

AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

**VISION OF COMMUNITY DEVELOPMENT ASSOCIATION
(VoCDA)**

OF

AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2020

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SINTAYEHU MULUGETA TADESSE
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**VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
AUDITOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

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VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)

KEY ORGANIZATION INFORMATION AND MANAGEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

Ethiopian Birr (ETB)

Key Organization Information(mission/vision/core objectives)

Background information

Vision of Community Development Association) (VoCDA) is an indigenous secular NGO established in 2003 as local NGO and currently registered as per the new law 1113/2019 “charitable organization”

Legally registered with CSO agency policy as charitable organization and its registration number is 0129. E26 Entered in to Operational and project agreements with Federal and regional concerned bureaus, Specific Project Agreement is signed with planning and Finance and economic cooperation, Agriculture and natural resource Bureau, and Women and Children’s Affairs bureaus.

VISION

To see prosperous communities where all community members use their capability and livelihood asset to realize a sustainable livelihood,

MISSION

We exist, To empower poor, women and vulnerable households, To bring about sustainable development and positive social transformation; and promote human dignity for all citizens,

Registered office

Auditor's Name : Sintayehu Mulugeta Tadesse Certified Audit Firm

Executive Management (as of December 31, 2020)



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
STATEMENT OF MANAGEMENT RESPONSIBILITIES
FOR THE YEAR ENDED 31 DECEMBER 2020

The Financial Reporting Proclamation No. 847/2014 requires the entity to prepare its financial statements in accordance with the International Public Sector Accounting Standards (IPSAS).

The Management is required to prepare financial statements in respect of the entity, which give a true and fair view of the state of affairs of the entity at the end of the financial year/period and the operating results of the entity for that year/period. The Management are also required to ensure that the entity keeps proper accounting records which disclose with reasonable accuracy the financial position of the entity. The Management are also responsible for safeguarding the assets of the entity.

The Management is responsible for the preparation and presentation of the entity's financial statements, which give a true and fair view of the state of affairs of the entity for and as at the end of the financial year (period) ended on December 31, 2020.

The Management accept responsibility for the entity's financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Public Sector Accounting Standards (IPSAS). The Management assure that the entity's financial statements give a true and fair view of the state of entity's transactions during the financial year ended December 31, 2020 and of the entity's financial position as at that date. The Management further confirm the completeness of the accounting records maintained for the entity, which have been relied upon in the preparation of the entity's financial statements as well as the adequacy of the systems of internal financial control.

Nothing has come to the attention of the Management to indicate that the entity will not remain a going concern for at least the next twelve months from the date of this statement.

Approval of the financial statements

The entity's financial statements were approved by the Management February 15, 2021 and signed on its behalf by:

Executive Director



Finance & Admin Manager

Sintayehu Mulugeta Tadesse

Chartered Certified Accountant (UK) & Certified Audit Firm (ETH)

Ref: SMTCAF/0189/2021

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS **VISION OF COMMUNITY DEVELOPMENT ASSOCIATION**

Section One: Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Vision of Community Development Association, which comprise the Statement of Financial Position as at 31 December 2020, Statement of Financial Performance, Statement of Change in Net Assets/Equity, Statement of Cash Flow, Statement of Comparison of Budget and Actual Amounts and for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of Vision of Community Development Association as at 31 December 2020 and its financial performance, and its cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSAS) as issued by the International Public Sector Accounting Standards Board (IPSASB).

Basis of 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 organization 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 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization'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 organization 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 organization's 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.

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Section Two: Report on Other Legal and Regulatory Requirements

The opinion in this section is given based on the audit procedures we applied in accordance with guideline 8/2004 issued by the Ethiopian Agency for Civil Society Organization to review compliance with Organization of Civil Societies Proclamation Number 1113/2019;

1) Income: -

- a) Cash receipt vouchers are raised for all income collected.
- b) Income obtained from local and foreign sources are properly classified.
- c) Income is collected through legitimate means and by the person delegated for the purposes.

