

ZIMBABWE AIDS ORPHANS SOCIETY  
& DZIKWA TRUST FUND

ANNUAL REPORT  
&  
FINANCIAL STATEMENTS  
2009



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*Education is your  
pathway to a better life!*

## **PART I      ANNUAL REPORT 2009**

### **1 PURPOSE AND OBJECTIVES OF OPERATIONS**

#### **Mission, aims, values and approach**

*The Zimbabwe AIDS Orphans Society* (henceforth the *Society*) was established in 2003 to support development cooperation at grassroots level in Zimbabwe. The Society creates sustainable conditions for the basic education and overall welfare of talented and needy orphans in Zimbabwe. The Society focuses its support on helping the most vulnerable children, and in this way brings justice to children in developing countries.

Basic education is a fundamental right of every child. However, this right is not necessarily realised for children in developing countries. The Society operates on the premise that also the poor orphans of developing countries have a right to basic education and to an environment in which they can grow, develop and find their own potential. Every child needs learning, knowledge, skills, support and security.

The concrete objective of our support programme is to secure the basic education of 400 orphans safely in their own environment and to see to their overall welfare and development. Our ultimate aim is to empower African orphans and give them the means to lead a fulfilling life. We place special emphasis on the education of girls.

The basic values fostered by the programme are hard work, honesty, a sense of responsibility and commitment, initiative, openness and help for the less fortunate.

2009 marked the seventh year of the Society's operations, though the Finnish founders first started to support orphans back in 1992. Today, the Society's programme covers some 430 orphans in Dzivarasekwa. It has neither political nor religious affiliation.

At the end of 2009, the Society had 281 members. Sponsors numbered 273, of whom 241 were in Finland and the remainder in Germany, England and Scotland.

#### **Approach to operations**

The focus of the Society's support programme is on Dzivarasekwa, a poor township with 100,000 inhabitants on the outskirts of Zimbabwe's capital, Harare. The programme takes the form of long-term help, taking local conditions into account. The Society's cooperative partner in Zimbabwe is the *Dzikwa Trust Fund* (henceforth *Dzikwa*), set up in 2002. A written Memorandum of Understanding exists between the Society and Dzikwa according to which the division of responsibilities is as follows:

- The Society collects sponsorship payments, donations, and other funds and resources from its members, sponsors and other supporters. For a second 3-year period (2009-2011), the Society has received a project grant from the Finnish Ministry for Foreign Affairs under its NGO Development Cooperation Programme. The Society places the funds, project support

and other resources in their entirety at the disposal of Dzikwa for purposes set out in the Memorandum of Understanding.

- Dzikwa plans, directs, implements and monitors all operations on the spot. Dzikwa's staff members are in daily contact with the children.
- Every effort is made to keep the number of children at a level that enables staff members to be familiar with the home conditions, school performance and personality of each child individually. A record with photographs is kept of each child.
- Dzikwa pays all expenses arising from the children's education, meals, health care and other activities direct; no money is given to the children themselves or to their guardians.



### Scope of support

Support given through Dzikwa covers school fees, levies and other compulsory payments, school uniforms, shoes and sportswear, text and exercise books and other school accessories plus participation in extra lessons if necessary. In addition, the children receive one hot meal every day of the year, basic health care, and the opportunity to participate in environmental education and in at least one joint cultural and sports event a year. The support programme gives priority to basic education. Dzikwa also runs a Shelter for 30 homeless orphans.

### Selection of children

The Dzikwa children qualifying for full support under the programme must satisfy five criteria: 1) they must be orphans or half-orphans; 2) they must have started, or be about to start, school in Dzivarasekwa; 3) their guardians must be without means to pay the compulsory school fees and other school-related expenses; 4) they must be doing reasonably well at school; and 5) they must be well behaved and keen to learn. Some of the children selected for the programme are referred by their school; others come on their own or a friend's initiative or at the request of their guardians.



The Finnish founders, Seppo Ainamo and Oili Wuolle, spend about half of the year in the field in Zimbabwe overseeing the running of operations.

## 2 SUPPORT OPERATIONS IN 2009

### 2.1 SUPPORT FOR SCHOOL ATTENDANCE

#### Number and distribution of children

In 2009, Society support focused as before on two groups of children, called *Alpha* and *Omega*. Every child in the Alpha group has a personal sponsor and receives full support from Dzikwa in the course of the year. The children in the Omega group do not satisfy all five criteria. They do not

receive full support from Dzikwa and do not have a personal sponsor. They are selected mainly on social grounds from among the most deprived.

**At the end of 2009, Society support covered 423 orphans at school and 10 students in higher education.**

The past year, 2009, was the most difficult in the Society's history. Zimbabwe's 10-year-long recession ended in hyperinflation, and in the collapse and, finally, suspension of the country's own currency. The government decision to dollarise Zimbabwe's economy in February 2009 led to a substantial increase in prices in real terms of all products, services and charges. The hike in school fees exacerbated the plight of children in Dzivarasekwa. Thus, 2009 was the first year that Dzikwa was not able to accept all the children proposed for the programme, even when they fulfilled all five criteria. Our budgeted resources were simply not able to cope with the numbers in need of help.



In Term I in 2009, the number of children receiving support for school attendance was 552, of whom 253 were in the Alpha group and 299 in the Omega group. The drastic increase in real costs forced us to make a big reduction in the number of children without sponsors, and to give priority to sponsored Alpha group children. In Term III, then, there were 285 children in the Alpha group but only 138 in the Omega group. The number of children also fluctuates in the course of the year because some may move away whilst others urgently in need of help, and who fulfil the programme's criteria, may come to Dzikwa's notice.

*Table 1: Distribution of children receiving support*

| <b>Distribution of children (Alpha + Omega) at beginning and end of school year 2009</b> |                 |                   |                |                  |                 |                   |
|------------------------------------------------------------------------------------------|-----------------|-------------------|----------------|------------------|-----------------|-------------------|
|                                                                                          | I/2009<br>Girls | III/2009<br>Girls | I/2009<br>Boys | III/2009<br>Boys | I/2009<br>Total | III/2009<br>Total |
| Primary school<br>1-7                                                                    | 199             | 169               | 143            | 101              | 342             | 270               |
| Secondary school<br>1-6                                                                  | 145             | 108               | 65             | 45               | 210             | 153               |
| <b>School: Total</b>                                                                     | <b>344</b>      | <b>277</b>        | <b>208</b>     | <b>146</b>       | <b>552</b>      | <b>423</b>        |
| Higher education                                                                         | 5               | 5                 | 4              | 5                | 9               | 10                |
| <b>Total</b>                                                                             | <b>349</b>      | <b>282</b>        | <b>212</b>     | <b>151</b>       | <b>561</b>      | <b>433</b>        |

Girls made up almost 65% of the children receiving support. For the latest Term I figures by school and level, please refer to our web site at [www.zim-ortvot.org](http://www.zim-ortvot.org)

In 2009, 57 children took the Grade 7 Exam, 26 sat for their O-levels and 4 for their A-levels. With their sponsors' support, three boys who passed their A-levels in 2008 were studying for their Cambridge A-levels at Harare's Speciss College, and five Dzikwa youngsters were at polytechnics

studying a range of subjects: pharmatechnology, tourism, teacher training, hairdressing, and motor vehicle systems. Unfortunately one boy dropped out of journalism studies after his first year. With Dzikwa support, two youngsters were at university, one of them studying accounting at Chinhoyi University of Technology and the other History and Development Studies at Midlands State University.

### **School achievement**

With the support of the Society, Dzikwa helps the children financially and in other ways to attend school. The children, in return, are expected to work hard at school. In 2009, the average grade required of new children entering the support programme was 60%, as calculated from the maximum number of points. Children at boarding school and private secondary school are expected to achieve an average grade of 70%. Dzikwa collects the report of every child each term, that is, three times a year. The data are entered into databases and analysed. If there is a drop in a child's grades, every effort is made, together with the child, teachers and guardian, to find out why performance has deteriorated. Children are always given a second chance if the reason for poor performance is sickness or an otherwise difficult life situation.

**Regular extra lessons** are essential, as the children's home conditions are not conducive to study for lack of space, light, a desk, other equipment, and peace and quiet. Due to the economic downturn of recent years, the standard of teaching in Dzivarasekwa's schools has fallen. The children's education has been disrupted by teacher shortages, a lack of books and other teaching material, and also by the - at times - extended strikes by teachers. In 2009, however, schools returned to a more or less normal regime, at least if compared with 2008, though there were still some strikes at the beginning of Terms I and III.

Four retired local teachers gave regular extra lesson to primary school children three days a week throughout the year. The groups met in the yard of the Dzikwa Board Vice Chairperson's home or, in the rainy season, in premises rented by Dzikwa. An experienced teacher from the Teachers' Training College gave lessons in Maths to O- and A-level pupils throughout the year. English lessons were also given regularly. In addition, local secondary school teachers gave O- and A-level pupils extra lessons in science during their school holidays. The pupils at Dewure boarding school received extra lessons in Maths, Accounting and Science at their own school.



On average, 10% of Alpha children received extra lessons at primary level. Fifty secondary school pupils had regular extra lessons in Maths, and 31 in English. During their school holidays, over 50 O- and A-level pupils received extra lessons.

