

The African Development Fund



Financial Audit Report

The Common Market for Eastern and Southern Africa (COMESA)

Project: 50 Million African Women Speak Network Platform

Grant Reference No.: 2100155032768

Audit Period: 8 September 2016 to 31 December 2017

Lochan & Co.
Chartered Accountants

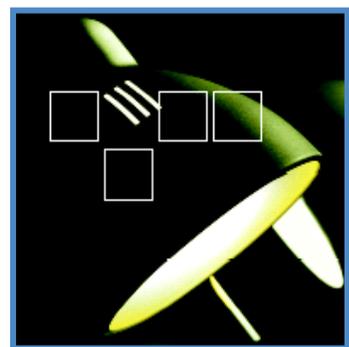
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1. Acronyms & Abbreviations

AfDB	The African Development Bank
ADF	The African Development Fund
ISA	International Standards on Auditing
IFAC	International Federation of Accountants
COMESA	Common Market for Eastern and Southern Africa
M&E	Monitoring and Evaluation
SA	Special Account
UA	Units of Account
USD	United States Dollars

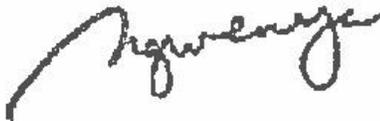
2. Transmittal Statement

TRANSMITTAL STATEMENT

In accordance with the COMESA Financial Rules and Regulations, I am pleased to submit the Financial Statements of the **50 Million African Women Speak Network Platform – The African Development Fund; Implemented by the Common Market for Eastern and Southern Africa (COMESA); Grant No. 2100155032768** for the sixteen-month period from 08th September 2016 to 31st December 2017.

The Financial Statements, Accounting Policies and the notes to the Financial Statements have been prepared in compliance with the International Financial Reporting Standards and the requirements of the COMESA Financial Rules and Regulations and the Protocol of agreement between COMESA and the African Development Fund (ADF).

The financial statements have been audited by Lochan & Co. Chartered Accountant, India whose opinion is included in the Financial Report.



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Sindiso Ngwenya
Secretary General

Date: 19th June 2018

3. Programme Implementation Report

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Programme Implementation Report, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

Project Overview

COMESA Secretariat signed a Memorandum of Understanding (MoU) with the two regional economic communities (RECs) namely EAC and ECOWAS to jointly implement the 50 Million African Women Speak Networking Platform Project from 8th September 2016 to 31st December 2020. This followed the approval of USD 12.4 million grant for the project by the African Development Fund (ADF). The grant is implemented by COMESA, EAC and ECOWAS. The project is aimed at creating a networking platform dedicated to women entrepreneurs in Africa, particularly in the three RECs.

The project is a digital/virtual marketplace intended to connect business women and encourage peer-to-peer learning, mentoring, and information and knowledge sharing. The platform will cover thirty-six (36) countries and will enable women to access business training, mentorship, financial services and locally relevant business information, while building networks of contacts. The project is an innovative social media platform which will enable women to start, grow and scale their business through the dynamic exchange of ideas. It will be accessible through devices such as mobile phones, iPads and computers (laptops and desktops).

The overall objective of the project is to contribute to the economic empowerment of women through the provision of a networking platform to enable women entrepreneurs to access information on financial and non-financial services. Specifically, the objective of the project is to establish a platform to improve the ability of women entrepreneurs to network and connect with one another in ways that will foster peer-to-peer learning, mentorship, sharing of information and knowledge within communities, and to access financial services, market opportunities between urban and rural areas, and across borders and between countries.

The project has four components, namely:

- i. Support for ICT equipment and application;
- ii. Support for platform and related statistical data base/content development, and targeted services for women entrepreneur;
- iii. Support for back office/in-country resources; and
- iv. Project management/Capacity building.

The implementation of the project to achieve the above objectives will be within the framework of the listed four components.

Activities planned in the reporting period

Activities during the reporting period focused on startup activities. These include, the establishment of Project Implementation Unit (PIU) at COMESA, and sub-PIUs in EAC and ECOWAS, through hiring the required staff; procurement of office equipment and furniture; preparing tender documents for the project ICT equipment; consultancy services for the platform design & development; and joint technical launch of the project for the implementation units in all the three RECs.

