

REPORT OF THE INDEPENDENT AUDITORS
ON
THE FINANCIAL SITUATION OF THE
"MAMI SIARA NA DE KONKOURONA" ASSOCIATION

FINAL



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June 2021

TO

Mr. Chairman

MAMI SIARA NA DE KONKOURONA Association

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BOBO DIOULASSO

BURKINA FASO

Bobo-Dioulasso, June 28, 2021

Mr. Chairman,

As per the mission entrusted to us, we have audited the financial statements **from October 01, 2020, to April 30, 2021**, relating to the execution of projects of "construction and drilling equipment, the fountain, solar electrical equipment, and educational support" funded by the **Konkourona Alliance Foundation (KAFO)**.

These financial statements were prepared under the responsibility of the **MAMI SIARA NA DE KONKOURONA Association**.

We conducted our audit as per the international auditing standards, which require us to plan and perform the audit to obtain reasonable assurance that the financial statements in the report are free from material misstatement. On a sample basis, an audit includes examining evidence supporting amounts and disclosures in the accounts. An audit also includes evaluating the accounting rules used and their application by the management, significant assessments made by management in preparing the financial statements and assessing the overall presentation of information in the financial statements. We believe that our audit provides a reasonable basis for our opinion presented below.

REPORTS SUBMITTED

- 2- The verification of accounting, administrative, and internal control procedures and work on the financial statements are the subject of two (02) separate reports.
- 3- This report presents our opinion on the accounts of the Association from October 01, 2020, to April 30, 2021.

We thank you for the excellent reception and cooperation extended to our team by the managers and staff of your entity during our work.

We remain at your disposal to provide you with any additional information you may wish to obtain on the content of this report.

Please accept, **Mr. Chairman**, the highest of our respect and consideration.

For the Auditor

[Blue stamp of the auditing firm and illegible signature form]

Ibrahim SAWADOGO

Accounting and Financial Auditor

DESCOGEF-UEMOA¹ Graduate

¹ UEMOA: West African Economic and Monetary Union; DESCOGEF: Postgraduate Diploma in Accounting and Financial Management

SUMMARY

	Pages
Opinion on the financial statements	10
Financial situation from October 01, 2020 to April 30, 2021	11

TO

Mr. Chairman

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Bobo-Dioulasso, June 28, 2021

Mr. Chairman,

<p style="text-align: center;">REPORT OF THE INDEPENDENT AUDITORS ON THE FINANCIAL SITUATION OF THE "MAMI SIARA NA DE KONKOURONA" ASSOCIATION</p>
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In executing the mission to audit the accounts of the MAMI SIARA NA Association entrusted to us, we verified the financial statements of the said Association for the period from **October 01, 2020, to April 30, 2021**.

2. Our mission is to give an opinion on the financial statements drawn up under the Chairman of the Association's responsibility and carry out a diagnosis on the Organization's system and project management.
3. Except for the situations described in paragraph 5 below, our procedures were carried out as per generally accepted international auditing standards, which provide that our audit be planned and carried out in such a way as to obtain the reasonable assurance that the financial statements are free from material misstatement.
4. An audit includes examining the justification for the amounts and the information contained in the financial statements on a test basis.

An audit also includes evaluating the accounting principles used and the main estimates made by those responsible and evaluating the overall presentation of the financial statements.

We believe that our due diligence reasonably supports our opinion.

5. Fixed assets are not subject to depreciation due to the specific nature of the financing and the purpose of the associated entities. This accounting practice is generally accepted in associations and development programs.

6. REMINDER OF THE OBJECTIVES OF THE MISSION

The overall objective of the mission is to verify that the accounts and financial statements presented by the Association provide an exact/actual image of the financial situation of the Organization and that the resources made available to it have been used as per the objectives of the KONKOURONA ALLIANCE FOUNDATION (KAFO).

This objective induces the following aspects:

- Providing an opinion on the accounts from October 01, 2020, to April 30, 2021.
- Analyzing and assessing the administrative, financial, and accounting management procedures and the internal control system in force within the Association.
- Assessing the consistency between decision-making procedures and daily practice.
- Examining the observance of clauses of contracts or project agreements by the parties.
- Assessing the consistency between the financial report and the activity report.
- Examining the conformity of the Association's goals by monitoring and evaluating transactions, expenses, and receipts concerning the essential documents of the project (description, business plan, contracts, budgets, agreements, etc.)

7. WORK CARRIED OUT

The work we performed included the following procedures.

Verifications:

- The financial report covers the entire operation.
- The financial report is drawn up in the language of the grant contract.
- The accounts kept by the beneficiary for the implementation of the projects are precise and up to date.
- Ensure that the beneficiary has a double-entry accounting system.
- The accounts and expenses relating to the operation are easily identifiable and verifiable.

- Expenses are in line with the budget.
- The executed budget reflects that agreed with the contracting authority.
- The selected expenses are eligible concerning:
 - the costs incurred,
 - the implementation period,
- The resources received from other donors and the revenue generated by the beneficiary within the operation have been allocated to the operation and declared in the financial report.
- The expenditure is easily identifiable, verifiable, and found within the beneficiary's accounting systems.
- The principles of the regularity of financial information are compliant.
- The supporting documents relating to that are valid and correspond to the level of financial execution recorded in the accounts.
- The expenses correspond to real and material commitments/services.
- The Organization has fulfilled all its administrative and fiscal obligations concerning, in particular, the treatment of social charges, income taxes relating to salaries, and any other tax aspect inherent in this activity (if applicable).
- The calls for tenders were carried out in full compliance with the procedures and provisions of the donors.
- The accounting and financial management system contributes to the proper execution of the budget (processing and monitoring).
- The clauses of the project agreement are observed.
- The expenses incurred correspond to the budgets accepted by the different parties.
- The project transactions are under the following aspects:
 - validity of supporting documents.
 - arithmetical accuracy and nature of the accounts, supporting documents, and financial statements.
 - any other checks deemed helpful by the agent in the performance of his contract.