**Harare International School (HIS)** continued its Interact programme with Dzikwa with enthusiasm. Groups of 5<sup>th</sup> and 6<sup>th</sup> formers made several visits to Dzikwa Shelter on Saturdays to give lessons in Maths and English and to play, do crafts and enjoy other extra-curricular activities with the children. To mark the 20<sup>th</sup> anniversary of the UN Convention on the Rights of the Child, HIS pupils mounted an exhibition entitled "Sharing the Planet" at their own school. The exhibition

illustrated the daily life and school day of Dzivarasekwa orphans. HIS pupils also collected over USD 1,500 in donations for Dzikwa plus books, school accessories and games for the children as well as food and hygiene supplies for disabled children.

Sponsor Markku, a retired computer applications and IT expert, taught **basic computer skills** to small groups in January-May. A total of 175 pupils attended his classes. Volunteer Mari held **photography courses** for a total of 60 children and Maria taught **Geography and English** to a total of 62 children.



### **Schools**

In 2009, Dzikwa children were attending all Dzivarasekwa state primary schools (5) and municipal primary schools (3). In addition, children on the programme were at four local secondary schools (two state and two private day schools), and at two special schools for the disabled. The majority of Dzikwa children are at day school. Of the O- and A-level pupils, 41 were at boarding school: 40 at Dewure Secondary School, and one boy at Gutu High School, both about 250 km south of Harare; 29 of the boarding school pupils were girls and 12 were boys. Dzikwa can send a child to boarding school with the consent of the sponsor if home conditions are particularly difficult and school performance is consistently above average (at least 70%).

In 2009, the number of pupils at Dzivarasekwa schools fell by about 35% on the previous year owing to the real increase in school fees. For more information about schools, please visit our website [www.zim-ortvot.org](http://www.zim-ortvot.org).

### **Chemistry lessons the Finnish way**

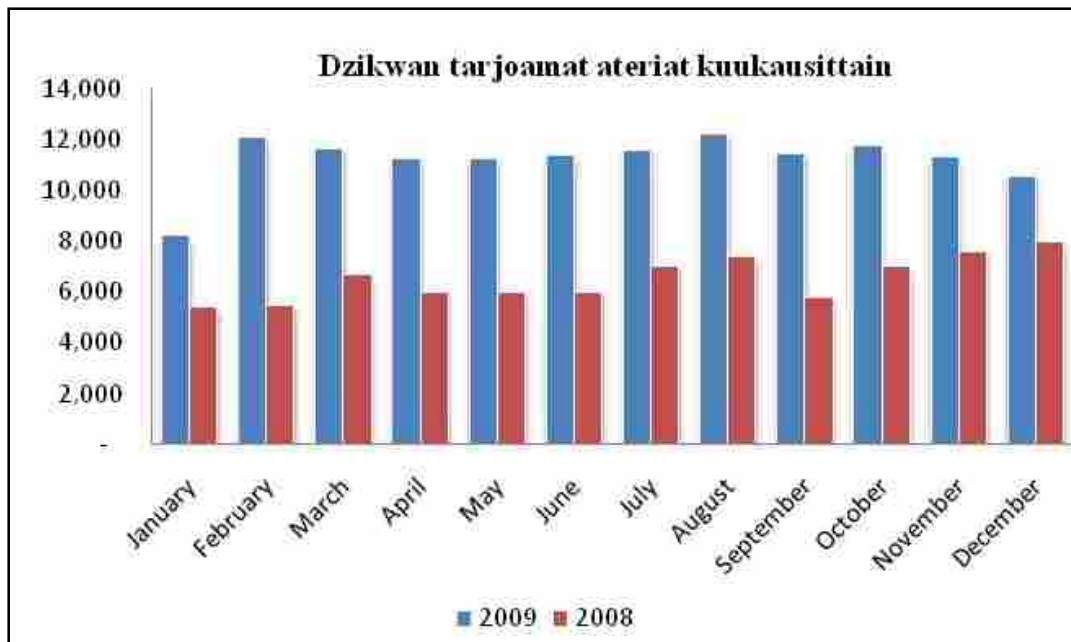
Marja-Leena (Maru) Åkerman, a Chemistry teacher from Helsinki Metropolia University of Applied Sciences in Vantaa, made history by holding Chemistry laboratory classes for A-level pupils at Dzivarasekwa High School I for one month in September/October. The teaching experiment required the permission of Zimbabwe's regional education authorities, and at their request included pupils from three nearby secondary schools. Practical arrangements were made by Dzikwa Trust together with DZ High I school. Maru was not put off by the lack of supplies, electricity cuts or water shortages, and the whole experiment was deemed a major success thanks to Maru's expertise, determination and positive outlook together with the pupils' enthusiasm. Altogether 32 A-level pupils from four schools took part in the course. They all received a grade and a report for their participation. The lab equipment that Maru brought from Finland and all the chemicals acquired in Harare remained with DZ High I. Many thanks to Metropolia for your support!

## **2.2 OTHER FORMS OF SUPPORT**

### **Daily meals**

Zimbabwean day schools do not provide meals for pupils as Finnish schools do. However, hungry children don't learn, and so for the seventh year running Dzikwa served the children one hot meal every day of the year. In 2009, the grand total came close to 135,000 meals, or 71% more than in the previous year (79,000 meals in 2008). On the busiest days, meals were served to 460 children.

Fig. 1: Number of meals prepared in Dzikwa's kitchen, by month



The daily meal consists of a maize porridge (*sadza* in Shona) and small portions of either meat or fish (*kapenta*) with vegetables. The meals are prepared over an open fire in a shed in the grounds of one of the schools by six mothers of Dzikwa children. The cooks, in two groups of three, alternate every two weeks. They keep a meticulous daily record of the children who come to eat and see to it that meal times go smoothly. All Dzikwa children, from both the Alpha and Omega groups, are entitled to a daily meal.

At the beginning of 2010, the number of children coming for the daily meal fell slightly, as in January Dzikwa provided 8,370 and in February 8,145 meals.



## Major acquisitions in 2009

Table 2: Bulk purchases of meat and other basic foods for meals in 2008 and 2009

| Item                 | Number 2008 | Kg/litres 2008 | Number 2009 | Kg/litres 2009 |
|----------------------|-------------|----------------|-------------|----------------|
| Bullocks/meat        | 21          | 4,500 kg       | 23          | 5,935 kg       |
| Maize meal           |             | 16,500 kg      |             | 18,000 kg      |
| Cooking oil          |             | 360 litres     |             | 500 litres     |
| Fish, <i>Kapenta</i> |             | 750 kg         |             | 1,000 kg       |
| Beans                |             | 400 kg         |             | 900 kg         |
| Food parcels         | 50          |                | 60          |                |

Large amounts of basic vegetables (onions, tomatoes, cabbage, spinach and other greens) were either bought or home-grown. Lunch is served from 10 am to 2 pm on weekdays and from 11 am to 1.30 pm at weekends. As well as this lunch eaten by all the children together, Dzikwa provides daily breakfast and dinner for the 30 children living in the Shelter.

The distribution of food parcels, launched on the initiative of the Finnish actor Matti Ranin in 2007, continued in 2009. Sixty parcels containing basic foods were bought and distributed to Dzivarasekwa families in the most dire need. Dzikwa received a donation of 400 kg of foodstuffs through the Greek Embassy. One of the churches in Dzivarasekwa also donated food. The only trip made to a neighbouring country to buy food was to Mozambique at the beginning of the year.



Other major purchases were school uniforms, school shoes, school accessories and toiletries. With dollarisation and the end of rationing, shop shelves filled up once again, though mostly with imported goods costing more than in neighbouring countries. After the beginning of the year, all purchases could be made in Zimbabwe.

### **Health care and welfare**

With the support of the Society, Dzikwa was able to take children with acute health problems to a doctor or hospital and to purchase medication as prescribed. Typical mild disorders were colds, gastric upsets, parasites, various skin diseases, minor contusions and burns. There were also some cases of malaria. Dzikwa also organises acute dental care, eye tests and purchases of glasses.

The cholera epidemic, which had lasted over 11 months, reaching alarming proportions at the end of 2008, continued at the beginning of 2009. Six of our children were infected but luckily all survived thanks to prompt administration of the correct medication. Dzikwa purchased quantities of strong cleansers and disinfectants, water purification tablets and medicines. Dzikwa was helped by the 600 packs of rehydration salts donated by a Finnish Red Cross team; dehydration, after all, is the major cause of death in cholera. The Finnish Red Cross, which spent several months working with cholera victims in eastern Zimbabwe, also gave us information leaflets in Shona. By early 2010, more than 70 cases of cholera had been registered in Zimbabwe, over 80% of them in rural areas.

During the year Dzikwa children paid 165 visits to the doctor and health care centre (141 in 2008). The majority of these were to Dr Chagonda's clinic in Dzivarasekwa, which gives Dzikwa a 50% reduction. Some of the children were taken to the surgeries of private specialists. Help was not readily forthcoming at the beginning of the year, as most hospitals were still closed due to strikes by doctors and nurses. The director of Harare Central Hospital was presented with several boxes of medical supplies from Finland; once again many thanks to Pirkko in Siuntio and to Jorvi Hospital in Espoo.

The daily comfort of the children was greatly improved by mattresses made from the rolls of foam rubber donated by sponsor Rauno. The mattresses were distributed to over 100 homes.

Medical costs were partially covered, as previously, by a German organisation, Harare e.V., from Bonn, which includes several sponsors among its members. In Harare, Dzikwa receives local support from the city's leading private hospital (St Anne's), which provides, when required, beds and the services of an operating theatre free of charge; the only expenses incurred by Dzikwa are for doctors' fees and medicines. Dzikwa children also get free treatment from a dermatologist and a local ophthalmologist.