2) Expenditures: -

- a) Expenditures are accounted for when evidenced by legal and original invoices, relevant, reliable and sufficient
- b) All expenditures and purchases of goods and services are incurred as per the relevant regulations and authenticated by officials of the organization.
- c) Operational and administration expenditures are properly classified and represent 80 % and 20 % of the total expenditures respectively.

3) Asset Management

- a) Fixed asset purchased are supported by official suppliers' invoices.
- b) Physical count of fixed asset is made annually by the organization and was checked against the record.
- c) Fixed asset identification number are given to each asset and cross-referenced with the register book.

4) Cash and bank balances

- a) Separate ledger accounts are also maintained for each bank accounts of the organization and reconciled with the respective bank statements monthly.
- b) Operated all its bank accounts with its duly authorized management.


5) Creditors

- a) Proper taxes are deducted and paid over to the tax authority within the time set for settlements.
- b) All liabilities are disclosed and properly classified.

6) Receivables

- a) Collected its receivables in period stipulated in its financial policy.
- b) Disclosed its outstanding receivables with appropriate classification.

The attached financial statements of the Vision of Community Development Association as at 31 December 2020 complies in all material respect with Organization of Civil Societies Proclamation Number 1113/2019 issued by the Ethiopian Agency for Civil Society Organization.


Sintayehu Mulugeta Tadesse
Chartered Certified Accountants (UK) and
Certified Audit Firm (Ethiopia)



Addis Ababa
10 March, 2021



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2020

Currency: Ethiopian Birr

	Notes	%		31-Dec-19
Revenue	4.6,4.7,11			
Revenue from Non-Exchange Transactions	11.1		4,447,829.91	4,813,509.12
Revenue from Exchange Transactions	11.2		13,000.00	94,593.44
Total Expenses			4,460,829.91	4,908,102.56
Expenses	4.6,12			
Program Expenses	12.1	80%	3,460,642.93	4,004,806.68
Administration Expenses	12.2	20%	870,853.79	968,731.99
Total Expenses			4,331,496.72	4,973,538.67
Surplus/(deficit) for the period			129,333.19	(65,436.11)



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2020

Currency: Ethiopian Birr

	Notes		31-Dec-19
Asset			
Current Asset			
Cash and cash equivalent	4.2,6	41,989.16	7,462.78
Prepayment & receivables	7	8,041.29	15,870.90
		50,030.45	23,333.68
Non- Current Asset			
Property, plant and equipment	4.1, 8	656,806.19	820,008.39
		656,806.19	820,008.39
Total Asset		706,836.64	843,342.07
Liabilities			
Current Liabilities			
Payables from exchange transaction	9	88,246.16	193,835.66
Employee benefits obligation - Leave	4.3,10	51,473.47	48,519.94
		139,719.63	242,355.60
Non-Current Liabilities			
Severance payables	4.4,10	85,082.77	-
		85,082.77	-
Total Liabilities		224,802.40	242,355.60
Net Asset (Total assets less Total liabilities)			
General fund		482,034.24	600,986.47
Total Net Asset		482,034.24	600,986.47
Total Liabilities and net Asset/Fund		706,836.64	843,342.07



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

Currency: Ethiopian Birr

Cash flow from Operating Activity	31-Dec-20	31-Dec-19
Surplus/(deficit) for the period	129,333.19	(65,436.11)
Add/less: Depreciation	-	-
	<u>129,333.19</u>	<u>(65,436.11)</u>
 Increase in Prepayment & receivables	7,829.61	(12,574.41)
Increase in trade and other payables from exchange transaction	(105,589.50)	126,581.73
Increase in employee benefits obligation - Leave	2,953.53	48,519.94
	<u>(94,806.36)</u>	<u>162,527.26</u>
Net cash flow from operating activity	34,526.83	97,091.15
 Cash Flow from Investing Activities		
Purchase of fixed assets	-	(91,600.00)
	<u>-</u>	<u>-</u>
Net cash flow from investing activities	-	(91,600.00)
	<u>-</u>	<u>(91,600.00)</u>
 Cash Flows from Financing Activities	34,526.83	5,491.15
	<u>34,526.83</u>	<u>5,491.15</u>
 Net cash out flows from financing activities		
Net increase/decrease in cash and cash equivalents	34,526.83	5,491.15
Cash and cash equivalents at the beginning of the year	7,462.78	1,971.63
Cash and cash equivalents at the end of the year	<u>41,989.61</u>	<u>7,462.78</u>



