

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

OF

CAREEPILEPSY ETHIOPIA

FOR THE YEAR ENDED 31 DECEMBER 2020



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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS OF
CAREPILEPSY ETHIOPIA
FOR THE YEAR ENDED 31 DECEMBER 2020**

Section One: Report on the Financial Statements

We have audited the financial statements of Careepilepsy Ethiopia, which comprise balance sheet as at 31 December 2020, 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 Careepilepsy Ethiopia as at 31 December 2020 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 Accountants (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 represents 84% and administrative expenditure is 16% 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 2020 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 16, 2021

**CAREEPILEPSY ETHIOPIA
BALANCE SHEET
AS AT 31 DECEMBER 2020**

Currency : Ethiopian Birr

	<u>Notes</u>		<u>2019</u>
ASSETS			
CURRENT ASSETS			
Receivables and Prepayments	3	-	1,858.62
Cash and Bank Balances	4	790,632.73	253,217.79
		<u>790,632.73</u>	<u>255,076.41</u>
CURRENT LIABILITIES			
Payables	5	39,155.10	59,525.66
		<u>39,155.10</u>	<u>59,525.66</u>
NET ASSETS		<u>751,477.63</u>	<u>195,550.75</u>
REPRESENTED BY			
Fund Balance		<u>751,477.63</u>	<u>195,550.75</u>



CAREEPILEPSY ETHIOPIA
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2020

Currency : Ethiopian Birr

	<u>Notes</u>	<u>%</u>		<u>2019</u>
INCOME				
Donation Income	6		2,435,474.05	2,181,527.79
EXPENDITURES				
Program	7	84%	1,590,062.35	1,730,112.92
Adminstrative	8	16%	306,439.15	235,203.46
			<u>1,896,501.50</u>	<u>1,965,316.38</u>
EXCESS OF INCOME OVER EXPENDITURE			538,972.55	216,211.41
BALANCE BROUGHT FORWARD			195,550.79	2,401.04
PRIOR PERIOD ADJUSTMENT			16,954.29	(23,061.70)
BALANCE CARRIED FORWARD			<u>751,477.63</u>	<u>195,550.75</u>



CAREPILEPSY ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

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 organization 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 2020

Currency : Ethiopian Birr

3. RECEIVABLE AND PREPAYMENTS

		<u>2019</u>
Prepayments	-	-
Sundry Receivable	-	1,858.62
	<u>-</u>	<u>1,858.62</u>

4. CASH AND BANK BALANCE

		<u>2019</u>
Cash on Hand	2,000.00	2,000.00
Cash at Bank	788,632.73	251,217.79
	<u>790,632.73</u>	<u>253,217.79</u>

5. PAYABLES

		<u>2019</u>
Payable to Enat Yewnetu	17,302.06	42,302.00
Income Tax Payables	2,208.13	4,424.07
Pension Payable	7,708.88	8,419.71
Accrude Liability	4,554.59	-
Withholding Tax Payables	7,381.44	4,379.88
	<u>39,155.10</u>	<u>59,525.66</u>

6. DONATION INCOME

		<u>2019</u>
Donation In Cash - Foreign	915,844.70	483,607.29
Donation in Cash - Local Individuals	672,705.00	443,260.00
Donation in Cash - Local Institutions	295,000.00	185,562.50
Donation In Kind - Service	551,924.35	1,039,098.00
Donation In Kind - Equipment	-	30,000.00
	<u>2,435,474.05</u>	<u>2,181,527.79</u>



CAREEPILEPSY ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Currency : Ethiopian Birr

7. PROGRAM EXPENDITURES

		2019
Salary and Benefits- Program Staffs	259,925.73	181,636.87
Travelling and Perdiem	6,760.00	2,267.40
Medical Expenses for Beneficiaries	160,116.49	388,016.50
Neuro-Diagnostic Equipment	143,228.83	436,562.97
Training and Awareness Creation Material	83,271.93	10,210.00
Food for Beneficiaries	74,225.49	-
Rent	173,764.27	130,789.16
Car Rent	239,322.37	109,061.95
Training and Volunteering	74,843.92	170,380.00
Stationary ,Printing and documentation for Program Activities	44,600.37	56,514.54
Equipment and Repair for Beneficiary	31,803.51	3,681.74
Telephone Helpline and Communication Facilities	43,480.92	37,329.48
Media and Communication	9,900.00	47,873.62
Counselling, Workshop and Community Conversation	99,750.00	60,959.90
Transportation for Beneficiaries	15,823.00	32,345.00
Equipment Hire Loading Unloading	14,484.30	12,520.80
T Shirt Design and Printing	94,035.19	49,000.00
IGA Start up Cost	15,000.00	-
Misellanous Project Cost	5,726.03	962.99
	<u>1,590,062.35</u>	<u>1,730,112.92</u>



CAREEPILEPSY ETHIOPIA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Currency : Ethiopian Birr

8. ADMINSTRATIVE EXPENDITURES

		<u>2019</u>
Salary and Benefits	266,058.96	155,651.13
Office Rent	-	35,986.00
Stationary, Printing and Office Supplies	12,800.00	31,983.86
Telephone and EVDO	7,600.00	-
Bank Service Charge	1,180.20	720.00
License and Registration	6,464.79	797.50
Professional Fee	10,090.00	7,893.00
Misellanus	2,245.20	2,171.97
	<u>306,439.15</u>	<u>235,203.46</u>