### **The Dzikwa Shelter and Junior House**

The majority of the orphans live with relatives, the tradition of the extended family being strong in Zimbabwe. Nevertheless, there are some without a decent place to live, and for them Dzikwa has maintained a Shelter house since June 2005. At the end of 2009, there were 30 children in the Dzikwa Shelter. The children are in the care of Matron Piona employed by Dzikwa, who lives in the house, sees to their daily needs and keeps an eye on them generally. The Shelter also houses a library for all Dzikwa children, and provides facilities for meetings, extra lessons, cultural evenings and other get-togethers.



For the second year, Dzikwa rented another house, called Junior House. This provided a home for six children, who are in the care of one of Dzikwa's two field workers.

During the year, the house was used for storing supplies and for extra lessons and also as a meeting place for the younger children. At weekends, Dzikwa's various cultural clubs used the yard for rehearsals.



### **Tree planting and vegetable garden**

Dzikwa's own forestry project made fair progress in 2009. Owing to electricity cuts, the wood is used daily in the school kitchen, Shelter and Junior House. Our self-taught environmentalist, Mr Mhakayakora, grew over 4,000 eucalyptus seedlings, some of which were planted in May, and the majority in November once the rains had begun. Unfortunately, at least 750 were destroyed by a wildfire during the dry season. A long-term agreement with Zimbabwe's Forestry Commission was still not concluded in 2009. The Forestry Commission rents 90 hectares of wasteland from the City of Harare and had to request the City Council for permission to rent the land to a third party.

The contract with the Forestry Commission was signed in March 2010. Dzikwa aims to plant a 60-hectare area over the next ten years, which will call for some 60,000 seedlings.

### **Dzikwa's vegetable garden**

The garden, which has been planted in an area set aside for us in the backyard of DZ#4 School, did very well in 2009. At weekends the children were kept busy preparing the soil, planting and watering, and from May onwards, enough vegetables (beans, tomatoes, cabbages, spinach, carrots and onions) were harvested to meet most of the needs of the kitchen and Shelter. In the course of the year, another vegetable garden was established on Dzikwa's Rujeko Street plot.



### **Children's recreational activities**

Dzikwa lays great stress on joint events, sports, the arts and nature outings. In the year under review, a total of 1,657 Dzikwa children took part in 19 extracurricular events, entertainments or field trips (in 2009 the total was 814 in 9 events).

#### ***Music, dancing and singing:***

The organised singing, instrumental, dancing and drama instruction launched in 2006 continued with enthusiasm under the direction of Pamuzinda, a local music and dance group, with financing from the German sponsors, Harare e.V. In the course of 2009, just under 100 children (60 in 2008) took part regularly in marimba, dance and drama groups, which in term time met for two hours on Saturdays and Sundays.

Dzikwa's 20-voice choir learnt a much loved Finnish Christmas carol "En etsi valtaa loistoa" (I do not seek power or glory) with volunteers Maria and Mari. The performance was also filmed. To listen to the children singing this carol and other songs and watch them dancing, click this link on YouTube <http://www.youtube.com/user/ZimOrvot>.

### HIFA:

In 2009, Zimbabwe's International Festival of Arts (HIFA), which is held every year in May, was a very special occasion for Dzikwa, as, for the first time ever, our Marimba players and dancers were invited to perform in the Youth Zone. Lasting an hour, their scintillating show attracted much favourable attention. Over 200 Dzikwa children were loud in their support. Thanks to the free tickets given to us by the HIFA, another 97 children got to enjoy other events at the Festival.



### Rushinga Annual Arts Festival:

Dzikwa was invited by Zimbabwe's Deputy Minister of Education to attend the cultural festival at Rushinga, a town some 200 km northeast of Harare. The performance by the Dzikwa marimba players was not a competitive event.

### Dzikwa Annual Sports Day:

As in previous years, the main sporting event in 2009 was Dzikwa's very own sports day, held this time on Friday 28 August. The day-long event was held at Zimbabwe University Sports Ground. Altogether 250 enthusiastic athletes competed in the five track and field events as both individuals and teams. As before, the four teams were Cheetah, Impala, Kudu and Sable. A written record was kept of all results, which were published on our website. Our volunteer Maria measured and weighed all the participants. Guest of honour was Mrs Marah Hativagone, former President of the National Chamber of Commerce and Chairperson of the Friends of Dzikwa Executive Committee. Among the prizes were backpacks, pencil cases, calculators, caps, T-shirts, torches and toys as well as fine trophies for the winners: many thanks to the donors in Finland and Zimbabwe.



### Going to the theatre:

Important entries in our busy cultural calendar in 2009 were visits to the theatre. The children were taken to the Theatre Upstairs at the local REPS theatre and to the Theatre in the Park. At the beginning of December, 150 children enjoyed the annual Christmas pantomime, this time "Song of Sixpence". Altogether, over 200 Dzikwa children went on **theatre outings** in the course of 2009.

### Other fun for the children:

Dzikwa held its own **Christmas party** on 2 December, which was attended by 270 children and, of course, Father Christmas with presents.

On 19 September, Maria and Maru organised “**Shiny Shelter Day**”, a **grand cleaning session** in the Shelter. The children living in the Shelter and also other children learned exactly what spring cleaning entails in Finland. The Shelter, DZ #4 School and Nhamburiko School provided the venue of a number of Dzikwa’s **own cultural events**, at which the children put on their own programmes of poetry recitation, plays, choral singing, marimba playing and dancing.

Altogether 52 orphans who had done particularly well at school or whose sponsors were visiting went on **field trips** to Chipangali Wildlife Orphanage, the Great Zimbabwe Ruins, Bulawayo Natural History Museum, Imire Game Reserve, the Bally Vaughan Animal Sanctuary or Antelope Park. We also made an expedition to Chinhoyi Caves. Children have a chance to enjoy the unique natural surroundings of their country, see wild animals, and learn to appreciate what their beautiful country has to offer as a tourist resort.



At the end of January, we celebrated the wedding of Brenda and Edison. Brenda, who was escorted down the aisle by Seppo, thus became the first of Dzikwa’s girls to marry. Also present at the ceremony were Brenda’s sponsors, Sirkka and Bo, and volunteer Hanna from Finland.

### **Goods and other special donations**

Sponsors remembered their children with numerous small gifts or by depositing money in the Society’s account to buy something locally. In January we distributed Christmas parcels to over 100 children, and later in the year the container from Finland brought parcels for another 100 or so. Many thanks – *tatenda*, your gifts bring enormous joy to the recipients. The children also received a large amount of clothes, shoes, exercise books and other school accessories from German sponsors in Bonn with the transportation help of Harare Lutheran church. Correspondence between sponsors and their children was lively.

### **Container for Harare**

In 2009, the Society shipped a second 40-foot container to Zimbabwe; a small container had gone in 2006 and the first full-sized container in 2008. This time over 16,500 kg of goods left for Harare by sea. The container was packed by a band of volunteers at Klaukkala School on Saturday 1 August. It contained the donations that could not be fitted into the previous container plus piles of new donations as well as the furnishings and equipment for Dzikwa’s kitchen. Once again we thank Lohja Rotary Club for the dozens of bikes they collected and repaired and for the flat-screened

computers. The Kauniainen Rotary Club and Rotary International Circle 1420 made a generous financial contribution towards the purchase of kitchen equipment. Also many thanks to Hansakallio School in Espoo for the school kitchen equipment and other furnishings and to Pro-Keramiikka Oy for the donation of hundreds of building tiles. Storage would not have succeeded without the facilities in Vantaa put at our disposal by the Bank of Finland and Allu's Grill. During the summer, the goods were moved with the help of the haulage contractor Esa Niemi. Once again, the Society received generous financial assistance towards the cost of shipping the container – many thanks to all donors.

The container arrived at the Harare customs on 28 August 2009, and the business of unloading and distributing the contents continued until December. The Northern Tobacco Company put a lockable warehouse at Dzikwa's disposal free of charge and Dzivarasekwa Methodist Church provided a small store. The school kitchen furnishings and equipment will be in storage until the new kitchen block on Dzikwa's site is ready.



### **3 DZIKWA ACTIVITY CENTRE PROJECT**

#### **Site development and construction underway**

Dzikwa's aim is to build an Activity Centre on its own site in the middle of Dzivarasekwa, next door to the police station and the health care centre. In 2008, the Society and Dzikwa concluded a separate cooperation agreement on construction of the Activity Centre. It will house a kitchen, a 140-seat dining hall that, after lunch, will serve as a study and hobby room, a computer studio, and office, storage and washroom facilities. The large 150 square metre dining hall will be equipped with TV, DVD and video equipment and projectors, and will have a real stage at one end. Also on the site there will be a proper ball court (basketball, volleyball and tennis), a caretaker's cottage, a vegetable garden, a waste-sorting area, and a bore well with water tanks and reserve generators.

Old Mutual, the biggest insurance company in southern Africa, is giving significant in-kind assistance to Dzikwa, as part of their social responsibility programmes. Experts from Old Mutual's Property Department are putting their practical experience and management skills at Dzikwa's disposal free of charge. The company is acquiring tenders from reliable operators and statements by

an independent quantity surveyor. It also prepares and presides over the project's regular follow-up meetings .