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
STATEMENT OF CHANGE IN NET ASSET /FUND
FOR THE YEAR ENDED 31 DECEMBER 2020

Currency: Ethiopian Birr

	General fund		Fixed asset fund	Total Net Asset/Fund
Balance as at 01 January 2019	(61,985.96)	-	929,034.27	867,048.31
Surplus/(deficit) for the period	(65,436.11)	-	-	(65,436.11)
Current period movement in PPE	-	-	-	-
IPSAS Adjustments On PPE	-	-	(200,625.73)	(200,625.73)
Balance at 01 January 2019	(127,422.07)	-	728,408.54	600,986.47
Change in net Asset/ Fund				
Surplus/(deficit) for the period	129,333.19	-	-	129,333.19
Deprceition Expense as per IPSAS on PPE	-	-	(163,202.65)	(163,202.65)
IPSAS Adjustments On Severance Payable	-	(85,082.77)	-	(85,082.77)
Balance at 31 December 2020	<u>1,911.12</u>	<u>(85,082.77)</u>	<u>565,205.89</u>	<u>482,034.24</u>



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020

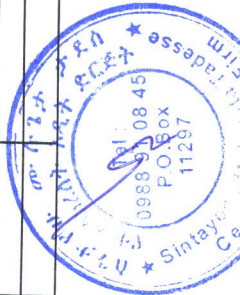
Currency: Ethiopian Birr

Cash flow from Operating Activity	31-Dec-20	31-Dec-19
Surplus/(deficit) for the period	129,333.19	(65,436.11)
Add/less: Depreciation	-	-
	<u>129,333.19</u>	<u>(65,436.11)</u>
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VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
Statement of Comparison of Budget and Actual Amounts
FOR THE YEAR ENDED 31 DECEMBER 2020

Description	Original Budget	Adjustments	Final Budget	Actual	Performance difference	Performance difference	Responses
I. PROGRAM EXPENDITURES							
Program staff salary	1,388,705.15	225,391.39	1,163,313.76	1,163,313.76	225,391.39	19%	The budgets lines Postponed to the extension Periods as per the no- cost extension periods agreement
Social Work honorarium	14,739.95	-	14,739.95	14,739.95		0%	
SHG/CLA Capital enhancement	36,478.52	-	36,478.52	36,478.52		0%	
Training of forest Mangment	92,910.00	-	92,910.00	92,910.00		0%	
Business development training	68,637.00	-	68,637.00	68,637.00		0%	
distribution of fuel energy stoves 250 birr vouchers.	629,740.00	258,090.00	371,650.00	371,650.00	258,090.00	69%	The budgets lines Postponed to the extension Periods as per the no- cost extension periods agreement
Purchase of Papaya	87,500.00	-	87,500.00	87,500.00		0%	
Fruit tree purchasing for additional 250	258,537.68	(11,422.32)	269,960.00	269,960.00	(11,422.32)	-4%	
Trainings on soil and water conservation and gullies on degraded lands	155,937.00	-	155,937.00	155,937.00		0%	
Germinations and distribution of tree seedlings	488,769.67	89,143.15	399,626.52	399,626.52	89,143.15	22%	
Farmers forest event (model farmers award materials, and event itself)	84,260.00	-	84,260.00	84,260.00		0%	
Purchase of Modern Beehives	466,560.00	37,000.32	429,559.68	429,559.68	37,000.32	9%	
trainings about nutritional value of NTFPs (include gender training)	79,609.00	-	79,609.00	79,609.00		0%	
Planting Moringa trees	14,850.00	-	14,850.00	14,850.00		0%	
Field monitoring, follow-up & support visits by HO & P. Offices	20,113.00	-	20,113.00	20,113.00		0%	
Key stakeholders project visit and meetings (government committees)	9,765.00	-	9,765.00	9,765.00		0%	
fuels for project monitoring and supervisions by H.O & P. Offices	128,130.00	60,039.00	68,091.00	68,091.00	60,039.00	88%	The budgets lines Postponed to the extension Periods as per the no- cost extension periods agreement
Value chain Action Workshop linkage with buyers	70,400.00	35,714.00	34,686.00	34,686.00	35,714.00	103%	The budgets lines Postponed to the extension Periods as per the no- cost extension periods agreement
Depreciation expense	4,095,641.97	693,955.54	3,401,686.43	(163,202.50)	693,955.54		
			3,238,483.93				



