

CAREEPILEPSY ETHIOPIA

INDEPENDENT AUDITOR'S REPORT AND ACCOUNTS
AS AT AND FOR THE YEAR ENDED 31 DECEMBER, 2017



GETENET WORKU & Co.
Chartered Certified Accountants-UK
Authorized Auditors in Ethiopia

Mob: +251-911-694065/+251-922-519132

Offi.: +251-011-8-685963

E-mail gechove@yahoo.com

P.O.BOX 184956 Addis Ababa, Ethiopia

**BOLE MEDEHANIALEM,
MENTEWAB HUNEGAW BUILDING
3RD FLOOR: OFFICE No. 308, 309**

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF CAREPILEPSY ETHIOPIA

We have audited the accompanying financial statements of CareEpilepsy Ethiopia which comprise the balance sheet as at 31 December, 2017 and statement of income and expenditures for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Accounting Policies and the charities and societies proclamation number 621/2009, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

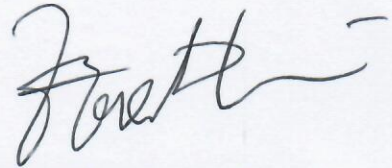


Basis for Qualified Opinion

We were not obtained confirmation from donors until the date of the issuance of this audit report. Pension from employee and employer have not been deduct in accordance with the tax proclamation. And we didn't attend to observe yearend cash on hand count.

Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements give a true and fair view of the financial position of CareEpilepsy Ethiopia as at 31 December, 2017, and (of) its financial performance for the year then ended in accordance with the accounting policy adopted by the organization.



**Getenet Worku & Co.
Chartered Certified Accountants and
Authorized Auditors**

**Addis Ababa
14 February, 2018**



**CAREEPILEPSY ETHIOPIA
BALANCE SHEET
AS AT 31 DECEMBER 2017**

Currency: Ethiopian Birr

	Notes		2016
ASSETS			
Non-current assets			
Property, Plant & Equipments	2b	-	-
Current Assets			
Debtors and prepayments	3	5,763	340
Cash and Bank balances	4	<u>43,212</u>	<u>377,823</u>
		48,975	378,163
Total Assets		<u>48,975</u>	<u>378,163</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Fund balance		<u>42,190</u>	<u>363,591</u>
		42,190	363,591
Current liabilities			
Creditors and accruals		149	14,572
Taxations		<u>6,636</u>	-
Total liabilities		<u>6,785</u>	<u>14,572</u>
Total Equity and liabilities		<u>48,975</u>	<u>378,163</u>



**CAREEPILEPSY ETHIOPIA
STATEMENT OF INCOME AND EXPENDITURES
FOR THE YEAR ENDED 31 DECEMBER, 2017**

Currency: Ethiopian Birr

	Notes		2016
Revenue	2a		
Donation received	5	456,214	646,628
EXPENDITURES	2a		
Program cost	6	(595,827)	(233,474)
Administrative	7	(181,788)	(79,488)
		<u>(777,615)</u>	<u>(312,962)</u>
EXCESS OF INCOME OVER EXPENDITURES		(321,401)	333,666
FUND BALANCE BROUGHT FORWARD		<u>363,591</u>	<u>29,925</u>
FUND BALANCE CARRIED FORWARD		<u><u>42,190</u></u>	<u><u>363,591</u></u>



CAREPILEPSY ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2017

Currency: Ethiopian Birr

1. ESTABLISHMENT

CareEpilepsy Ethiopia is a non-profitable, Non-religious Organization and has been registered at Charities and Societies Agency in accordance with the Charities and Societies proclamation No. 621/2009 with Certificate Number 3380 issued on 03 February, 2015, which is valid until 02 February, 2018, as an Foreign Charity.

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 by the organization, which are consistent with those of the previous years, are as follows:

- 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 into Birr at the rate ruling on the date of the transaction.



CAREEPILEPSY ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2017

Currency: Ethiopian Birr

3. DEBTORS AND PREPAYMENTS

		2016
Staff debtors	5,763	340
	<u>5,763</u>	<u>340</u>

4. CASH AND BANK BALANCE

		2016
Cash on hand	967	-
Cash at bank	42,245	377,823
	<u>43,212</u>	<u>377,823</u>

5. TAXATIONS

		2016
Income tax payable	2,256	-
Withholding tax payable	4,380	-
	<u>6,636</u>	<u>-</u>

6. DONATION RECEIVED

		2016
Care craft Inc.	-	440,119
CareEpilepsy-UK	107,599	46,049
Local institution	346,500	50,000
Meheret kinfe	-	58,055
Individual donations	2,115	52,405
	<u>456,214</u>	<u>646,628</u>



CAREEPILEPSY ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2017

Currency: Ethiopian Birr

6. PROGRAM EXPENDITURES

		2016
Salary and benefits expenses	44,546	-
Travelling and perdiem	15,073	-
Compound repair for beneficiary	-	64,174
Medical expenses for beneficiary	6,280	751
Craft training material	28,668	28,831
Food for beneficiary	8,676	5,463
Annual epilepsy day	195,421	123,598
Rent expenses	137,828	-
Car rent expenses	31,280	-
Fuel expenses	10,546	-
Stationary and printings	8,971	-
Communications	9,000	-
Transportation for beneficiary	27,950	9,211
Professional expert cost	71,500	-
Epilepsy International volunteer day	88	1,446
	595,827	233,474



CAREEPILEPSY ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER, 2017

Currency: Ethiopian Birr

7. ADMINSTRATIVE EXPENDITURES

		2016
Salary expenses	78,728	20,913
Travelling and perdiem	112	-
Office rent	41,280	27,600
Stationary and printings	5,894	10,442
Fixed asset acquisitions	2,407	10,306
Transportation expenses	12,394	1,625
Fuel expenses	5,426	-
Telephone and EVDO	10,192	3,137
Bank service charge	345	175
Utility expenses	3,354	375
Loading and unloading	2,600	450
License and registrations	589	3,041
Advertising and promotion	4,499	-
Professional fees	5,050	-
Cleaning and sanitations	1,282	493
Miscellaneous expenses	7,636	931
	181,788	79,488

8. PROGRAM COST AND ADMINSTRATIVE EXPENDITURES PERCENTAGE

		%
Program costs	595,827	76.62
Adminstrative expenses	181,788	23.38
	777,615	100.00