In the course of 2009, a simple 2.2 metre-high concrete wall was built round the three open sides of the site. The palisade fence at the front was completed in 2008. A separate storage building with a roofed-over porch and toilets for boys and girls was also built. Water and electricity were connected to the site. The bore-well pump, two 5,000-litre water tanks and a small pump were installed. Enough fresh water is now available to satisfy the needs of our children and all the people living nearby. The high cost of tenders prevented us from renewing the foundation or surfacing the ball court in 2009.



Fundraising made some progress in 2009. The whole building project was revised along less costly lines by locating the various functions in separate wings and using breeze blocks for building. Construction could finally get underway at the beginning of 2010, when, at the third application to Finland's Ministry for Foreign Affairs (MFA), the Society received a grant worth €80,000 out of development cooperation aid for the construction of appropriate kitchen and dining facilities. The MFA decision requires Dzikwa to guarantee that the purpose of the kitchen will remain as originally intended even should the Trust Fund terminate or alter its operations.

#### **4 GLOBAL EDUCATION IN FINLAND**



The year 2009 marked the 20<sup>th</sup> anniversary of the adoption of the UN Convention of the Rights of the Child. Zimbabwe acceded to the Convention in 1990. The Society celebrated the signing of the convention by arranging global education for Finnish secondary school children with the aid of a communication and development education grant from the MFA. In October, Seppo and Priscilla Takawira, an experienced Dzikwa official and teacher,

toured Finland, visiting a total of 19 schools. On their agenda were the showing of a new DVD about the orphans, and an information package about schools and schoolchildren in Dzikwa and Dzivarasekwa, and the struggle by our orphans for education. Ample time was provided for questions and discussions. In the course of the school visits, Seppo and Priscilla met 4,606 Finnish schoolchildren

#### **New documentary about Dzikwa children**

As an important part of the global education project, the Society commissioned a documentary about the daily life and schooling of a Dzikwa orphan. The script was written and the filming preparations were made in April-May by our volunteer Marita, a professional in media communications. The City of Vantaa sent the head of their Media Centre, Antti, and his sophisticated cameras to Harare to direct the filming. The actual filming was done by Esko, a professional living in Harare, and Zimbabwe Interfilms Pvt (Ltd). The new 27 minute DVD is a moving story about two Dzikwa youngsters, Violet and Munyaradzi, and their thoughts, fears and hopes.

Feedback has been very encouraging. We are currently working on material for an exhibition about children's rights for the participating schools. The exhibition consists of comments on the twelve rights most important for the Dzivarasekwa orphans with striking photographs taken by Mari.

We warmly thank the Finnish Teachers' Trade Union (OAJ) for their support for the tour. We also send a big thank you to the participating schools for their interest, hospitality and help, the representatives of the Ministry for Foreign Affairs NGO Unit, the City of Vantaa, the Bank of Finland, Åland Odd Fellows, the Service Centre for Development Cooperation (KEPA), and the many sponsors and backers who gave their time and support.

## 5 PUBLICITY AND EVENTS IN FINLAND

In 2009, the Society once again received wide favourable publicity in Finland. In its June supplement, the national daily, Helsingin Sanomat, published a feature story about our work with the orphans. Other articles were published in:

- The March issue of Eeva women's magazine, in an article entitled "Wedding with a difference"
- The Bank of Finland's January and December issues of its in-house magazine Pankko, featuring articles about orphans' support and Seppo and Priscilla's visits to schools
- Honkajoki Christmas 2009, in an article entitled "Honkajoki lions help African orphans"
- Helsingin Sanomat 6 May 2009, in an interview with Sirkka Hämäläinen on her 70th birthday
- Opettaja (Teacher) magazine 36/2009, in an interview with Professor Helena Ranta entitled "Help starts with children's rights"
- Ilkka newspaper on 7 October 2009, in an illustrated article about Seppo and Priscilla's visit to Seinäjoki
- Nya Åland and Åland newspapers, both on 23 October 2009, in extensive illustrated articles about Seppo and Priscilla's visit
- The SICK company's staff magazine, which published Terhi's report on her visit to Zimbabwe entitled "A Different World"
- Vantaa City's staff magazine Vautsi 11/2009, which featured a picture on the front cover and story entitled "Vantaa brings Zimbabwe to local schools"

Updated versions of our two brochures – one about the Society in general and one about the Activity Centre - were published in Finnish and English: many thanks for all his work to Arne and to HotNet Oy/HeleNews Oy, to Takomo Tuotanto and to Erweko Oy, and to Gillian and Louise for translations. Sponsor Hannele made up a photo calendar for 2010 and a delightful 4-card set of postcards with pictures of the children.

Esa, Oili and Seppo spoke about the support programme as follows:

- 19 February KEPA/20<sup>th</sup> anniversary of the UN Convention on Children's Rights
- 6 March Borgå-Porvoo Zonta Club at Porvoo
- 6 March Odd Fellows (Rebekah Lodge), Helsinki
- 10 March English-Speaking Women, Helsinki
- 16 March Emmaus, Helsinki
- 6 April Beta Sigma Phi International, Helsinki Unit
- 20 April University of Turku Students' Union Development Cooperation Committee, Turku
- 17 December Rastaala School, Espoo

The work of the Zimbabwe AIDS Orphans Society featured prominently at the 20<sup>th</sup> anniversary celebrations of the UN Convention on Children's Rights at Arkadia Upper Secondary School, Klaukkala, on 20 November 2009. Katariina, a volunteer in Zimbabwe in 2008, spoke about our work at her old school, Lauttasaari High School in Helsinki

The Society sent the 2008 Annual Report and the 2009 Operating Plan with their budgets to sponsors and supporters. In addition, in the course of 2009, sponsors and other supporters were sent 16 newsletters reporting on activities plus other short bulletins. The newsletters and bulletins were published on the website in Finnish and English in the *Ajankohtaista/News* column. Sponsors also received an updated report and photograph of their own children.

On Sunday 13 December, the Society held its third African-flavoured Christmas lunch and sponsors' get-together, this time in the Crush Bar, Kamppi, Helsinki. The lunch was preceded by the Society's extraordinary meeting. Sponsors and others interested in the work of the Society could hear about field work in Dzivarasekwa and the lives of the children, and listen to the experiences of volunteers who had worked with the orphans. They could also ask questions about the support programme and related matters. There was a good turnout, with 120 adults and 18 children.

The Society's website is at [www.zim-orvot.org](http://www.zim-orvot.org) Regular news updates and photographs have added interest to the website and also attracted several new sponsors.

## **6 ORGANISATION AND ADMINISTRATION**

### **The organisation in Finland**

The Zimbabwe AIDS Orphans Society operates in Finland entirely on a voluntary basis. Members, sponsors and other supporters play an active role in the Society's work. At the beginning of 2009, the Society had 141 paid-up members; at the end of the year, the number had risen to 281.

The Society's Annual General Meeting was held at Munkkiniemi High School on 18 April 2009. It was attended by 35 persons, of whom 30 were paid-up members. An extraordinary meeting held on 13 December 2009 approved the operating plan for 2010, the structure of sponsorship payments and the plan for financing operations. Twenty members attended the meeting.

For more information, please visit our website at [www.zim-orvot.org](http://www.zim-orvot.org)

**The Society's Board in 2009:** Peter Rehnström (Chairman), Esa Ojanen (Vice Chairman), Merja Grandell (Treasurer), Petri Mero, Terhi Tiikkainen and Oili Wuolle (Secretary), with Louise Park-Ahonen and Helena Pelkonen as deputy members.

Risto Ekholm (Authorised Chartered Accountant) was the Society's auditor and Leila Kanninen was deputy auditor.

### **Sponsors, other supporters and visitors to Harare**

At the end of 2009, there were 273 sponsors (192 at the end of 2008); 241 of them from Finland, 18 from England, 12 from Germany, 4 from Scotland and 2 from Zimbabwe. The Finnish sponsors include two schools, one foundation, a branch of the Finnish women's "Martta Organization", a couple of other companies or clubs and one trade union branch.

At the end of 2009, there were 27 children without sponsors. However, several new sponsors joined as the year drew to a close, and at the end of January 2010 only 15 children were still without sponsors. In addition there were over 10 prospective sponsors. During 2009, the Society had over 100 other supporters in Finland, Germany, England, Scotland, Sweden and Norway (34 in 2008). These supporters made a vital contribution, notably in covering the cost of health care, meals and Shelter upkeep. In 2009, any progress made on the building project was thanks to their donations.



Sponsors can exchange letters with their children and visit Zimbabwe to meet the children in person. Altogether 12 Finnish sponsors and supporters visited Harare in 2009 (11 visitors in 2008). Four sponsors came in January-May and one in October. In addition, Society Board member and sponsor Terhi visited in September-October. There were six other visitors and volunteers in the course of the year.

### **Volunteers**

Interest in voluntary work for the programme was high in 2009. In April-May, Marita, who has wide experience in media work, came out as a volunteer. In the autumn, Maria, who matriculated from high school in spring 2009, spent a total of 3 ½ months working with and teaching the orphans. From the end of September into October she was joined by Maru, a Chemistry teacher from the Helsinki Metropolia University of Applied Sciences. At the beginning of November, photographer Mari came out for 1 ½ months. Besides them, two Israelis, Brit and Kim, spent the autumn as volunteers with Dzikwa Trust. They gave extra lessons in English and Maths, and held counselling sessions with Dzikwa youngsters, the girls in particular. Ingo, who works at the German Embassy, turned up regularly to play soccer with the children and donated basket ball equipment and a DVD player.

