |
| **Current liabilities** | | |
| Payables | - | - |
| | **-** | **-** |
| | **15,229** | **38,697** |

# Notes to the Financial Statements (continued)

for the Year ended 31 December 2024

| Figures in USD | 2024 | 2,023 |
|---|---|---|
| **14 Partners' Projects (Continued)** | | |
| **14.3 Stitching Nederlandse Vrijwilligers (SNV)** | | |
| **Income** | | |
| Grant income | - | - |
| **Expenditure** | | |
| Bank charges | 424 | 400 |
| Investment Income | - | 524 |
| Legal fees | - | 77 |
| | **424** | **1,001** |
| Deficit for the year | **(424)** | **(1,001)** |
| Opening retained income | 49,447 | 50,448 |
| **Closing retained income** | **49,023** | **49,447** |
| **Current Assets** | | |
| Cash at bank | 41,208 | 38,468 |
| Investments | 7,816 | 11,044 |
| | **49,023** | **49,511** |
| **Current liabilities** | | |
| Payables | - | 64 |
| | **49,023** | **49,447** |
| **14.4 CAUSEWAY** | | |
| **Income** | | |
| Grant income | 736,464 | 922,939 |
| Other Income - Motor Bike Disposal | 12,600 | - |
| | **749,064** | **922,939** |
| **Expenditure** | | |
| Project inception costs | - | 14,358 |
| Administration costs | 56,571 | 5,163 |
| Project operation costs | 319,070 | 23,400 |
| Printing & stationery | 33,516 | 9,181 |
| Salaries & wages | 312,030 | 118,889 |
| Procurement | 52,601 | 203,746 |
| | **773,788** | **374,736** |
| **(Deficit) / Surplus** | **(24,724)** | **548,203** |
| Opening retained income | 548,203 | - |
| **Closing retained income** | **523,479** | **548,203** |
| **Current Assets** | | |
| Cash at bank | 523,049 | 4,226 |
| Cash-Danish and Norwegian Consulates | - | 549,876 |
| Receivables | 430 | - |
| | **523,479** | **554,103** |
| **Current liabilities** | | |
| Payables | - | 5,900 |
| | **523,479** | **548,203** |

# Notes to the Financial Statements (continued)

for the Year ended 31 December 2024

| Figures in USD | | 2024 | 2023 |
|---|---|---|---|
| **14** | **Partners' Projects (Continued)** | | |
| **14.5** | **FCDO** | | |
| | **Income** | | |
| | Grant | 805,579 | - |
| | | **805,579** | **-** |
| | **Expenditure** | | |
| | Project Inception Costs | 10,413 | - |
| | Administration Costs | 7,524 | - |
| | Revolving Fund Disbursement | 477,627 | - |
| | Procurement | 6,494 | - |
| | Salaries & Wages | 18,508 | - |
| | Project Operation Costs | 18,836 | - |
| | | **539,401** | **-** |
| | **Surplus for the year** | **266,178** | **-** |
| | Opening retained income | - | - |
| | **Closing retained income** | **266,178** | **-** |
| | **Current Assets** | | |
| | Petty cash | 159 | - |
| | Cash at bank | 266,019 | - |
| | Total Assets | **266,178** | - |

**Figures in USD**

## 15 Related parties

### 15.1 Relationships

| | |
|---|---|
| Those charged with governance | Board of Trustees [Page 1] |
| Key management personnel | Chief Executive Officer [Mr Chinoera] |

| | 2,024 | 2,023 |
|---|---|---|
| **15.2 Related party balances** | | |
| **Current payables** | | |
| Members of key management | - | 3,597 |
| | **-** | **3,597** |
| **15.3 Related party transactions** | | |
| **Trustees emoluments** | | |
| Members of key management | 83,620 | 73,991 |
| Trustees | 5,512 | 9,607 |

## 16 Fair value information

**Fair value hierarchy**

The table below analyses assets and liabilities carried at fair value. The different levels are defined as follows:

Level 1: Quoted unadjusted prices in active markets for identical assets or liabilities that the trust can access at measurement date.

Level 2: Inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

| | 2024 | 2023 |
|---|---|---|
| **Levels of fair value measurements** | | |
| **Level 1** | | |
| **Recurring fair value measurements** | | |
| Gold coins | 5,479 | 4,801 |
| Listed equities | 145,916 | 145,401 |
| | **151,395** | **150,202** |

**Valuation techniques used to derive level 1 fair values**

The values of listed equities were obtained from Zimbabwe Stock Exchange.

The values of gold coins were obtained from the Reserve Bank of Zimbabwe.

| | 2024 | 2023 |
|---|---|---|
| **Level 2** | | |
| **Recurring fair value measurements** | | |
| **Investments in equities** | | |
| Unlisted equities | **4,630,000** | **4,513,201** |

| Figures in USD | 2024 | \2023 |
|---|---|---|
| **16 Fair value information (Continued)** | | |
| **Level 2 (continued)** | | |
| **Property and equipment** | | |
| Building | - | 296,000 |
| Motor vehicles | - | 96,000 |
| Land | - | 104,000 |
| Furniture and fixtures | - | 7,383 |
| Office equipment | - | 20,350 |
| **Total property and equipment** | **-** | **523,733** |
| **Total** | **-** | **5,036,934** |

**Valuation techniques used to derive level 2 fair values**

**Unlisted equities**

The value of unlisted Smartsurburb (Private) Limited shares was derived from the market value of land which is the only asset owned by the company. The valuation of the property was done by the valuation experts at the reporting date.

**Level 3**

**Recurring fair value measurements**

| **Financial assets** | | |
|---|---|---|
| Machiareer Investment Preference Shares~ | 221,313 | - |
| Treasury bills* | 3,797,929 | 3,797,929 |

**Valuation techniques used to derive level 3 fair values**

~ Preference Share were issued by Machiareer Investment at 18% per annum, cumulative redeemable, 2 -Year Preference Shares.They carry a cumulative dividend rate of 18% per annum and a nominal value of US$232,000.00. Preference Shares are discounted at 23% using Average WACC

*The Treasury bills are initially measured at fair value and subsequently measured at amortised cost using the level 3 valuation methodology.Treasury Bills are traded on an Over the counter (OTC) market which is a secondary market that is less regulated, less transparent and less liquid. In a secondary market, zero coupon bonds are traded at discount rates agreed by the counter parties. The information was gathered on the prevailing discount rates and discounted the Treasury Bills to determine the fair value. The discounted value of the TBs at 31 December 2024 is $3,797,929.00 indicating an average discount rate of 64% from par value. The Trust is confident that the Government will honour the treasury bills due to the sovereign nature of the instrument.

**17 Going concern**

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The Trustees believe that under the current economic environment, a continuous assessment of the ability of the Trust to continue to operate as a going concern will need to be performed to determine the continued appropriateness of the going concern assumption that has been applied in the preparation of these financial statements.After considering the uncertainties described above, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. It is for the following reasons that the Trust has adopted the going concern basis of accounting in preparing the annual financial statements.

# 11. Appendices

Table 1: Founding and funding partners

| | |
|---|---|
| Foreign, Commonwealth & Development Office | Hivos people unlimited |
| Ministry of Foreign Affairs of Denmark DANIDA International Development Cooperation | SNV Impact that matters |
| Ford Foundation | DCA actalliance |
| Sweden Sverige | UK International Development Partnership \| Progress \| Prosperity |

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