

ORIGINAL

**DEPARTMENT OF AUDIT
AFRIQ BRAIN CONSULTING**

February 2023

FINAL AUDIT REPORT

Reconciliation and Development Association (RADA)

FOR THE YEAR ENDED 31 DECEMBER 2022



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IDENTIFICATION OF AUDITOR

AUDITOR'S NAME	VINCENT NGANKAM NJIMGOU, CA Chartered Accountant/ Registered Auditor ONECCA Reg. No 190 CEMAC Reg.No. 320
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AUDIT OPINION

Independent Auditor's Report to The Management of RADA and Funders

Unqualified Opinion

We have audited the financial report of the Organization, RADA, that consist of fund received and expenditure incurred for the period January 1, to December 31, 2022

In our opinion,

- The Income and Expenditure Statement, and the Financial Position reflects a true and fair view of the state of affairs of the Organization for the period 1st January to 31st December 2022;
- The Organization's fund was used in accordance with the conditions stipulated in the Organization documents with due attention to principles of economy and efficiency, and only for purposes for which financing was granted.
- The internal administrative and financial control measures are adequate and comply with local laws applicable in Cameroon.
- The UBA bank account opened is specifically for the Organization.
- The Organization bookkeeping accounts together with vouchers, supporting documents, records and accounts were properly kept.
- Goods and services financed by the Organization were procured in accordance with the relevant Internal controls guidelines.
- The fixed assets list is complete and correctly filled out.

Justification of our Opinion

We have performed our audit in conformity with International Standards on Auditing (ISAs). Our responsibilities about these norms are stated in the section “Auditor’s Responsibilities”.

We are independent of RADA in conformity with the IFAC Code of Ethics for Professional Accountants. We believe that our audit findings is sufficient and appropriate as basis for our opinion.

Responsibilities of RADA Coordinating Staff

The Coordinating staff of RADA were responsible for the preparation and fair presentation of the Organization financial statements in accordance with accounting principles generally accepted in Cameroon and also in compliance with guidelines in the Partnership Agreement; this includes, the design, implementation and maintenance of internal controls relevant to the preparation and fair presentation of Income and Expenditure reports that are free from material misstatement, whether due to fraud or error.

Auditor’s responsibilities

It is our responsibility to form an independent opinion based on the audit of RADA’s financial statements and to present our findings on weaknesses in internal controls. Based on these considerations, we designed and planned our audit to obtain information and

explanations that we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularities or error.

In addition to the above and in particular we:

- Verified the recording of income and expenditures as well as the relevance of the methodology of the execution of the RADA's funds;
- Verified that the RADA's funds have been solely used as envisaged within the frame work of the Agreement of Cooperation;
- Verified the physical existence of non-current assets in use and the maintenance of an inventory of assets;

EXTERNAL AUDITOR



VINCENT NGANKAM NJIMGOU

Managing Partner

Membership N° ECP 190, CEMAC N° EC 320

BACKGROUND OF– RADA ORGANIZATION

a. RADA General Information

Name of Organization	Reconciliation and Development Association (RADA)
Program Numbers	One
Funding Organization	Resolve to Save Lives and NCD Alliance
Program Holder	Reconciliation and Development Association
Legal Status	Registered (N° 62/E.29/1111/VOL.8/ALPAS)
Fiscal Status	Exempt from company tax
Head quarter of the Program	Bamenda- Cameroon
Bank Account name	United Bank for Africa (UBA) Bamenda
Bank Account number	04031000150
Bank Code	10033
Branch Code	05204
CEO /President	Mbiydenyuy Ferdinant Sonyuy
Chief of Finance and Operations	Kings Clinton Yofenyui
Support workers	Yofende Basil – M&E Officer Moses Kangong – IT/Graphics Designer Njantio Merveille – Communications head Nkwentet Christel – Agriculture head Awafong Emela – Health Project Officer Weleh Evaristus- Circles Volunteer Program Coordinator RADA Volunteers
Reporting Period	January 01 – December 31, 2022
Staff Size	18 (staff and volunteers)

b. RADA Organization

We seek to promote community development by building bridges to sustainable solutions in the domains of peace, health, education, agriculture and technology”.

Each of these domains are equally important towards reaching our vision and mission to see sustainable development in our communities.

We work with partners that are interested in promoting community development in our areas of interest.

ACCOUNTING POLICIES

a. Basis of preparation of accounts

The Income and Expenditure statement was prepared on accrual basis.

b. Fund/Revenue

Fund means cash received from funder. It is recognised when fund is received in the Organization bank account.

c. Taxation and Social Contributions

The Organization is exempted from payment of company tax but liable to the payment of income taxes and social security contributions of its coordinating staff.

d. Foreign currency translations

Funds are received in local currency (FCFA) at the Special Organization Bank Account –United Bank for Africa in Bamenda – Cameroon.

e. Expenditure

Expenditure comprises expenses incurred directly for approved Organization activities in accordance with the Partnership Agreement.

f. Cash and Bank

Cash and bank represent closing value of cash in hand and at bank at the close of the reporting year 2022.