### **The organisation in Zimbabwe**

Dzikwa's organisation remained the same in the year under review. It had five permanent employees on its pay roll: Assan Mponda, accountant; Petronella Moyo, field officer for primary school children; Levita Chenera, field officer for secondary school children; Piona Matienga, Shelter matron; and Priscilla Takawira, who is responsible for the children at boarding school and for procurement. In addition, Dzikwa had six fixed-term employees who worked as cooks and five tutors. A further five tutors were taken on during school holidays. Dzikwa was also able to offer regular employment in guarding the site, wood chopping, tree planting, vegetable gardening, and rubbish collection. Over the year, Dzikwa provided employment for approximately 20 part-time workers.

The following short training sessions were held for Dzikwa staff: communication skills and multi-ethnic communication; productiveness; effective working methods; group work and directing one's own work; operational planning and budgeting.

Operations in Zimbabwe are steered and monitored by the Dzikwa Trust Fund Board. Stephen Chifunyise, a renowned playwright, cultural figure and former Permanent Under-Secretary at the Ministry of Education, continued as Chairman of the Board. The Vice Chairperson was Mrs Y.R. Dune, principal of a school for the disabled. The local ownership of the Dzikwa Board was improved and strengthened. Two Board members changed: Priscilla Takawira and Elizabeth Dick-

Malunga stepped down and were replaced by Unity Sakhe, a lawyer and partner in the legal practice of Kantor & Immerman, and E.T. Francisco, Assistant Director of the Valuations & Estates Division of the City of Harare. Seppo continued on the Board. Oili stepped down to observe good corporate governance, as she is a Board Member in the Finnish Society. In May 2009, the Friends of Dzikwa was set up to give practical support to Dzikwa's operations.

## **7 SOCIAL IMPACT ON THE COMMUNITY**

Dzikwa is a major player in securing the education and welfare of orphans in Dzivarasekwa at the same time as it is an important employer. Dzikwa is well known and is relied on in many different ways. In June 2009, Dzikwa was invited to join the Stakeholders meeting organised by the Ministry of Education, at which each organisation presented its aims and activities. In the course of the year, Dzikwa representatives met the deputy minister from the Ministry of Education and representatives of the Ministry's regional administration to discuss the plight of schools, the subject of school fees, and the hardship suffered by children in distress.

The development of Dzikwa's own site in the middle of the poor township and the provision of a water supply to the site marked major steps forwards, as hundreds of families now draw water from the bore well. Relations with local authorities and schools are close and good. The chemistry laboratory lessons given by a Finnish teacher opened up new avenues for cooperation with schools.

The distribution of food parcels helps the most impoverished families and old people. The tree planting project is well established. As well as teaching the children about the benefits of forests, it has increased their awareness of sustainable development. Dzikwa has had five disabled children on its lists of pupils. Large amounts of goods from the container were given to the St Giles Medical Rehabilitation Centre and to Batsiranai, a sheltered work place in Dzivarasekwa for the mothers of disabled children, where the children also receive day care. Dzikwa's image and impact were given a boost by the founding of the Friends of Dzikwa.

The global education tour in October led to a marked increase in Finnish schoolchildren's knowledge of the Society's work. The shipping of another container in 2009 involved wide circles of citizens in Finland (over 50 volunteers). The increases in membership from 141 to 281, in sponsors from 192 to 273 and in other supporters from 34 to over 100 together with favourable publicity all increased the visibility of the Society in Finland.

## **8 THE SOCIETY'S FUNDRAISING AND SPENDING**

### **Total revenues raised**

The Society's actual operating income was collected as sponsorship payments, other contributions, and Ministry for Foreign Affairs (MFA) project support. Annual sponsorship payments were at the same level as in the previous year, that is, €180/child in primary school, €240/child in state secondary school, €300/child in private day school and €360/child in boarding school. Owing to the rise in costs, the Board appealed to sponsors for a voluntary extra payment; the majority responded in the affirmative.

**The Society raised a total of €308,038 in revenues (which includes the value of the donated goods for support operations in the container). Actual operating income totalled €240,362 in 2009. In addition the income from special fundraising totalled €67,676, of which €54,058 was in**

cash and €13,618 in donations of container goods. The Board allocated the income from special fundraising to Dzikwa's building project.

For comparison, the Society's total revenues in 2008 were €10,287. Total revenues in 2009 were thus 46.5% higher than in 2008.

*Table 3: Breakdown of the Society's total revenues, by main source:*

| Source of revenue             | 2009           | %          |
|-------------------------------|----------------|------------|
|                               | €              |            |
| MFA Project support grant     | 100,000        | 32.5       |
| MFA Global education grant    | 15,000         | 4.9        |
| Sponsorship payments          | 83,012         | 26.9       |
| Donations for health care     | 6,847          | 2.2        |
| Donations for meals           | 19,665         | 6.4        |
| Donations for Dzikwa Shelter  | 7,079          | 2.3        |
| General donations             | 8,759          | 2.8        |
| Membership fees               | 5,592          | 1.8        |
| Other fundraising             | 5,635          | 1.8        |
| Donations for Activity Centre | 49,468         | 16.1       |
| Container goods for children  | 6,981          | 2.3        |
| <b>Total</b>                  | <b>308,038</b> | <b>100</b> |

### Spending on operations

Total expenditure in 2009 came to €345,990 including a full-sized container shipped to Zimbabwe. The bulk of the Society's funds are allocated to the Dzikwa Trust Fund as direct support for education of the orphans and as support for the Activity Centre project. **Support for Dzikwa's basic operations totalled €231,623 in 2009. In addition, financial support for the Dzikwa Activity Centre totalled €65,543. Donations of goods for the container came to €13,618.** The Society's **other spending totalled €34,587** and arose mainly from the global education tour in October, travel, information and administrative expenses, and the cost of shipping the container. **Administrative expenses in Finland accounted for less than 2% of actual operating income.**

*Table 4: Breakdown of the Society's spending, by main sector:*

| Expenditure by operational sector  | 2009           | %          |
|------------------------------------|----------------|------------|
|                                    | €              |            |
| Support for regular operations     | 231,623        | 66.9       |
| Support for Dzikwa Activity Centre | 65,542         | 18.9       |
| Global education road show         | 17,562         | 5.1        |
| Travel expenses                    | 5,909          | 1.7        |
| Administrative expenses in Finland | 3,445          | 1.0        |
| Container from Finland             | 13,618         | 3.9        |
| Shipping expenses                  | 6,346          | 1.8        |
| Fundraising expenses               | 1,945          | 0.6        |
| <b>Total</b>                       | <b>345,990</b> | <b>100</b> |

In comparison, the Society's total expenditure in 2008 was €178,365, so expenditure almost doubled in 2009.

## 9 OPERATING ENVIRONMENT IN ZIMBABWE

### **Uncertainties continue**

In 2008, Zimbabwe's economic, financial and social woes came to a head in unparalleled hyperinflation of 231 million per cent. In February 2009, the two-party (ZANU P-F and MDC) unity government took office and announced its intention of implementing a new government programme on the basis of the Global Political Agreement. Zimbabwe abandoned its own currency and was officially declared a multiple-currency state. Dollarisation led to a rise in real terms of all prices, services, payments and salaries, and at the beginning of the year prohibitive overpricing occurred. The economy's self-sufficiency is still low and prices are high relative to income.

The downward spiral of Zimbabwe's economy was arrested to some extent in 2009, but revival of the real economy is undermined by a lack of investment. Growth was fuelled largely by consumption; industrial production picked up slowly in 2009. Industrial capacity utilisation is no more than 40-45%. Investment is held up by the perturbing new legislation that requires Zimbabweans to have a majority holding in all medium-sized and large enterprises by March 2015. Harvest expectations for 2010 are not high due partly to the reduced area under crops and partly to drought. UNICEF has estimated that, in 2010, it will be giving humanitarian aid to 5 million Zimbabweans, 3.5 million of whom are the most vulnerable women and children. In 2010, food aid alone will be given to an estimated 2 million Zimbabweans.

The Zimbabwe government's income base is narrow: tax revenues are based mainly on consumer taxes and customs duties. The State budget shows a massive deficit. The country's foreign debt, in the region of USD 5.7 billion, is almost double the estimated GDP in 2009. The government has no budget funds at its disposal to put schools back on their feet, nor to pay teachers the increments they are demanding. In practice, teacher's salaries are raised from the pupils via the school fees. At the beginning of 2010, teachers were once again on strike along with other civil servants. Teachers currently earn a good €100/month; the new demands were for €400-450/month.

In Dzivarasekwa, the economic chaos and dollarisation process prevailing at the beginning of 2009 led to drastic increases in both school fees and the levies for individual schools imposed by the School Development Association (SDA). The situation was very confused and in Term I the levies in several schools were excessive. Due to the change in expenditure assumptions, the annual budget for operations had to be partly rewritten. The ambiguity of the situation at the beginning of the year was such that Dzikwa's Board decided to pay USD 20 per primary school child and USD 40 per secondary school child in all state schools in Term I. In May, the Ministry then announced that the payment for primary school children was USD 5 and for secondary school children USD 10 in Term II; these rates remained in force in Term III.

Social distress in Dzivarasekwa grew in 2009, as families could not afford the new USD-denominated school fees. The need for help was so great that there were well over 500 orphans on Dzikwa's support lists as Term II was about to start. Dzikwa was thus faced with a difficult situation, being forced to cut the number of children so as to keep within the available funds.