8. CONCLUSIONS OF OUR WORK

8-1 Internal control assessment

The conclusions of our examination and review of administrative, financial, accounting, and internal control procedures are the subject of two separate reports. They are not likely to call into question the opinion expressed below.

8-2 Account control

RESOURCES

The resources for the period under review consist of grants received from the KAFO Foundation.

8-2-1 Status of grants received

The funds received are FCFA 54 902 644 and are as follows:

Period	Amount
October 2020	2,199,099
January 2021	26,201,585
April 2021	26,501,960
Total	54,902,644

Our work calls for no comment.

WORK

8-2-3 Statement of expenditure

8-2-3-1 Construction works and drilling equipment, the fountain, solar electrical equipment (20,286,000 FCFA)

Regarding this project, the summary of expenditure that was communicated to us is as follows:

Period	Amount
01-31 January 2021	11,104,800
01-30 March 2021	7,055,600
01-30 April 2021	2,125,600
Total	20,286,000

Our work calls for no comment.

8-2-3-2 Health center construction work (1,030,000 FCFA)

The expenses relating to this project amount to one million, thirty thousand (1,030,000) FCFA. This amount was disbursed by a single check and related to the topographical survey of the health center site.

Our work calls for no comment.

8-2-3-3 Teacher encouragement costs (510,000 FCFA)

This line records support costs for the encouragement of teachers. For the audited period, disbursements made to teachers as incentive costs were as follows:

Date	Description	Amount
11/20/2020	Teacher encouragement October 2020	85,000
12/07/2020	Teacher encouragement November 2020	85,000
01/14/2021	Teacher encouragement December 2020 and January 2021	170,000
03/12/2021	Teacher encouragement February 2021	85,000
04/08/2021	Teacher encouragement March 2021	85,000
	Total	510,000

Our work calls for no comment.

8-2-3-4 Audit, fees, and related charges (870,000 FCFA)

The audit costs include the auditor's fees and other charges incurred for the performance of the audit mission of the financial statements closed on September 30, 2020.

The detail is as follows:

Date	Description	Amount
10/24/2020	Vehicle rental for the audit mission	45,000
10/24/2020	Fuel for the audit mission	20,000
11/07/2020	Audit invoice	700,000
11/07/2020	Auditor disbursement invoice	105,000
	Total	870,000

Our work calls for no comment.

8-2-3-5 Miscellaneous Costs (646,597 FCFA)

Miscellaneous costs record all operations that do not have a specific line in the execution of different projects. These include the following:

Description	Amount
Transport of Bobo-Konkourona computers	7,000
Organization of the ceremony for handing over housing keys	200,000
Installation of televisions and converters	402,000
Commissions and other bank charges	37,597
Total	646,597

Our work calls for no comment.

8-2-3-6 Final cash (31,592,197 FCFA)

The final cash flow analysis is as follows:

Description	Amount	Legend
Balance at 10/01/2020	172,150	a
Funds received from the KAFO Foundation	54,902,644	b
Disbursements for the period under review	23,482,597	c
Theoretical cash position	31,592,197	d = a + b - c
Cash bank account (bank statement)	28,510,197	e
Cash balance	3,082,000	f
Actual cash position at 04/30/2021	31,592,197	g = e + f
Deviation	-	g = d - e - f

The balance of the cash register represents an amount of three million eighty-two thousand (3,082,000) FCFA. We found that the Association did not carry out the cash register inventory as of 04/30/2021, accompanied by cash register inventory minutes.

In the absence of cash register inventory records, we cannot be sure of the accuracy of the amount entered in the cash register balance.

Opinion

In our opinion, and subject to points 8-2-3-6, the financial statements of the MAMI SIARA NA DE KONKOURONA Association for the period from October 01, 2020, to April 30, 2021, are regular and accurate and give a faithful image of the funds received and the use made of them as per the instructions of the Konkourona Alliance Foundation (KAFO).

For the Auditor

[Blue stamp of the auditing firm and illegible signature form]

Ibrahim SAWADOGO

Accounting and Financial Auditor

DESCOGEF-UEMOA Graduate

**FINANCIAL SITUATION OF THE
MAMI SIARA NA DE KONKOURONA ASSOCIATION ON APRIL 30, 2021**

FINANCIAL SITUATION OF THE MAMI SIARA NA ASSOCIATION FROM OCTOBER 01, 2020 TO APRIL 30, 2021

Work	NOTE	F/CFA	RESOURCES	NOTE	F/CFA
EXPENSES		22,836,000	INITIAL CASH POSITION ON		172,150
			10/01/2020		
Construction work and drilling equipment, fountain, solar electric equipment		20,286,000	Funding received from Konkourouna Alliance Foundation (KAFO)		54,902,644
Health center construction work		1,030,000			
Teacher encouragement		510,000			
Missions		140,000			
Audit (Fees and related charges)		870,000			
MISCELLANEOUS COSTS		646,597			
*** Transport of Bobo-Konkourouna computers		7,000			
*** Organization of the key handover ceremony		200,000			
*** Installation of televisions and converters		402,000			
*** Commissions and other bank charges		37,597			
FINAL CASH FLOW ON 04/30/2021		31,592,197			
Banks		28,510,197			
Cash Register		3,082,000			
TOTAL		55,074,794	TOTAL		55,074,794