

# CAREPILEPSY ETHIOPIA

**INDEPENDENT AUDITOR'S REPORT AND ACCOUNTS**  
**AS AT AND FOR THE YEAR ENDED 31 DECEMBER, 2018**



**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](mailto:gechove@yahoo.com)**

**P.O.BOX 184956 Addis Ababa, Ethiopia**

**BOLE MEDEHANIALEM,  
MENTEWAB HUNEGAW BUILDING  
3<sup>RD</sup> 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, 2018 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**

Pension from employee and employer have not been deduct in accordance with the proclamation.

**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, 2018, 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  
25 February, 2019**

**CAREEPILEPSY ETHIOPIA  
BALANCE SHEET  
AS AT 31 DECEMBER 2018**

*Currency: Ethiopian Birr*

ASSETS	Notes		2017
<b>Non-current assets</b>			
Property, Plant & Equipments	2b	-	-
<b>Current Assets</b>			
Debtors and prepayments	3	15,333	5,763
Cash and Bank balances	4	<u>34,981</u>	<u>43,212</u>
		<b>50,314</b>	<b>48,975</b>
<b>Total Assets</b>		<b><u>50,314</u></b>	<b><u>48,975</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Fund balance		<u>2,401</u>	<u>42,190</u>
		<b>2,401</b>	<b>42,190</b>
<b>Current liabilities</b>			
Creditors and accruals-Enat Ewnetu		42,302	149
Taxations		<u>5,611</u>	<u>6,636</u>
<b>Total liabilities</b>		<b><u>47,913</u></b>	<b><u>6,785</u></b>
<b>Total Equity and liabilities</b>		<b><u>50,314</u></b>	<b><u>48,975</u></b>



**CAREEPILEPSY ETHIOPIA  
STATEMENT OF INCOME AND EXPENDITURES  
FOR THE YEAR ENDED 31 DECEMBER, 2018**

*Currency: Ethiopian Birr*

	Notes		2017
<b>Revenue</b>	<b>2a</b>		
Donation received	5	558,904	456,214
<b>EXPENDITURES</b>	<b>2a</b>		
Program cost	6	(418,967)	(595,827)
Adminstrative	7	(179,857)	(181,788)
		<u>(598,824)</u>	<u>(777,615)</u>
<b>EXCESS OF INCOME OVER EXPENDITURES</b>		<b>(39,920)</b>	<b>(321,401)</b>
<b>FUND BALANCE BROUGHT FORWARD</b>		<b>42,190</b>	<b>363,591</b>
Prior year adjustments		<u>131</u>	<u>-</u>
<b>FUND BALANCE CARRIED FORWARD</b>		<u><b>2,401</b></u>	<u><b>42,190</b></u>



**CAREPILEPSY ETHIOPIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2018**

*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 a 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.



**CAREPILEPSY ETHIOPIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER, 2018**

*Currency: Ethiopian Birr*

**3. DEBTORS AND PREPAYMENTS**

		2017
Staff debtors	-	5,763
Prepayments	15,333	-
	<b>15,333</b>	<b>5,763</b>

**4. CASH AND BANK BALANCE**

		2017
Cash on hand	2,000	967
Cash at bank	32,981	42,245
	<b>34,981</b>	<b>43,212</b>

**5. TAXATIONS**

		2017
Income tax payable	151	2,256
Pension payable	1,080	-
Withholding tax payable	4,380	4,380
	<b>5,611</b>	<b>6,636</b>

**6. DONATION RECEIVED**

		2017
CareEpilepsy-UK	540,904	107,599
Local institution	-	346,500
Individual donations	18,000	2,115
	<b>558,904</b>	<b>456,214</b>



**CAREPILEPSY ETHIOPIA  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER, 2018**

*Currency: Ethiopian Birr*

**6. PROGRAM EXPENDITURES**

		2017
Salary and benefits expenses	117,096	44,546
Travelling and perdiem	17,796	15,073
Medical expenses for beneficiary	1,380	6,280
Craft training material	31,171	28,668
Food for beneficiary	3,951	8,676
Annual epilepsy day	-	195,421
Rent expenses	80,747	137,828
Car rent expenses	58,185	31,280
Fuel expenses	-	10,546
Stationary and printings	10,887	8,971
Maintenance for beneficiary	1,653	-
Communications	24,013	9,000
Radio an film production	44,673	-
Community conversation	8,500	-
Transportation for beneficiary	8,800	27,950
Equip. hire Loading and unloading	8,365	-
Professional expert cost	1,750	71,500
Epilepsy International volunteer day	-	88
	<b>418,967</b>	<b>595,827</b>





**CAREEPILEPSY ETHIOPIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER, 2018**

*Currency: Ethiopian Birr*

**7. ADMINSTRATIVE EXPENDITURES**

		2017
Salary expenses	130,065	78,728
Travelling and perdiem	-	112
Office rent	21,187	41,280
Stationary and printings	5,038	5,894
Fixed asset acquisitions	-	2,407
Transportation expenses	-	12,394
Fuel expenses	7,757	5,426
Telephone and EVDO	3,800	10,192
Bank service charge	668	345
Utility expenses	1,302	3,354
Loading and unloading	-	2,600
License and registrations	400	589
Advertising and promotion	-	4,499
Professional fees	5,750	5,050
Repair and maintenance	505	-
Cleaning and sanitations	-	1,282
Miscellaneous expenses	3,385	7,636
	<b>179,857</b>	<b>181,788</b>



**8. PROGRAM COST AND ADMINSTRATIVE EXPENDITURES PERCENTAGE**

		%
Program costs	418,967	69.96
Administrative expenses	179,857	30.04
	<b>598,824</b>	<b>100.00</b>