### **Challenges and possible threats facing the support programme in the near future**

The situation in Zimbabwean schools will remain difficult in 2010. An estimated 60,000 of the country's 130,000 teachers have either left the country in search of a better standard of living or changed professions. Year after year, the periodical strikes by teachers make school work difficult. Further, teachers appear to be continuing the practice whereby children are expected to make a **weekly incentive payment** to the teachers themselves. In Dzivarasekwa, these incentives are in the

order of USD 1 to 3 per child per week, which means a considerable extra outlay for Dzikwa every term. Children may be forced out of class if the incentive is not paid, even though all the official school fees have been paid. For the sake of transparent accounting, Dzikwa has decided to require school boards to produce proper bills and receipts for these incentive payments.

The ability of schools to provide **books and school accessories** is likely to remain poor. According to UNICEF statistics, schools have an average of one text book per 10 pupils, but not even this figure is reached in Dzivarasekwa. To aid the children's learning, then, Dzikwa will have to buy dozens of sets of text books for all classes in 2010.

The number of needy families in Dzivarasekwa will remain high, which means that Dzikwa will not be able to accept all the orphans proposed. This will complicate the **work of the field officers** and make it more difficult to put across the underlying premises and criteria of Dzikwa's programme. Close and meaningful contact with schools and guardians must be increased. Dzikwa must ensure that effective processes for collecting and analysing school reports at the end of every term are in place. It is particularly important to finalise the lists of children receiving support before term begins.

The biggest challenges in building the Dzikwa Activity Centre, after the completion of the kitchen block, are to secure funding for the ablution block and IT block. Dzikwa also needs to manage the start-up of the new kitchen professionally. The kitchen team needs to be properly trained in using electrical appliances; procedures and work flows must be re-evaluated; and a professional team leader has to be recruited in 2010.

## **10 FINANCIAL STATUS OF THE SOCIETY'S COOPERATIVE PARTNER, DZIKWA TRUST FUND**

Costs in real terms rose dramatically in Zimbabwe in 2009, added to which payments and goods were frequently overpriced, especially at the beginning of the year. According to *the final audited financial statements*, Dzikwa's total expenditure (including donated container goods for the children but excluding investment goods) amounted to €255,557 (€161,123 in 2008). Expenses rose by 59% on the previous year.

*Table 5: Breakdown of Dzikwa's total expenditure, by main sector in 2010, based on audited financial statements in euros*

| <b>Total expenses</b>               | <b>2009</b>    | <b>%</b>   | <b>2008</b>    | <b>%</b>   |
|-------------------------------------|----------------|------------|----------------|------------|
|                                     | <b>€</b>       |            | <b>€</b>       |            |
| Staff costs                         | 20,286         | 8          | 13,767         | 9          |
| Activity costs (support operations) | 195,127        | 76         | 120,500        | 75         |
| Operations and maintenance          | 18,341         | 7          | 16,269         | 10         |
| Administration costs                | 18,909         | 7          | 4,066          | 3          |
| Dzikwa Centre maintenance           | 174            | -          | -              | -          |
| Monitoring and evaluation           | -              | -          | 4,968          | 3          |
| Depreciation                        | 2,207          | 1          | 1553           | 1          |
| Friends of Dzikwa costs             | 514            | -          | -              | -          |
| <b>Total</b>                        | <b>255,557</b> | <b>100</b> | <b>161,123</b> | <b>100</b> |

Table 6: Breakdown of Dzikwa's activity costs by main sector in 2009, based on audited financial statements

| Activity costs by operational sector<br>(Support operations) | 2009           | %          | 2008           | %          |
|--------------------------------------------------------------|----------------|------------|----------------|------------|
|                                                              | €              |            | €              |            |
| School fees, levies, exam fees                               | 76,638         | 39         | 12,244         | 10         |
| Uniforms and sportswear                                      | 19,760         | 10         | 11,738         | 10         |
| School books and stationery                                  | 9,188          | 5          | 13,070         | 11         |
| Nutrition of children                                        | 40,867         | 21         | 34,555         | 29         |
| Health care                                                  | 9,429          | 5          | 9,607          | 8          |
| Sports, culture and recreation                               | 5,770          | 3          | 4,194          | 3          |
| Travelling and airtime costs                                 | 4,103          | 2          | 2,741          | 2          |
| Dzikwa Shelter                                               | 5,271          | 3          | 4,711          | 4          |
| Junior House                                                 | 4,783          | 2          | 7,611          | 6          |
| Dzikwa Garden Project                                        | 2,765          | 1          | 798            | 1          |
| Dzikwa Forestry Project                                      | 1,110          | 1          | 237            | 0          |
| Disabled children                                            | 350            | -          | -              | -          |
| Container from Finland                                       | 11,219         | 6          | 17,526         | 15         |
| Miscellaneous activities                                     | 3,873          | 2          | 1,468          | 1          |
| <b>Total</b>                                                 | <b>195,127</b> | <b>100</b> | <b>120,500</b> | <b>100</b> |

In 2009, activity costs were 62% higher than in 2008. School fees, levies and exam fees alone were more than six times what they were in 2008. The cost of purchasing uniforms and other clothing almost doubled in 2009.

Dzikwa activated €2,067 of Activity Centre building costs. Depreciation of equipment and machinery amounted to €2,207. The financial statements recorded a deficit of €30 in 2009.

## 11 NEW ASSOCIATION IN ZIMBABWE

Dzikwa's work in Zimbabwe entered a new phase when a local non-governmental organisation, the Friends of Dzikwa, was founded on 15 May 2009 to support the Dzikwa Trust Fund. The aim of the association is to involve Zimbabweans with influence, professional skills, and interest in volunteerism in activities supporting the education of orphans. The new association will create better conditions for the sustainability of the support programme and for effective mobilisation of local resources. It will have an official fundraising permit in Zimbabwe. The Friends of Dzikwa is being officially registered as an NGO under the Private Voluntary Organisation Act (PVO) in Harare.

The Executive Committee was appointed in September: Mrs Marah Hativagone, a well known and highly respected business woman and former President of the National Chamber of Commerce, was elected as Chairperson. The other members represent schools and academia, the banking and business sectors, and the City of Harare. The Executive Committee has set up five different committees. The constitution of the Friends of Dzikwa is currently being scrutinised by the Ministry of Social Welfare. A detailed Memorandum of Understanding will be formulated between the Dzikwa Trust Fund and the association. The intention is that, in the future, the Friends of Dzikwa will run some of the programme's regular events, e.g., the annual sports day and other happenings

for the children, recruit experts and volunteers, and raise donations in cash and in kind for the programme.

At the beginning of 2010, Mrs Hativagone was invited to sit on the Dzikwa Trust Fund Board as representative of the Friends of Dzikwa.

# PART II FINANCIAL STATEMENTS 2009

## THE BOARD'S REPORT

### Review of activities

The reporting year proved to be an extremely challenging one for the Society. Dzikwa's expenses exceeded the budget by a considerable amount, as in February, the Zimbabwean economy suspended its own currency and adopted the US dollar and South African rand as the two main transaction currencies. As a result, school fees alone rose five-fold in real terms in comparison with 2008 levels and school uniform acquisition costs rose by 70%. Dzikwa's telephone and Internet costs rose by over 1000% over the previous year and staff costs were 50% higher than in 2008. With the permanent rise in real expenses levels, the orphans' needs for support increased markedly in Dzivarasekwa. The Dzikwa Trust Fund was not able to bring all the children who needed support onto its programme, even if they fulfilled the basic criteria. By the end of the year, Dzikwa had 423 children on its lists, which is also the target level for the coming years. The number of sponsors increased from 192 to 273 and by the end of the year the number of members of the Zimbabwe AIDS Orphans Society almost doubled, to 281. It was particularly cheering to see that, along with increasing levels of support, the Society also received notable amounts of donations and volunteer input.

Despite the difficulties, with the support of the Society, Dzikwa was able to keep all dimensions of the support programme running. Dzikwa maintained key auxiliary activities, such as providing food every single day of the year, health care, extra lessons, sports and extra-curricular activities, as well as extended environmental education through vegetable gardening and tree planting. Field work received a big boost with the assistance of the six volunteers who did great work with the children over the year. A notable innovation was introduced by a volunteer who came to teach chemistry laboratory work at one of the secondary schools and guided a number of pupils through A-level chemistry lessons for a month. Sponsors were actively in contact with their children, and six sponsors paid visits to Zimbabwe.

In Finland, the Zimbabwe AIDS Orphans Society arranged a special global education programme to mark the anniversary of the UN Convention on the Rights of the Child and was able to reach over 4600 Finnish youngsters during a tour of Finnish schools in October. This tour gave an opportunity to extend awareness of the Society's work to the Finnish public in a variety of forums, through a new DVD portraying youngsters from Dzivarasekwa, and through a number of prominent newspaper articles. The Society produced a new set of brochures, in English and Finnish, covering both regular programme activities and the Dzikwa Activity Centre building project.

The donated items in the full-sized freight container shipped from Finland brought joy to hundreds of children, including the children of two centres for the disabled. The shipment also contained equipment and fittings for Dzikwa's new kitchen block.

With the special support that the Society has been able to acquire, Dzikwa was able to make considerable progress in developing its site in Dzivarasekwa. Over the year, the essential boundary walls were completed, electricity, water and drainage were connected, the bore well was taken into use, and two 5,000 litre water tanks were installed. Access to water supply has brought relief both to Dzikwa's own children and to the entire neighbourhood. The support received was also sufficient for the construction of a storage building.