date collection from monitoring plots	3,960.00	(2,640.00)	6,600.00	6,600.00	-40%	The budgets lines Postponed to the extension Periods as per the no- cost extension periods agreement
Field monitoring follow up and support visits by Ho & p.offices	44,956.00	24,843.00	20,113.00	20,113.00	124%	
Surgical Mask and sanitizer	41,184.00	25,664.00	15,520.00	15,520.00	165%	The budgets lines Postponed to the extension Periods as per the no- cost extension periods agreement
Furit Mangment service training	79,113.00	2,233.00	76,880.00	76,880.00	3%	
Larning Events Stakeholders and Project	60,099.00	2,353.00	57,746.00	57,746.00	4%	
Professional service training	12,000.00	-	12,000.00	12,000.00	0%	
	4,336,953.97	746,408.54	3,590,545.43	3,427,342.93	21%	
2. ADMINISTRATIVE EXPENDITURES						
Salary and related benefits	662,959.83	121,111.20	541,848.63	541,848.63		The budgets lines Postponed to the extension Periods as per the no- cost extension periods agreement
Fuel and lubricants for vehicle	9,746.07	(1,828.33)	11,574.40	11,574.40	22%	
Repair and maintenance vehicle	91,657.50	(6,754.03)	98,411.53	98,411.53	-16%	
Insurance	14,760.54	-	14,760.54	14,760.54	-7%	
Accommodation	4,587.00	-	4,587.00	4,587.00	0%	
Miscellaneous	24,667.40	-	24,667.40	24,667.40	0%	
Daily labor	2,350.00	-	2,350.00	2,350.00	0%	
Bank service charge	150.00	-	150.00	150.00	0%	
Office rent	140,750.00	38,541.98	102,208.02	102,208.02		The budgets lines Postponed to the extension Periods as per the no- cost extension periods agreement
Audit fee	25,000.00	-	25,000.00	25,000.00	38%	
General assembling	9,064.00	-	9,064.00	9,064.00	0%	
Transport and taxi	3,650.07	-	3,650.07	3,650.07	0%	
Stationery and supplies	6,774.06	-	6,774.06	6,774.06	0%	
Utility	31,414.61	-	31,414.61	31,414.61	0%	
Profession service fir	15,000.00	-	15,000.00	15,000.00	0%	
Leave Exp		-	2,953.53	2,953.53		
Office cleaning	9,740.00	-	9,740.00	9,740.00	0%	
Total Administrative expenditures	1,052,271.08	151,070.82	901,200.26	904,153.79	17%	



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Currency: Ethiopian Birr

Note 1. General Information

1. Background

1.2.1 Establishment

Vision of Community Development Association) (VoCDA) is an indigenous secular NGO established in 2003 as local NGO and currently registered as per the new law 1113/2019 "charitable organization"

Legally registered with CSO agency policy as charitable organization and its registration number is 0129. Entered in to Operational and project agreements with Federal and regional concerned bureaus, Specific Project Agreement is signed with planning and Finance and economic cooperation, Agriculture and natural resource Bureau, and Women and Children's Affairs bureaus.

1.2.3 VISION

To see prosperous communities where all community members use their capability and livelihood asset to realize a sustainable livelihood,

1.2.4 MISSION

We exist,

To empower poor, women and vulnerable households,

To bring about sustainable development and positive social transformation; and promote human dignity for all citizens,

2.1 Statement of Compliance

These Financial Statements have been prepared in accordance with the 'International Public Sector Accounting Standards' for the accrual basis of accounting - "Accrual IPSAS" issued by the 'International Public Sector Accounting Standards Board' and in the manner required by the 'Civil Society Organization Proclamation No. 1113/2019'.

