BINDURA UNIVERSITY OF SCIENCE EDUCATION

DEPARTMENT OF ACCOUNTANCY

The role of accounting and accountability in funding of Non-Governmental Organisations: A case study of Natural Farming Network (NFN)

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Abstract
This study investigated the role of accounting and accountability in funding of NGOs. This research was a case study of Natural Farming Network (NFN) and it adopted an explanatory approach. The data collection instruments used were questionnaires and interviews. The findings were presented in tables, figures, text and all findings were interpreted and analysed establishing links between the present findings and the reviewed literature. The research discovered that NGOs fail to account for the funds because of their accounting systems failing to capture all the financial data, field staff not knowledgeable of the required financial supporting documents to send to the accounting department and them failing to budget the funds. The research also discovered that NGOs which failed to account for donor funds were forced to reimburse the funds when they completely fail to clear their questioned cost, got their disbursements late and lost donor trust hence loosing funding. Basing on how upward accountability affects NGO’s success in gaining trust and more funds from donors, the researcher strongly recommends that NGOs make an accountability manual that will clearly highlight all the documents required to account for donor funds. Overall, the research establishes that the competitive advantage of NGOs gaining trust and more funding depended more on their ability on directly accounting for the donor funds.