The Annual General Meeting was held on 18 April 2010 and an extraordinary general meeting of the Society was convened on 13 December 2009. In all, the Zimbabwe AIDS Orphans Board convened 7 times in the course of the year. The Board was composed of the following members: Peter Rehnström (Chairman), Esa Ojanen (Vice Chairman), Merja Grandell (Treasurer), Petri Mero, Terhi Tiikkainen and Oili Wuolle (Secretary), with Louise Park-Ahonen and Helen Pelkonen as deputy members.

### **Income for support activities (Operating income)**

*In 2009, Zimbabwe AIDS Orphans Society income for actual support activities totalled €240,362, which was a good 5% over the budget.*

Fifty-two per cent of the income was from individual sponsors' payments and other assistance from Finland and other countries, totalling €125,360. Regular sponsorship payments totalled €75,157 from Finland and €7,856 from other countries. A majority of sponsors also paid an additional voluntary supplementary amount at some point in the year. A total of €19,665 was paid in support of the food assistance provided for the children, whereas only €8,000 had been budgeted for this item. The Dzikwa Shelter received €7,078 in direct donations; health care received €6,847 in direct donations of which €2,700 came from outside Finland. Other general donations totalled €6,653 from Finland and €800 from other countries.

In 2009, the Society received generous donations from sponsors and other supporters who had requested birthday and similar anniversary gifts to take the form of contributions to Zimbabwe AIDS Orphans' funds. Over half of the donations given to support the food programme came from two sponsors who celebrated special anniversaries in Finland (€5,000 and €5,375) and one sponsor from outside Finland (€2,000). The Dzikwa Shelter received donations from a family trust (€4,000), from the Emmaus organisation in Helsinki (€2,100), from Turku Students' Union Development Cooperation Committee and from the Honkajoki Lions Club. Almost 70% of the donations for health care came from two donors: €2,700 from Harare e.V. in Germany and €2,000 from a private Finnish donor. The remainder came from individual Finnish donors. Other donations were general, unspecified donations, the majority from private individuals, a few societies and companies in Finland, and some private individuals outside Finland.

### **Support from the Finnish government**

The reporting year was the first year of a three-year NGO development cooperation grant (covering 2009 - 2010) awarded to the Society, totalling €280,000. This is the second such three-year project support funding to be given. In 2009, the education support programme received €100,000 from the Ministry for Foreign Affairs (MFA), which constituted 42% of operating income. In addition, the Society received an additional €15,000 from the MFA to support the October global education programme, which formed 6% of operating income.

### **Expenses for support activities (Operating expenses)**

The Society's operating expenses are mainly generated by the direct support provided for the children's education and general welfare. The Society's direct donations (cash transfers) to the Dzikwa Trust Fund's regular support activities amounted to €31,623 in 2009. The Society also gave Dzikwa €65,542 in financial support for the Dzikwa Activity Centre building project. In addition, Dzikwa has been in receipt of material donations from the container, entered as €13,618, of which €6,981 was for the children and €6,637 for the Dzikwa Activity Centre.

Other operating expenses came to €26,296, of which €17,562 was accounted for by the global education project in October. Travel expenses came to €5,909. Communications expenses amounted

to €1,175 and other administration to €2,270. Thus *administration costs in Finland totalled €3,445, which was only 1.4% of operating income.* Administration and travel expenses came to €3,355, which constituted 3.9% of operating income.

### **Special fundraising and fundraising expenses**

Fundraising for specific purposes is separated in the Society's financial statements from ordinary operations and operating income, that is, the funds raised to support the orphans' education and general welfare. *Funds raised in 2009 totalled €67,676.* This sum can be broken down into €4,058 in cash, and €3,618 as the value of material donations for the container. Of the donations in kind, €6,981 was entered as gifts to the children and €6,637 as the value of the kitchen units and equipment for the Dzikwa Activity Centre building project.

The Society was able to raise €5,592 in membership fees. Other funds raised totalled €5,635, which included the €2,765 net income raised by the sponsors' Christmas get-together, and €2,870 allotted specifically to offset the costs of the freight container.

Funds earmarked for the Activity Centre building project amounted to €49,468, of which 25%, or €2,510, came from three anniversaries and other celebrations by sponsors in Finland. Other Finnish supporters gave donations totalling €1,887, of which the Rotary International Circle 1420 gave €4,000 and the Kauniainen Rotary Club €1,100. Donations earmarked for the Activity Centre building project from outside Finland amounted to €7,145, of which just under €5,000 came from a single sponsor who donated speaker's fees to the project. The Seinäjoki Senior High School pupils' workday collection, when pupils donate their earnings from a day's paid work to charity, brought almost €3,000 to the building fund. The remaining €4,810 came from sales of Zimbabwean handicrafts (€7,898) and from the donation of goods for the building project (€6,637) plus a small sum from collection boxes.

*Table 7: Assistance earmarked for the Dzikwa Activity Centre building project, including donations in kind, by source in 2009*

|                                                         | <b>2009</b>   |            |
|---------------------------------------------------------|---------------|------------|
|                                                         | <b>€</b>      | <b>%</b>   |
| Donations from anniversaries & other celebrations       | 12,510        | 25.3       |
| Other donations from Finland                            | 11,887        | 24.0       |
| Donations from other countries                          | 7,145         | 14.4       |
| Seinäjoki Senior High School charity workday collection | 3,116         | 6.3        |
| Collection boxes                                        | 275           | 0.6        |
| Other fundraising efforts                               | 7,898         | 16.0       |
| Container share for the building project                | 6,637         | 13.4       |
| <b>Total</b>                                            | <b>49,468</b> | <b>100</b> |

Fundraising expenses came to €1,945 and were mostly accounted for by the cost of purchasing handicrafts to sell. The cost of transporting the freight container from Helsinki to Beira, Mozambique, by sea and from there by land to Harare totalled €6,346.

### **Surplus / deficit for the financial year**

*The Society recorded a deficit of €37,953 in 2009. The surplus of €1,923 in the previous financial year 2008 arose from the fact that not all transfers to the building project had been made at the closing of the books. These funds were transferred and used immediately at the beginning of 2009.*

*Equity at the end of 2009 was €1,146.97.*

### **Preview of activities in 2010**

The Society accepted its Operating Plan and Budget for 2010 at the Extraordinary Annual General Meeting held in Helsinki on 13 December 2009. The aim is to keep the number of children in the Dzikwa programme at approximately 400. Dzikwa's support for the orphans will continue in all the key areas in which it has worked to date. The newly-formed Friends of Dzikwa should be able to help broaden the spectrum of sports and extra-curricular activities as well as other joint events. Dzikwa is currently running one small craft workshop for 12 single mothers, where they are learning to make items out of handmade paper for sale. Dzikwa hopes to arrange other, similar income-generating projects which could provide a source of employment for some of the guardians and also for some of the school-leavers.

The budgeted operating income for 2010 is €240,000, of which €150,000 comes from private sponsors and €90,000, or 37.5%, in the form of the NGO grant from the Finnish Ministry for Foreign Affairs. The Society has budgeted special fundraising at €19,000, of which Society membership fees amount to €6,000. On the basis of the cost of school fees and acquisitions during Term I, expenses are expected to remain at a similar level to 2009.

Construction of the Dzikwa Activity Centre is budgeted separately. The main acquisition is the kitchen block, being built mainly with the aid of the €80,000 granted by the Finnish Ministry for Foreign Affairs. Private donations have helped with the building of the multi-purpose ball court and the installation of plumbing and electricity in the kitchen. Before the new kitchen block can be taken into use, a competent team leader must be employed and the kitchen workforce trained. At the next stage of construction, the plan is to submit a fresh application for funds from the Embassy of Finland in Lusaka for the completion of an IT wing, with an Internet access point for the community. Funds for the children's shower and toilet facilities (Ablution block) have been applied for through the Grand Masonic Lodge of Scotland and other sources.

## ZIMBABWE AIDS ORPHANS SOCIETY FINANCIAL STATEMENTS FOR 2009

*Translator's note: In these financial statements, the Ministry for Foreign Affairs is abbreviated as MFA.  
Building project refers to construction of the Dzikwa Activity Centre.*

| <b>Income statement</b>                        | <b>1.1-31.12.2009</b> | <b>1.1-31.12.2008</b> |
|------------------------------------------------|-----------------------|-----------------------|
| <b>Support activities</b>                      | <b>€</b>              | <b>€</b>              |
| Income                                         |                       |                       |
| Sponsorship payments                           | 83 012,44             | 47 066,63             |
| Support for health care                        | 6 847,24              | 3 445,00              |
| Support for nutrition                          | 19 665,00             | 3 121,20              |
| Support for Dzikwa Shelter                     | 7 078,70              | 2 047,70              |
| MFA development cooperation grant              | 100 000,00            | 60 000,00             |
| MFA grant for global education                 | 15 000,00             | -                     |
| Other support                                  | 8 758,55              | 2 899,35              |
|                                                | <b>240 361,93</b>     | <b>118 579,88</b>     |
| Expenses                                       |                       |                       |
| Donations in cash to Dzikwa Trust              | - 231 622,68          | - 125 002,95          |
| Donations in kind to Dzikwa Trust              | - 13 618,00           | - 15 409,28           |
| Donations in cash for the building project     | - 65 542,28           | - 16 106,68           |
| Travel expenses                                | - 5 909,63            | - 7 107,01            |
| Administrative expenses                        | - 3 445,19            | - 3 684,63            |
| Global education in Finland                    | - 17 561,84           | -                     |
|                                                | <b>- 337 699,62</b>   | <b>- 167 310,55</b>   |
| <b>Surplus/deficit</b>                         | <b>- 97 337,69</b>    | <b>- 48 730,67</b>    |
| <b>Fundraising</b>                             |                       |                       |
| Income                                         |                       |                       |
| Membership fees                                | 5 592,00              | 2 820,00              |
| Donations in cash for the building project     | 34 933,34             | 61 657,26             |
| Donations in kind for the the building project | 6 637,00              | 2 117,00              |
| Income from sales allotted to building project | 7 897,80              | 2 559,65              |
| Donations in kind for support activities       | 6 981,00              | 15 409,28             |
| Other fundraising income                       | 5 635,00              | 7 144,00              |
| Expenses                                       |                       |                       |
| Transport of container to Zimbabwe             | - 6 346,24            | - 7 136,68            |
| Other expenses                                 | - 1 945,29            | - 3 916,74            |
| <b>Fundraising surplus/deficit</b>             | <b>59 384,61</b>      | <b>80 653,77</b>      |
| <b>Total surplus/deficit</b>                   | <b>- 37 953,08</b>    | <b>31 923,10</b>      |
| <b>Surplus/deficit for the financial year</b>  | <b>- 37 953,08</b>    | <b>31 923,10</b>      |