**50 Million African Women Speak Networking Platform – The African Development Fund
Implemented by The Common Market for Eastern and Southern Africa (COMESA)**

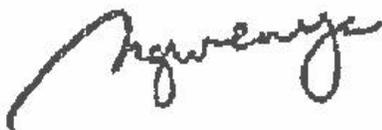
**Programme Implementation Report, Grant No. 2100155032768 (UA 3,820,000)
Reporting Period: 08th September 2016 to 31st December 2017**

Achievements in the reporting period

During the period under review, all the three RECs completed the establishment of the Implementation Units through recruitment of project implementation teams. The procurement of office equipment and furniture was completed.

In addition, COMESA launched the request for proposals for project ICT infrastructure, the design and development of the platform, and request for the Expression of Interest for External Audit services for the project. These procurement activities will be completed in the subsequent period ending 31st December 2018.

Further, a technical launch of the project was held with the three project implementation units in October 2017. The launch mainly focused on the orientation of the main PIU and Sub-PIUs on the project as well as the AfDB procurement, disbursement and financial management rules, procedures and standards.



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Sindiso Ngwenya
Secretary General

Date: 19th June, 2018

4. Statement of responsibility in respect of the preparation of financial statements

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

**Statement of responsibility in respect of the preparation of financial statements,
Grant No. 2100155032768 (UA 3,820,000)**

Reporting Period: 08th September 2016 to 31st December 2017

In accordance with the COMESA Financial rules and regulation, the Secretary General is responsible for the preparation and fair presentation of the COMESA ADF 50 Million Women Speak Networking Platform project financial statements, comprising the statement of financial position as at 31 December 2017, statements of income and expenditure and cash flows for the sixteen-month period then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with International Financial Reporting Standards, and the requirements of the COMESA financial rules and regulations and the Protocol of agreement between COMESA and the African Development Fund (ADF).

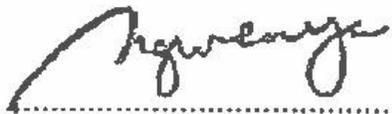
The Secretary General is also responsible for such internal control as he determines are necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error and for maintaining adequate accounting records and an effective system of risk management as well as the preparation of the supplementary schedules included in these financial statements.

The Secretary General has made an assessment of the COMESA ADF 50 Million Women Speak Networking Platform project's ability to continue as a going concern and has no reason to believe the Project will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of the financial statements

The financial statements of COMESA ADF 50 Million Women Speak Networking Platform project, as identified in the first paragraph, were approved by the Secretary General on 19th June, 2018 and are signed by:



.....
Sindiso Ngwenya
Secretary General

Date: 19th June, 2018

5. Financial Audit Report

Audit opinion on the project financial statements

Report of the Independent Auditors to the Common Market for Eastern and Southern Africa (COMESA), Lusaka, Zambia

We have audited the accompanying financial statements of ‘50 Million Women Speak Networking Platform project’ (“the Project”), which comprise the Statement of Financial Position as at 31 December 2017, and the Statements of Receipt and Expenditure and Cash Flows Statement for the sixteen- month period then ended, and Notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information as set out on pages 15 to 24.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the project ‘50 Million African Women Speak Network Platform Project’ as executed by the Common Market for Eastern and Southern Africa (COMESA), Lusaka, Zambia for the period from 8 September 2016 to 31 December 2017 for sixteen- month period in conformity with International Financial Reporting Standards and the requirements of the COMESA financial rules and regulation and in accordance with requirements of the Protocol of agreement between COMESA and The African Development Fund (ADF).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). We are independent of the programme in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Secretary General is responsible for the other information. The other information comprises the Transmittal Statement, the Management Responsibility Statement and the Project Implementation Report in respect of the preparation of financial statements and supplementary information set out on pages 25 - 36. Accordingly, we do not express opinion on them.

Responsibilities of the Secretary General for the financial statements

The Secretary General is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and the requirements of the COMESA rules and regulations and the Protocol of agreement between COMESA and African Development Fund (ADF), and for such internal control as the Secretary General 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, the Secretary General is responsible for assessing the programme’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 the Secretary General either intends to liquidate the programme or to cease operations, or has no realistic alternative but to do so.