2.2 Basis of preparation of financial statements

These Financial Statements have been prepared on historical cost basis. The principal accounting policies are set out below. The Financial Statements are presented in Ethiopian Birr, which is the functional currency of the Organization.

2.3 Property, Plant and Equipment

Property, plant and equipment asset are capitalized if their cost is greater than or equal to the thresholds limit set at birr 5,000. The threshold level is reviewed periodically. They are depreciated over the asset's estimated useful life using the straight line method.

Property, Plant and Equipments are recognized initially at cost as per IPSAS 17 and subsequent recognition as assets, items of property, plant and equipment that are accounted under the cost model are carried at cost less any accumulated depreciation and any accumulated impairment losses. Assets are reviewed annually to determine if there is any impairment in their value.

Depreciation is charged on the straight line basis at the following rate per annum:-

Asset Class and Description	Estimated Useful Life (Year)
Motore and padal cycle	20 (Year)
Computer and accessories	20 (Year)
Office Equipment and furniture	10 (Year)



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Currency: Ethiopian Birr

Note 3. Basis of preparation of financial statements

3.1 Basis of measurement

These financial statements are prepared on an accrual basis of accounting in accordance with IPSAS and the Financial Regulations and Rules of Vision of Community Development Association. Accounting policies have been applied consistently throughout the year. The financial year is from 01 January to 31 December 2020.

3.2 Critical accounting estimates

Preparing financial statements in accordance with IPSAS requires the Organization to make estimates, judgments and assumptions in the selection and application of accounting policies and in the reported amounts of assets, liabilities, revenues and expenses. For this reason, actual results may differ from those estimates. Accounting estimates and underlying assumptions are reviewed on an ongoing basis, and revisions to estimates are recognized in the year in which the estimates are revised and in any future year affected. Significant estimates and assumptions that may result in material adjustments in future years include actuarial measurement of employee benefits; selection of useful lives and the depreciation/amortization method for property, plant and equipment.

3.3. Going concern

These financial statements were prepared on the assumption that the organization is a going concern and will continue in operation and will meet its mandate for the foreseeable future (IPSAS 1). The Management of Vision of Community Development Association have not communicated any intention to terminate the Entity or to cease its operations.



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Currency: Ethiopian Birr

4.3 Short-term employee benefits

As per IPSA 39 when an employee has rendered service to an entity during an accounting period, the entity shall recognize the undiscounted amount of short-term employee benefits, such as unused annual leave, expected to be paid in exchange for that service as a liability and as an expense unless the cost relates to inventory or property, plant or Equipment in which case it will be treated as per requirements of the relevant standard.

4.4 Post Employment Benefits

The severance payment due to employees are considered by the Organization to be post employment benefits. The Organization does not consider the actuary assumption to calculate severance payable amount. Instead, the Organization's severance payable is calculated as per the organization simple policy that is One month salary provision for a full year service and proportionate will be computed for a service less than a year. This is consistent and comply with the minimum labor proclamation No 1156/2019. The effect of using this method instead of actuary assumption is immaterial. Re-measurements of the obligation is done each year at the reporting date and additional obligation shall be recognized as an expense.

4.5 Termination benefits

Termination benefits are recognized as an expense only when VoCDA is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate the employment of a staff member before the normal retirement date, or provide termination benefits as a result of an offer made in order to encourage voluntary redundancy.

4.6 Revenue and expense recognition

All fund transfer from the donations and members contributions are recognized as revenue and all expenses incurred in the same fiscal year is recognized as an expense. If the fund transfer and expense paid for the next fiscal year, it will be accrued to the new fiscal year.

4.7 Revenue from exchange transactions

In Vision of Community Development Association cases Exchange transactions are only those in which the Organization sells of Seedling. Revenue comprises the fair value of consideration received or receivable for the seedling. Revenue is recognized when it can be reliably measured; when the inflow of future economic benefits is probable and when specific criteria have been met.



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Currency: Ethiopian Birr

4.8 Provisions

A provision is recognized if, as a result of a past event, Vision of Community Development Association has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of the expenses expected to be required to settle the obligation. The increase in a provision due to the passage of time is recognized as a finance cost.

