

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL  
STATEMENTS**

**OF**

**CAREPILEPSY ETHIOPIA**

**FOR THE YEAR ENDED 31 DECEMBER 2019**



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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF  
CAREPILEPSY ETHIOPIA  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Section One: Report on the Financial Statements**

We have audited the financial statements of Carepilepsy Ethiopia, which comprise balance sheet as at 31 December 2019, and the statement of income and expenditure for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

**Unqualified Opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Carepilepsy Ethiopia as at 31 December 2019 and its financial performance, for the year then ended in accordance with Generally Accepted Accounting Principles.

**Basis for Unqualified Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' code of Ethics for Professional Accounts (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Ethiopia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

***Responsibilities of the Management and those Charged with Governance for the Financial Statements***

The management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting policies of the organization, and for such internal control as management determines is necessary to enable the preparation of the audit report that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or have no realistic alternative but to do so.



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

### ***Auditor's Responsibility for the Audit of the Financial Statements***

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

### **Section Two: Report on Other Legal and Regulatory Requirements**

The opinion in this section is given based on the audit procedures we applied to review compliance with Civil Society Organization Proclamation No. 1113/2019;

#### **1) Income:-**

- a. All income is collected by raising cash receipt voucher and states the source and amount of income correctly.
- b. Income is collected through legal means and by the person delegated for the purposes
- c. All incomes obtained are properly classified as local and foreign.

#### **2) Expenditures :-**

- a. Expenditures are accounted for when evidenced by legal and original invoices, relevant, reliable and sufficient for the purposes.
- b. Expenditures and purchases of goods and services are incurred as per the relevant regulations and authenticated by the officials of the organization.
- c. Program and administrative expenditures are properly separated. As is separated in the reported Statement of Income and Expenditure, the program expenditure represent 88.03% and administrative expenditure is 11.97% of the total expenditure.

#### **3) Property administration**

- a. Fixed assets register is maintained with necessary details and physical count of fixed assets are also reconciled with the register book.
- b. Fixed assets identification number are given to each asset and cross-referenced with the register book.

#### **4) Cash and bank balances**

Separate ledger accounts are maintained for bank accounts of the organization and reconciled with the respective bank statement.



**5) Receivables**

Subsidiary accounts are maintained for each receivable and cleared with in the time limit.

**6) Payables**

Taxes are deducted and paid over to the tax authority within the time set for settlements.

In our opinion, the attached financial statements of Carepilepsy Ethiopia as at 31 December 2019 comply with Civil Society Organization Proclamation No. 1113/2019 issued by the FDRE Agency for Civil Society Organizations.



Soliyana Kiros Legesse (FCCA)  
Certified Audit Firm



Addis Ababa  
March 13, 2020

**CAREEPILEPSY ETHIOPIA  
BALANCE SHEET  
AS AT 31 DECEMBER 2019**

Currency : Ethiopian Birr

	<u>Notes</u>		<u>2018</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Receivables and Prepayments	3	1,858.62	15,333
Cash and Bank Balances	4	253,217.79	34,981
		<u>255,076.41</u>	<u>50,314</u>
<b>CURRENT LIABLITIES</b>			
Taxations	5	59,525.66	47,913
		<u>59,525.66</u>	<u>47,913</u>
<b>NET ASSETS</b>		<u>195,550.75</u>	<u>2,401</u>
<b>REPRESENTED BY</b>			
Fund Balance		<u>195,550.75</u>	<u>2,401</u>



**CAREEPILEPSY ETHIOPIA  
STATEMENT OF INCOME AND EXPENDITURE  
FOR THE YEAR ENDED 31 DECEMBER 2019**

Currency : Ethiopian Birr

	<u>Notes</u>	<u>%</u>	<u>2018</u>
<b>INCOME</b>			
Donation Income	6		558,904
<b>EXPENDITURES</b>			
Program	7	88.03	418,967
Adminstrative	8	11.97	179,857
			<u>598,824</u>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>			(39,920)
<b>BALANCE BROUGHT FORWARD</b>			42,190
<b>PRIOR PERIOD ADJUSTMENT</b>			131
<b>BALANCE CARRIED FORWARD</b>			<u>2,401</u>



**CAREPILEPSY ETHIOPIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Currency : Ethiopian Birr**

**1. ESTABLISHMENT**

CareEpilepsy Ethiopia is a non - profitable, non - religious Organization and has been registered by Charities and Societies Agency in accordance with the Charities and Societies Proclamation No. 621/ 2009 with Certificate Number 3380.