RADA's FINANCIAL STATEMENTS 2022

Reconciliation and Development Association (RADA)
Statement of Financial Position
As of December 31, 2022

	<u>Dec 31, 22</u>
ASSETS	
Current Assets	
Checking/Savings	
521100 · Bank A/C - UBA	1,417,738.65
521101 · Bank A/C- MUGFIC Current A/C	1,028,668.00
521110 · Bank A/C - MUGFIC LINKS	2,892,897.00
571100 · Cash A/C	742,785.00
Total Checking/Savings	6,082,088.65
Other Current Assets	
476100 · Prepaid Expenses	182,900.00
Total Other Current Assets	182,900.00
Total Current Assets	6,264,988.65
Fixed Assets	
244100 · Office Equipment	4,384,323.00
244200 · Computer Equipment	2,181,940.00
244400 · Office Furnitures	4,078,600.00
284410 · Acc. Dep- Office Equipment	(1,046,530.00)
284420 · Acc. Dep- Computer Equipment	(333,025.00)
284440 · Acc. Dep- Office Furniture	(597,042.00)
Total Fixed Assets	8,668,266.00
TOTAL ASSETS	14,933,254.65
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
401110 · Accrued Expenses	443,287.00
471200 · Bank Overdraft	350,000.00
471250 · Loan - MUGFIC	5,931,031.00
Total Other Current Liabilities	6,724,318.00
Total Current Liabilities	6,724,318.00
Total Liabilities	6,724,318.00
Equity	
100000 · Capital Contribution	3,812,251.00
120000 · Brought Forward Surplus	(7,958,928.00)
141001 · Investment in Fixed Assets	5,242,763.00
142100 · Provision for Dep-Fixed Assets	(1,890,795.00)
130000 · Year-end Surplus	9,003,645.65
Total Equity	8,208,936.65
TOTAL LIABILITIES & EQUITY	14,933,254.65



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Accrual Basis

Reconciliation and Development Association (RADA)
Income and Expenditure Statement
January through December 2022

Jan - Dec 22

Income

707800 · Contribution Received from Seminars	6,000.00
722150 · Staff Contributions	2,079,450.00
722200 · Other Contributions	140,000.00
734100 · Registration and Fiscal Partner	354,907.00
752000 · Grant Received	45,905,499.65
774001 · Contribution received from Consultancy	477,688.00

Total Income

48,963,544.65

Expense

604700 · Office Supplies	1,252,771.00
605100 · Utilities Expense	161,762.00
605300 · Fuel Expenses	110,300.00
618100 · Travelling and MTR	1,138,160.00
618200 · Outstation allowance	784,150.00
618300 · Meeting Expense	224,050.00
621100 · FGDs on Labels	2,544,300.00
621200 · Advocacy visits	3,253,500.00
621400 · RCT Training	1,179,240.00
621500 · RCT Testing Designed Labels	3,224,340.00
621600 · Setting of Mini Lab and conten	230,000.00
621700 · Litterature reviews and label	1,960,000.00
621800 · Designs and Printings	1,663,400.00
621920 · Social Media boosting	5,000.00
621940 · Radio Spot	15,000.00
622200 · Rent Expense	2,520,000.00
623500 · Community Water Project	285,000.00
624300 · Maintenance	355,850.00
626100 · Research Studies Expenses	8,000.00
627700 · Workshops, Training/Conference	811,525.00
628100 · Telephone Expense	180,025.00
628800 · Internet Expense	541,400.00
631800 · Bank & Other Charges	1,290,808.00
637100 · Paid Volunteers	14,370,100.00
637111 · GBV Expenses	27,000.00
637201 · GeoAg Expenses	500.00
637250 · Registration/Fiscal Partner Expenses	993,668.00
637350 · AMGCE Expenses	3,950.00
658100 · Circles Project Expenses	257,100.00
658806 · Miscellaneous Expense	569,000.00

Total Expense

39,959,899.00

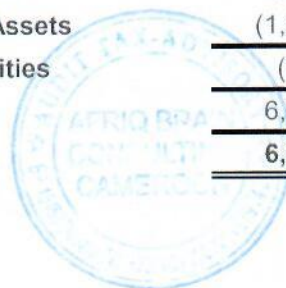
Year-end Surplus

9,003,645.65



Reconciliation and Development Association (RADA)
Statement of Cash Flows
January through December 2022