4.9 Contingencies

4.9.1 Contingent assets

A contingent asset is disclosed when an inflow of economic benefits or service potential is probable. If it has become virtually certain that an asset is no longer contingent and that its value can be measured reliably, the asset and the related revenue are recognized in the year in which the change occurs.

4.9.2 Contingent liabilities

A contingent liability is disclosed unless the possibility that it will be realized is remote. If it becomes probable that a contingent liability will be realized, a provision is recognized in the year in which the change of probability occurs.

4.10. Change in accounting policies and estimates

Vision of Community Development Association recognizes the effect of change in accounting policy and change in accounting estimates retrospectively at the date of adoption and after adoption of IPSAS, change in accounting estimates applied prospectively and change in accounting policy applied retrospectively

4.11. Statement of cash flow

The cash flow statement is prepared using the indirect method permitted under IPSAS 2. This means that the actual result for the financial year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of revenue or

The cash flow statement reports cash flows during the period classified by operating and investing activities and the financing activities.



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2020

Currency: Ethiopian Birr

6 Cash and cash equivalent

		<u>31-Dec-19</u>
Cash at Bank		
Cash at Bank-CBE Temenja Yaj	38,920.81	3,986.85
Oromia international Bank	2,000.00	2,000.00
Cash at bank Zeway	238.23	238.23
Cash at bank Bulbula	300.00	300.00
	<u>41,459.04</u>	<u>6,525.08</u>
Cash on hand(Petty Cash)	530.12	937.70
Total Cash and Cash Equivalent	<u>41,989.16</u>	<u>7,462.78</u>

7 Prepayment & receivables

		<u>31-Dec-19</u>
Loan receivable- Bona Shaku	-	11,500.00
Staff Insurance Advance	-	4,370.90
Prepared insurance	8,041.29	-
	<u>8,041.29</u>	<u>15,870.90</u>



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8 Property, plant and equipment

	Motor Vehicle	Computer and Accessories	Office Equipment and Furnitures	Total
Asset value as at 01 January 2019	740,020.00	7,992.38	71,996.31	820,008.69
Addition	-	-	-	-
Depreciation	(148,004.00)	(799.24)	(14,399.26)	(163,202.50)
Carrying amount at 31 December 2020	<u>592,016.00</u>	<u>7,193.14</u>	<u>57,597.05</u>	<u>656,806.19</u>

9 Payables from exchange transaction

		31-Dec-19
Income tax payable	49,409.20	21,753.00
Social security payable	32,980.46	14,337.02
Withholding tax payable	5,856.50	2,008.70
Provident fund	-	9,297.20
Payable to external Creditor	-	146,439.74
	<u>88,246.16</u>	<u>193,835.66</u>

10 Employment benefit plans

Current Liabilities

Employee benefits obligation - Leave

Non-Current Liabilities

Severance



	31-Dec-19
51,473.47	48,519.94
85,082.77	-

11 Revenue

11 Revenue from Non- Exchange Transactions

Income from donors

	31-Dec-19
4,447,829.91	4,813,509.12
<u>4,447,829.91</u>	<u>4,813,509.12</u>

11 Revenue from Exchange Transactions

sale of used tonor

Total revenue



	31-Dec-19
13,000.00	94,593.44
<u>4,460,829.91</u>	<u>4,908,102.56</u>

VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
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12 CLASSIFICATION OF COSTS

Classification of costs to program and administrative were made by management as per the requirements of Charity and Societies Agency applicable directives. Accordingly, program costs are 80% of the total costs while administrative costs are 20%.