The Organization has been re- registered and accorded legal personality with registry No.3380 on 20 August 2019 as a Foreign Organization in accordance with the Civil Society Organization Proclamation No. 1113/2019

The organization has been established with the objectives of:-

To establish a sustainable model of epilepsy care and treatment, raise awareness and increase social acceptability, and increase advocacy to address the medical, social, environmental factors contributing to epilepsy.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies adopted and consistently applied by the organizationI are shown below:

- a) The organization follows a modified cash basis of accounting. Income is recognized when cash is received and expenditures are recognized when they are incurred.
- b) The cost of fixed assets and stock items purchased are charged to expenditure accounts at the time of purchase.
- c) All grants are recorded as and when received from donors.
- d) Transactions in foreign currencies are translated in to Birr at the rate ruling on the date of the transaction.



**CAREEPILEPSY ETHIOPIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

Currency : Ethiopian Birr

**3. RECEIVABLE AND PREPAYMENTS**

		<u>2018</u>
Prepayments	-	15,333
Sundry Receivable	1,858.62	-
	<u>1,858.62</u>	<u>15,333</u>

**4. CASH AND BANK BALANCE**

		<u>2018</u>
Cash on Hand	2,000.00	2,000
Cash at Bank	251,217.79	32,981
	<u>253,217.79</u>	<u>34,981</u>

**5. PAYABLES**

		<u>2018</u>
Payable to Enat Yewnetu	42,302.00	42,302.00
Income Tax Payables	4,424.07	151
Pension Payable	8,419.71	1,080
Withholding Tax Payables	4,379.88	4,380
	<u>59,525.66</u>	<u>47,913</u>

**6. DONATION INCOME**

		<u>2018</u>
Donation In Cash - Foreign	483,607.29	540,904
Donation in Cash - Local Individuals	443,260.00	18,000
Donation in Cash - Local Institutions	185,562.50	-
Donation In Kind - Service	1,039,098.00	-
Donation In Kind - Equipment	30,000.00	-
	<u>2,181,527.79</u>	<u>558,904</u>





**CAREEPILEPSY ETHIOPIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2019**

**Currency : Ethiopian Birr**

**7. PROGRAM EXPENDITURES**

		<u>2018</u>
Salary and Benefits- Program Staffs	181,636.87	117,096
Travelling and Perdiem	2,267.40	17,796
Medical Expenses for Beneficiaries	388,016.50	1,380
Neuro-Diagnostic Equipment	436,562.97	-
Training and Awareness Creation Material	10,210.00	31,171
Food for Beneficiaries	-	3,951
Rent	130,789.16	80,747
Car Rent	109,061.95	58,185
Training	170,380.00	-
Stationary and Printing for Program Activities	56,514.54	10,887
Repair and Maintenance for Beneficiary	3,681.74	1,653
Telephone Helpline and Communication Facilities	37,329.48	24,013
Media and Communication	47,873.62	44,673
Counselling, Workshop and Community Conversation	60,959.90	8,500
Transportation for Beneficiaries	32,345.00	8,800
Equipment Hire Loading Unloading	12,520.80	8,365
Professional Expert Cost	-	1,750
T Shirt Design and Printing	49,000.00	-
Misellaneous Project Cost	962.99	-
	<u>1,730,112.92</u>	<u>418,967</u>



**CAREPILEPSY ETHIOPIA  
 NOTES TO THE FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED 31 DECEMBER 2019**

**Currency : Ethiopian Birr**

**8. ADMINSTRATIVE EXPENDITURES**

		<u>2018</u>
Salary and Benefits	155,651.13	130,065
Office Rent	35,986.00	21,187
Stationary, Printing and Office Supplies	31,983.86	5,038
Fuel and Lubricants	-	7,757
Telephone and EVDO	-	3,800
Bank Service Charge	720.00	668
Utility	-	1,302
License and Registration	797.50	400
Professional Fee	7,893.00	5,750
Repair and Maintenance	-	505
Misellaneous	2,171.97	3,385
	<u>235,203.46</u>	<u>179,857</u>

