

አወቀ ገበረ ሥላሴ እና ኩባንያው፣ የተፈቀደለት አዲተር
(ኢንተርናሽናል አካውንታንትስ (ዩኤ) – ሰርቲፋይድ የአዲት ድርጅት)
AWEKE GEBRE SELASSIE & COMPANY AUTHORIZED AUDITOR
(INTERNATIONAL ACCOUNTANTS (UK) – CERTIFIED PUBLIC AUDITORS)

P.O. Box 3323
Addis Ababa
Ethiopia

E-mail: agselassie@ethionet.et

Tel.Fax. 251 011 465 54 54
251 011 465 54 00
251 011 661 48 29
251 011 618 25 30

INDEPENDENT AUDITORS' REPORT
WASASA MICRO FINANCE SHARE COMPANY

We have audited the accompanying balance sheet of Wasasa Micro Finance Share Company at 30th June, 2011 and the related income and expenditure statement prepared under historical cost convention for the year then ended.

RESPECTIVE RESPONSIBILITIES OF MANAGEMENT AND AUDITORS

The preparation of the financial statements is the responsibility of the management of the WASASA. It is our responsibility, based on our audit, to express our independent opinion on these financial statements.

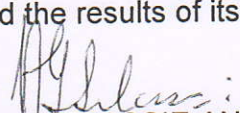
BASIS OF OPINION

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain information and explanations considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether the financial statements are free of material misstatement whether caused by fraud or other irregularity or error.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements. We believe that our audits provide a reasonable basis for our opinion.

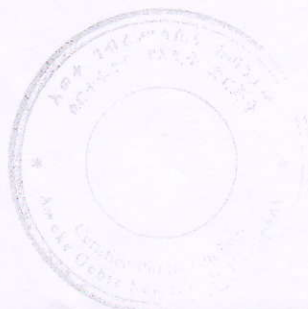
OPINION

In our opinion, the financial statements referred to above together with the notes thereon, which have been prepared under the historical cost convention, present fairly, in all material respects, the financial position of Wasasa Micro Finance Share Company at 30th June, 2011 and the results of its operations for the year then ended.


AWEKE GEBRE SELASSIE AND COMPANY
CERTIFIED PUBLIC AUDITORS

December 1, 2011

Addis Ababa



WASASA MICRO FINANCE SHARE COMPANY
BALANCE SHEET
AS AT 30TH JUNE, 2011

Currency: ETHIOPIAN BIRR

<u>ASSETS</u>	<u>Notes</u>		<u>2010</u>
Fixed assets (net)	3a, 4	6,299,900.81	2,359,206.63
Investment	5	<u>62,000.00</u>	<u>62,000.00</u>
		6,361,900.81	<u>2,421,206.63</u>
<u>CURRENT ASSETS</u>			
Cash on hand			-
Cash at bank	6	6,653,667.33	8,861,891.49
Loan receivable	7.1	111,607,145.25	80,771,433.43
Interest receivable (net)	7.2	1,798,295.88	1,403,721.20
Staff receivable	8	509,642.71	325,502.59
Stock	9	449,822.63	1,016,807.0
Prepayments	10	<u>276,508.58</u>	<u>362,074.07</u>
Total current Assets		<u>121,295,082.38</u>	<u>92,741,429.82</u>
		<u>127,656,983.19</u>	<u>95,162,636.45</u>
<u>LIABILITIES AND CAPITAL</u>			
<u>CURRENT LIABILITIES</u>			
Savings and interest payable	11.1	32,015,978.90	24,057,971.07
Other payables	11.2	1,491,797.46	1,102,746.50
Rural Savings and Credit Facilities (RSCFs)	11.3	239,679.73	48,321.99
Long term bank loan (current portion)	12.1	<u>8,644,760.05</u>	<u>7,347,101.26</u>
Total current liabilities		42,392,216.14	32,556,140.82
Long term - revolving fund	12.2	4,700,000.00	4,700,000.0
Long term loan	13	<u>36,311,456.08</u>	<u>28,054,562.78</u>
Total liabilities		83,403,672.22	65,310,703.60
<u>CAPITAL</u>			
Paid up capital		201,000.00	201,000.00
Donated equity	14	19,972,278.25	13,752,225.95
Income and expenditure statement		<u>24,080,032.72</u>	<u>15,898,706.90</u>
Total equity		<u>44,253,310.97</u>	<u>29,851,932.85</u>
		<u>127,656,983.19</u>	<u>95,162,636.45</u>



WASASA MICRO FINANCE SHARE COMPANY
INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30TH JUNE, 2011

Currency: ETHIOPIAN BIRR

<u>INCOME</u>	Note		<u>2010</u>
Interest income on loan		16,938,963.90	6,747,170.40
Interest income from bank		84,480.35	36,732.38
Sales of pass book		107,440.33	53,151.82
Other income		511,616.30	193,839.91
Other financial income	15	775,504.22	806,067.29
Service charge income		<u>2,715,059.05</u>	<u>1,829,158.92</u>
		21,133,064.15	<u>9,666,120.72</u>
<u>EXPENSES</u>			
Salaries and wages	4,113,990.11		1,566,639.36
Allowance	570,983.82		247,763.61
Employee benefits	798,075.84		249,630.07
Per diem	209,407.00		63,229.50
Stationery and printing	199,687.08		94,492.85
Fuel, oil and lubricants	220,321.25		78,750.37
Office rent	314,028.32		126,562.55
Legal fee	233,261.43		58,582.25
Insurance	42,584.33		34,275.06
Membership fee	28,190.58		23,735.39
Interest expense on savings	1,222,665.18		431,235.27
Interest expense on loans	2,813,100.29		1,204,867.67
Vehicle maintenance	164,495.45		39,090.82
Repair and maintenance others	20,054.90		15,392.55
Provision for loan loss	791,755.70		1,929,453.74
Provision for cash loss	-		25,000.00
Board allowance	6,800.00		8,000.00
Registration	8,844.15		5,173.00
Transport	205,645.86		71,011.65
Training	-		27,534.32
Utilities	14,327.25		7,827.54
Communication	99,871.76		40,064.28
Depreciation	526,563.53		201,391.93
Consultancy service	7,044.43		46,962.88
Audit fee	34,275.00		15,000.00
Advertising expense	6,464.85		415.00
Bank charge	188,719.24		23,990.04
Cleaning materials	19,030.55		6,141.45
Entertainment	48,542.56		20,222.74
Miscellaneous	17,507.87		5,427.95
Cash indemnity	<u>25,500.00</u>		<u>6,700.00</u>
Total expenses		<u>12,951,738.33</u>	<u>6,674,563.84</u>
Net profit of the year		8,181,325.82	2,991,556.88
Add: Balance brought forward		<u>15,898,706.90</u>	<u>12,907,150.02</u>
		24,080,032.72	15,898,706.90
Balance transferred to balance sheet		<u>(24,080,032.72)</u>	<u>(15,898,706.90)</u>