ZIMBABWE AIDS ORPHANS SOCIETY BALANCE SHEET 31 December 2009

| <b>Balance sheet</b>                          | <b>31.12.2009</b> | <b>31.12.2008</b> |
|-----------------------------------------------|-------------------|-------------------|
|                                               | <b>€</b>          | <b>€</b>          |
| <b>Assets</b>                                 |                   |                   |
| <b>Short-term assets</b>                      |                   |                   |
| Other assets                                  | -                 | 3 408,92          |
| Accrued income                                | -                 | 399,78            |
| Cash and bank assets                          | 8 275,48          | 38 261,35         |
| <b>Total assets</b>                           | <b>8 275,48</b>   | <b>42 070,05</b>  |
| <br>                                          |                   |                   |
| <b>Liabilities</b>                            |                   |                   |
| <b>Capital</b>                                |                   |                   |
| Surplus/deficit from previous financial years | 39 100,05         | 7 176,95          |
| Surplus/deficit for the financial year        | - 37 953,08       | 31 923,10         |
|                                               | <b>1 146,97</b>   | <b>39 100,05</b>  |
| <b>Liabilities</b>                            |                   |                   |
| <b>Short-term liabilities</b>                 |                   |                   |
| Deferred income                               | 2 040,00          | 2 970,00          |
| Other liabilities                             | 2 758,17          |                   |
| Accrued expenses                              | 2 330,34          |                   |
|                                               | <b>7 128,51</b>   | <b>2 970,00</b>   |
| <b>Total liabilities</b>                      | <b>8 275,48</b>   | <b>42 070,05</b>  |

## Notes to the financial statements

Cash and bank assets as well as liabilities have been evaluated at nominal value. The goods in the container have been evaluated type by type according to customs statistics.

### Notes to the income statement:

*Income from support activities* includes sponsorship payments and other Finnish & foreign support to orphans plus a €100,000 development cooperation grant and a €15,000 global education grant from the MFA.

*Expenses for support activities* include direct support to Dzikwa, expenses for global education tour, travel expenses to Zimbabwe and in Finland by Finnish key persons and administrative expenses in Finland. Cash donations transferred to the support operations in Dzikwa amounted to €231,622.68, of which €100,000 originated from MFA grant. €65,542.28 was transferred to the building project. In addition, donations in kind worth €13,618.00 received by the Society were recorded under expenses. *Administrative expenses* amounted to €3,445.19, representing 1.43% of income. Bank expenses alone totalled €1,055.66.

*Fundraising income* includes membership fees, Finnish and foreign donations in cash, donations in kind, collection proceeds, sales income and donations for shipping the container. Cash donations from Finland (€24,397.20) for the building project represented the largest fundraising income. Cash donations from abroad for the building project were €7,145.30. The earnings from the 'charity day' work were €7,145.30 and collection boxes yielded €275.22. Donations in kind included clothes, shoes, sports and school gear, toys etc. for the children worth €6,981.00, as well as furniture, equipment and construction material for the Activity Centre amounting to €6,637.00. Other fundraising income mainly consisted of donations for shipping the container (€2,870) and Christmas lunch earnings (€2,735). *In fundraising expenses*, acquisition of sales goods amounted to €1,656.10 and other expenses to €289.19. *The container shipping costs* amounted to €6,346.24. In its own accounts, Dzikwa has recognised, as a donation, not only the value of the goods but also the shipping cost.

**The Society's total income from actual support activities and fundraising amounted to €308,028.07.**

The deficit for the financial year was €37,953.08, which was covered by surpluses from previous years.

Dzikwa Trust Fund uses the funds for direct support of the orphans' schooling.

**Below is the Dzikwa Trust Fund's cost specification based on final audited accounts:**

| Dzikwa Trust Fund               | 2009           | 2008           |
|---------------------------------|----------------|----------------|
|                                 | €              | €              |
| Staff costs                     | 20 286         | 13 767         |
| Expenses for support activities | 195 126        | 117 231        |
| Motor vehicle costs             | 18 341         | 16 269         |
| Telephone and IT costs          | 7 807          | 688            |
| Administration                  | 11 102         | 3 378          |
| Monitoring and assessment       | -              | 4 968          |
| Other expenses                  | 688            | 3 269          |
| Depreciation                    | 2 207          | 1 553          |
| <b>Sum total</b>                | <b>255 557</b> | <b>161 123</b> |

The Dzikwa Trust Fund capitalised €52,067 as construction expenses for the Activity Centre.

### Notes to the balance sheet:

| Changes in capital                                             | 2009       | 2008      |
|----------------------------------------------------------------|------------|-----------|
|                                                                | €          | €         |
| Levie Tsongo's fund 1 January                                  | -          | 397,34    |
| Recognised as sponsorship payment income                       | -          | 397,34    |
| Surplus/deficit from previous financial years 1 Jan and 31 Dec | 39 100,05  | 7 176,95  |
| Surplus/deficit for the financial year                         | -37 953,08 | 31 923,10 |

Accrued income did not exist. The Society's total bank account balance amounted to €8,275.49 on 31 Dec 2009. Deferred income under short-term liabilities consists of sponsorship payments for the next year. Other short-term liabilities are the Society's debt to Seppo and Oili (€2,758.17). Accrued expenses include unaccounted travel expenses and daily allowances from the global education tour (€1,659.84) and other travel expenses (mileage allowances) in Finland (€670.50).

### Other notes

The Society has had no paid staff. No fees for attendance at meetings have been paid to the members of the Board. In Finland, Society work has been done on a purely voluntary basis by the Board members, sponsors and supporters.

## **List of ledgers, receipt types and retention methods**

Balance sheet ledger separately bound

Journal and general ledger as computer lists

Three paper receipt types:

account statements of starting and ending balances, bank receipts and memo receipts.

## Signatures of the Board

In Helsinki, 30 March 2010

Peter Rehnström, Chairman

Esa Ojanen

Merja Grandell

Oili Wuolle

Petri Mero

Terhi Tiikkainen

## Auditor's note

The annual report and financial statements have been prepared according to good accounting practice. An auditor's report has today been issued on the audit performed.

In Helsinki, 13 April 2010

Risto Ekholm, Authorised accountant

## **AUDITOR'S REPORT**

*To the members of Zimbabwe AIDS-oryt ry*

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Zimbabwe AIDS-oryt ry for the year ended on 31 December, 2009. The financial statements comprise the balance sheet, the income statement and notes to the financial statements.

### ***The responsibility of the Board of Directors***

The Board of Directors is responsible for the preparation and fair representation of the financial statements in accordance with the laws and regulations governing the preparation of the financial statements in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the association's accounts and finances.

### ***Auditor's Responsibility***

Our responsibility is to perform an audit in accordance with good auditing practice in Finland, and to express an opinion on these financial statements based on our audit. Good auditing practice requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement and whether the members of the Board of Directors have complied with the Associations Act.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by management, as well as the overall presentation of the financial statements.

The audit was performed in accordance with good auditing practice in Finland. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for audit opinion.

### ***Opinion***

In our opinion, the financial statements give a true and fair view of the financial performance and financial position of the association in accordance with the laws and regulations governing the preparation of the financial statements in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Helsinki 13 April, 2010

Audit Polar Oy

Authorized Accountant Company

Risto Ekholm KHT

Authorized Public Accountant

## CONTACT INFORMATION

WEBSITE: [www.zim-orphot.org](http://www.zim-orphot.org)

IN FINLAND:

Zimbabwe Aids Orphans Society

Purotie 3 A 33

00380 HELSINKI

FINLAND

Tel: +358 50 3226000

and +358 40 5922543/Oili Wuolle or +358 40 7211405/ Seppo Ainamo

E-MAIL:

[seppo.ainamo@kolumbus.fi](mailto:seppo.ainamo@kolumbus.fi)

IN ZIMBABWE:

PO Box HG 916

Highlands

HARARE

ZIMBABWE

Tel: +263 912 403485/ Oili Wuolle or

+263 912 210855/ Seppo Ainamo

E-MAIL: [dzikwatrust@africaonline.co.zw](mailto:dzikwatrust@africaonline.co.zw)

