



**HAILEYESUSCHEKOL**

Certified Accountant and Authorised Auditor

**AUDITORS' REPORT ON THE FINANCIAL STATEMENTS**

**OF**

**UNECA STAFF UNION**

**AS AT AND FOR YEAR ENDED 31 DECEMBER 2021**

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**HAILEYESUS CHEKOL**  
Certified Accountant and Authorised Auditor

Ref HCA/379/23

**INDEPENDENT AUDITR'S REPORT ON THE FINANCIAL STATEMENTS OF  
UNECA STAFF UNION**

**Qualified Opinion**

We have audited the accompanying financial statements of UNECA STAFF UNION, which comprise the balance sheet as at 31 December 2021 and the related income statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraphs, the financial statements give a true and fair view of the financial position of UNECA STAFF UNION as at 31 December 2021 and of its financial performance and its cash flow statement, for the year then ended in accordance with the Generally Accepted Accounting Principles.

**Basis for Qualified Opinion**

1. We noted a balance long outstanding difference of Birr 27,106.93 between staff loan receivable controlling general ledger and detail subsidiary ledgers maintained in the system. Moreover, some of loans has shown credit balances
2. We noted that inventory depicted on balance sheet is not substantiated by year end count and valuation sheet has not been availed for our review.
3. Creditor includes long outstanding balances of Birr 287,552.37. The liability may not be genuine.

**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 Principles, 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. 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 assessment, the auditors 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 purposes 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.

**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.

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

Haileyesus Chekol  
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**UNECA STAFF UNION  
BALANCE SHEET  
AS AT 31 DECEMBER 2021**

	<u>Notes</u>	<u>Birr</u>	<u>2020 Birr</u>
<b>NON CURRENT ASSETS</b>			
Fixed Assets	3	342,670	428,338
<b>CURRENT ASSETS</b>			
Cash on hand and Bank		15,648,091	15,919,378
Receivables	4	5,954,199	1,628,671
Inventory		15,349	15,349
		<u>21,617,639</u>	<u>17,563,398</u>
<b>CURRENT LIABILITY</b>			
Creditors	5	806,816	758,803
		<u>806,816</u>	<u>758,803</u>
<b>NET CURRENT ASSETS</b>		<u>20,810,822</u>	<u>16,804,595</u>
<b>NET ASSETS</b>		<u>21,153,493</u>	<u>17,232,934</u>
<b>REPRESENTED BY:</b>			
Fund balance		21,153,493	17,232,934
		<u>21,153,493</u>	<u>17,232,934</u>

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**UNECA STAFF UNION  
 PROFIT OR LOSS STATEMENT  
 FOR THE YEAR ENDED 31 DECEMBER 2021**

	<u>Notes</u>	<u>Birr</u>	<u>2020 Birr</u>
Revenue			
Income	6	5,942,367	4,838,709
<b>Expenses</b>			
General and admin expense	7	<u>(2,021,754)</u>	<u>(1,657,930)</u>
<b>Excess of income ove expenditure</b>		<u><b>3,920,613</b></u>	<u><b>3,180,779</b></u>



**UNECA STAFF UNION**  
**STATEMENT OF CHANGE IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2021**

	2020	
Opening Balance	17,232,933	14,047,452
Prior year adjustment	(53)	4,702
Excess of Income over expenditure	3,920,613	3,180,779
Balance at 07 July 2020	21,153,493	17,232,933



**UNECA STAFF UNION  
 STATEMENT OF CASH FLOW  
 FOR THE YEAR ENDED 31 DECEMBER 2021**

<u>Cash Flows from Operating Activities</u>	<u>Birr</u>
Profit Before Taxation	3,920,613.22
Depreciation Charges	85,667.43
Amortization	-
Prior Period Adjustment	(53.00)
<b>Net Operating Cash Flows before Working</b>	<b><u>4,006,227.65</u></b>
<b>Capital Changes:</b>	
Net Decrease/(Increase) in Debtor excluding withholding tax	(4,325,528.01)
Net Decrease/(Increase) in inventory	-
Net Increase/(Decrease) in Creditor	48,013.19
	<b><u>(4,277,514.82)</u></b>
<b>Cash Generated from Operations</b>	
Withholding Tax Paid	-
Profit tax paid	-
	-
<b>Net Cash from (used in) Operating Activities</b>	
<b><u>Cash Flows From Investing Activities:</u></b>	
Acquisition of fixed assets	-
<b>Net Cash from (used in) Investing Activities</b>	<b><u>-</u></b>
<b><u>Cash Flows From Financing Activities</u></b>	
Capital contribution	-
Owners Account	-
Cash Withdrawal	-
<b>Net Cash from (used in) Financing Activities</b>	<b>-</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(271,287.17)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b><u>15,919,378.16</u></b>
<b>Cash and Cash Equivalent at the end of the year</b>	<b><u>15,648,090.99</u></b>
<b>Cash at Bank Balances</b>	<b><u>15,648,090.64</u></b>
	<i>(0.35)</i>





**UNECA STAFF UNION  
NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

Currency : Ethiopian Birr

**3. FIXED ASSETS**

<u>COST</u>	Balance on	Additions	Balance on
	1-Jan-21		31 December 2021
	<u>Birr</u>	<u>Birr</u>	<u>Birr</u>
Gym Equipment	1,465,114	-	1,465,114
Kitchen Equipments	3,600	-	3,600
Other Fixed Assets	103,267	-	103,267
	<u>1,571,981</u>	<u>-</u>	<u>1,571,981</u>
<b>DEPRECIATION</b>			
Gym Equipment	1,099,391	73,145	1,172,535
Kitchen Equipments	3,378	44	3,422
Other Fixed Assets	40,874	12,479	53,353
	<u>1,143,643</u>	<u>85,667</u>	<u>1,229,311</u>
<b>CARRYING VALUE</b>	<u>428,338</u>		<u>342,670</u>

**4. RECEIVABLES**

		31 December 2020
Loan receivable	5,209,681	1,384,480
Other receivable	766,103	265,777
	5,975,785	1,650,257
Less Provision for Doubtful debts	(21,586)	(21,586)
	<u>5,954,199</u>	<u>1,628,671</u>

**5. CREDITORS**

		31 December 2020
Accrued Expenses	77,259	77,259
Childrens fund	464,417	464,417
Credit Association Payable	206,520	206,520
Miscellaneous	2,500	2,500
Other Deductions From Staff	500	500
Suspense	54,847	6,834
Unidentified Deposits	774	774
	<u>806,816</u>	<u>758,803</u>

**6 Income**

		31 December 2020
Gain on foreign currency fluctuation	3,103,348	2,669,039
Gynasium income	-	148,319
Interest income	536,448	166,252
Membership fee	2,302,571	1,849,099
Other income	-	6,000
	<u>5,942,367</u>	<u>4,838,709</u>





**7 Expense**

		<b>31 December 2020</b>
Audit Fees	17,250	58,650
Bank Charges	4,411	245
CCISUA Membership Fee	345,392	97,808
Depreciation Expense	85,667	107,084
Donations and Contributions	121,825	741,967
Hospitality / Refreshments	-	72,250
Miscellaneous Expenses	6,206	59,813
Mission Costs	955,003	186,064
Printing Charges	-	3,450
Salary and benefit	486,000	327,600
UN Fun Day	-	3,000
	<u>2,021,754</u>	<u>1,657,930</u>

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