	<u>Jan - Dec 22</u>
OPERATING ACTIVITIES	
130000 · Year-end Surplus	9,003,645.65
Adjustments to reconcile Net Income to net cash provided by operations:	
476100 · Prepaid Expenses	(182,900.00)
401110 · Accrued Expenses	443,287.00
471200 · Bank Overdraft	350,000.00
471250 · Loan - MUGFIC	5,931,031.00
Net cash provided by Operating Activities	<u>15,545,063.65</u>
INVESTING ACTIVITIES	
244100 · Office Equipment	(4,384,323.00)
244200 · Computer Equipment	(2,181,940.00)
244400 · Office Furnitures	(4,078,600.00)
284410 · Acc. Dep- Office Equipment	1,046,530.00
284420 · Acc. Dep- Computer Equipment	333,025.00
284440 · Acc. Dep- Office Furniture	597,042.00
Net cash provided by Investing Activities	<u>(8,668,266.00)</u>
FINANCING ACTIVITIES	
100000 · Capital Contribution	3,812,251.00
120000 · Brought Forward Surplus	(7,958,928.00)
141001 · Investment in Fixed Assets	5,242,763.00
142100 · Provision for Dep-Fixed Assets	(1,890,795.00)
Net cash provided by Financing Activities	<u>(794,709.00)</u>
Net cash increase for period	<u>6,082,088.65</u>
Cash at end of period	<u><u>6,082,088.65</u></u>



Notes to RADA Financial Statements for 2022 Financial year.

1. Balance sheet

1.1 Assets

Current Assets

- **Checking:** As at the end of the financial year 2022, total checking amounted to FCFA 5,784,787.65 and was found in her three bank accounts where one account (UBA) is meant for international transactions and the others for local transactions. In addition, there was an overdraft of FCFA 350,000 from her SeReP bank account in Bank Atlantic. Cash at hand reconciled as at this time was FCFA 742,785.

- **Advanced Expenses:** This account on this date held an amount of FCFA 182,900 that was annual membership payment for Cameroon Civil Society NCDs Alliance (CACNSA) into the Global NCD Alliance for the year 2023.

Non-Curent Assets

- **Office Equipment and Computer Equipment:** The non-current asset saw an increase in value as a result of great increase during the financial year from office and Computer Equipment worth FCFA 3,230,323 and FCFA 1,927,440. This increase came about by the incorporation of these assets acquired in the LINKS Project.

1.2 Liabilities and Equity

Liabilities

- **Accrued Expenses:** By the end of the year, RADA owed office rents for November and December 2022 amounting to FCFA 420,000 and utility bills for this number of months to the tune of FCFA 23,287.

- **Loan:** The loan contracted from a local bank known as Mutual Guarantee PLC (MUGFIC PLC) on June 01, 2021 with a payment period of 36, has FCFA 5,931,031 in the account as unpaid.

Equity

-Capital Grant: The contribution in non-current assets from projects to RADA witnessed an increase from FCFA 535,000 to FCFA 5,242,763. This increase during this financial year of 4,707,763 came from the LINKS Project which ended in November 15, that same year.

2. Income and Expenditures

2.1 Income

-Grant Received: 2022 financial year saw RADA receiving grant income from several partners such as Resolve to Save Lives amounting to FCFA 42,164,039.65, NCD Alliance worth FCFA 3,541,460 of which FCFA 1,710,720 came in 2022 but was for 2023 and CBCHS SEEPD Program worth FCFA 200,000. This has been the biggest source of income for RADA this year and constituted 93.76% of her total income.

-Staff Support: RADA staffs support the operations of the organization by contributing 20% of their monthly allowance for 2 years. For the financial year 2022, this support yielded FCFA 2,079,450.

-Consultancy and other Income: As RADA continued her community fight against Non-Communicable Diseases in Cameroon and Africa, she applied for annual membership in Union of International Cancer Control (UICC) and she was given a membership of FCFA 477,450 free of cost to RADA.

2.2 Expenses

Office Supplies: During the financial year 2022, there was a hike in the prices of basic goods and services which affected RADA's office supplies.

RCT Testing Design Labels: With the Front of Package Labeling Legislation project, much work was done on the Randomized Control Trial field work where about 2,000 respondents were reached out to with surveys by 40 trained research assistants.

-Bank and Other Charges: Bank and other charges constituted generally the amount of monthly payment paid on the loan as interest as well as other related financial charges.

-Paid Volunteer: RADA witnessed a shift in her human resource as her chief of Operations, head of Communications and M&E Officer left to pursue other opportunities and interest in life. This played a part in the reduction of her allowances that was being paid monthly.

Registration/Fiscal Partner Expenses: As member of NCD Alliance and Union of International Cancer Control (UICC), RADA pays annual dues and also, Cameroon Civil Society NCDs Alliance also pays 7% of her income to her fiscal partner yearly.

Miscellaneous Expenses: This account that amounts to FCFA 569,000 came about as a result of RADA's support other local organizations in community development.