13 Expenses

13.1 ADMINISTRATIVE EXPENDITURES

		<u>31-Dec-19</u>
Salary and related benefits	541,848.63	603,147.60
Daily Labor	2,350.00	7,047.30
Fuel and lubricants for vehicle	11,574.40	28,035.00
Repair and maintenance vehicle	98,411.53	99,757.85
Insurance	4,960.54	11,348.46
Perdime and transportasion	-	14,804.59
Tapela	-	8,200.00
Accommodation	4,587.00	3,009.00
Miscellaneous	24,667.40	21,700.39
Bank service charge	150.00	600.00
Car rent	-	1,000.00
Office rent	102,208.02	95,123.47
Audit fee	25,000.00	8,100.00
General assembling meeting cost	564.00	14,711.86
Advertising (IEC) Materials	-	2,665.41
Transport and taxi	3,650.07	3,352.00
Stationery and supplies	6,774.06	10,171.69
Utility	31,414.61	27,360.37
Printing	-	97.00
Leave Exp	2,953.53	
Office cleaning	9,740.00	8,500.00
Professional Service fee Accounting	-	-
Total Administrative expenditures	870,853.79	968,731.99



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
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Currency: Ethiopian Birr

13.2 PROGRAM EXPENDITURES

		<u>31-Dec-19</u>
Program staff salary	1,172,113.76	944,496.74
Social workers honorarium	14,739.95	-
SHG/CLA Capital enhancement	36,478.52	-
Grafted mango Seedling	-	128,800.00
Purchasing different seeds (Trees)	16,855.00	11,490.00
Per dime for trainers book keeping	-	216,287.50
Purchasing Papaya	87,500.00	60,000.00
Per dime for training women	29,519.99	31,227.75
Germination of seeding on nursery site	429,831.66	328,630.91
For purchasing Apiary equipment	429,559.68	221,090.00
Refreshment for participants	-	2,231.19
Training nutritional value	207,970.00	151,491.70
Training for forest management	92,910.00	44,130.00
BDS training for Beneficiary	65,050.00	170,110.00
Training NRC and Live hoods	42,235.41	-
Community Workshops (Inauguration)	-	6,470.17
Moringa training and inputs Supply	-	388,980.00
Moringa training and inputs Supply	6,560.00	133,865.69
Agricultural tools	-	49,990.00
Soil conservation Training (SWC)	94,860.00	300,380.00
Purchasing Plastic Sheet roll	36,748.26	-
Preparation of Sign board	15,609.99	-
Shelter Construction	5,446.30	37,115.14
Training Vegetable Magt	-	107,060.00
Beekeeping training	-	162,619.98
Purchasing of camera Project	-	4,450.00
Working center Purchasing Roto	-	10,418.00
For Purchasing Pesticides	-	4,646.81
For Purchasing Pvc Pipe & Vegetables Seeds For Fari	-	30,886.35
Purchase of Motor cycle	-	3,733.17
Purchase of energy saving Stove (Voucher)	371,650.00	331,731.96
Computer and accessories	-	2,003.84
Fuel for program running	63,223.00	61,637.90
Farmers forest day celebration	97,138.90	58,831.88
Forest Survey Data Collection	6,600.00	-
Value Chain Actors Works	13,071.52	-
Project Mid term Evaluation	23,270.99	-
Surgical Mask and Sanitizer	15,520.00	-
Car rent For Project work	9,400.00	-
Fruit Management Training	49,780.00	-
capacity building trainings on IPSAS adoption & financial policy	27,000.00	-

Total Program Expenditures

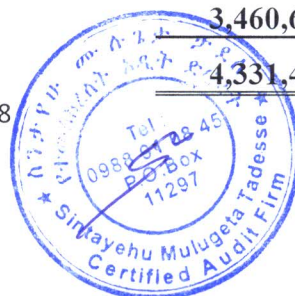
Total Expense

3,460,642.93

4,331,496.72

4,004,806.68

4,973,538.67



VISION OF COMMUNITY DEVELOPMENT ASSOCIATION (VoCDA)
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14 Related parties

14.1 Key management personnel

	Number of Position	31-Dec-20	31-Dec-19
Director	1	361,134.00	
Program Coordinators	1	220,060.32	
Accountant	1	127,121.64	
Key Management Personnel	3	-	614,613.00
Total		708,315.96	614,613.00

The remuneration paid to key management personnel includes salary and other entitlements as applicable in accordance with the Staff Regulations of the Organizational Manual.

15 Events after reporting date

The reporting date for these financial statements is 31 December 2020. There have been no material events, favorable or unfavorable, that occurred between the date of the financial statements and the date when the financial statements were authorized for issue that would have had a material impact on these statements.