Auditors’ Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ 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.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the programme's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the programme's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the programme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

 
Sharad Agarwal FCA
Partner

Lochan & Co
Chartered Accountants

Date: 28 June 2018
Place: New Delhi

Management Responsibility Statement

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA

MARCHE COMMUN DE
L'AFRIQUE ORIENTALE
ET AUSTRALE



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Zambia

OFFICE OF THE SECRETARY GENERAL

Ref: CB/BF/01/5/(kmn)

19th June, 2018

Lochan & Co. Chartered Accountants,
B1, Dharma Apartments, Plot 2 Indraprastha Ext,
New Delhi - 110092 India

**50 Million African Women Speak Network Platform - African Development Fund
Implemented by the Common Market for Eastern and Southern Africa Grant No.
2100155032768 (UA 3,820,000)**

**Management Responsibility Statement for the period 8 September 2016 to 31
December 2017**

Dear Sirs

This representation letter is provided in connection with your audit of the financial statements of COMESA 50 Million African Women Speak Network Platform Project ("the Project"), for the period 8 September 2016 to 31 December 2017, for the purpose of expressing an opinion as to whether these financial statements are presented fairly, in all material respects in accordance with International Financial Reporting Standards (IFRSs) and in the manner required by the African Development Bank guidelines and the COMESA financial rules and regulations.

We confirm that, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit for the preparation and fair presentation of the financial statements in accordance with IFRSs.
2. Measurement methods and significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
3. All events subsequent to the date of the financial statements and for which IFRSs require adjustment or disclosure have been adjusted or disclosed.

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4. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to this representation letter.

Information Provided

5. We have provided you with:
- access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to persons within the Project from whom you determined it necessary to obtain audit evidence.
6. All transactions have been recorded in the accounting records and are reflected in the financial statements.
7. We confirm the following:
- i) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

Included in the Appendix to this letter are the definitions of fraud, including misstatements arising from fraudulent financial reporting and from misappropriation of assets.

- ii) We have disclosed to you all information in relation to:
- a) Fraud or suspected fraud that we are aware of and that affects the Project and involves:
- management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.

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- b) Allegations of fraud, or suspected fraud, affecting the Project's financial statements communicated by employees, former employees, regulators or others.

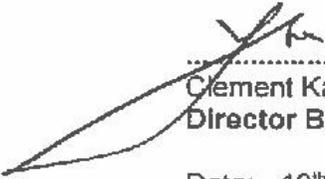
In respect of the above, we acknowledge our responsibility for such internal control as we determine necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In particular, we acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error.

8. We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements. Further, we have disclosed to you and have appropriately accounted for and/or disclosed in the financial statements in accordance with IFRSs all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.
9. We have disclosed to you the identity of the Project's related parties and all the related party relationships and transactions of which we are aware and all related party relationships and transactions have been appropriately accounted for and disclosed in accordance with IFRSs.

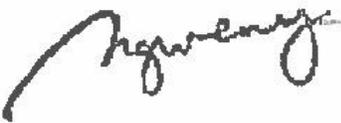
Included in the Appendix to this letter are the definitions of both a related party and a related party transaction as we understand them and as defined in IAS 24.

10. We have made an assessment of the Project's ability to continue as a going concern, taking into account all available information about the future, which under IAS 1 Presentation of Financial Statements is at least, but is not limited to, twelve months from the end of the reporting period. We confirm that we have not identified events or conditions that may cast significant doubt upon the Project's ability to continue as a going concern.

Yours faithfully


.....
Clement Kanyama
Director Budget and Finance

Date: 19th June, 2018


.....
Sindiso Ngwenya
Secretary General

Date: 19th June, 2018

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Appendix to the Management Representation Letter of COMESA 50 Million African Women Speak Network Platform Project Definitions

Financial Statements

IAS 1.10 states that “a complete set of financial statements comprises:

- a) a statement of financial position as at the end of the period;
- b) a statement of profit or loss and other comprehensive income for the period;
- c) a statement of changes in equity for the period;
- d) a statement of cash flows for the period;
- e) notes, comprising a summary of significant accounting policies and other explanatory information;
- f) comparative information in respect of the preceding period as specified in paragraphs 38 and 38A; and
- g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 40A–40D.

Material Matters

Certain representations in this letter are described as being limited to matters that are material.

IAS 1.7 and IAS 8.5 state the following:

“Material omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or a combination of both, could be the determining factor.”

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Fraud

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorisation. (ISA 240.A5)

Error

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure. (IFAC Glossary of Terms).

Prior period errors are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

- a) was available when financial statements for those periods were authorised for issue; and
- b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.

Management

For the purposes of this letter, references to "management" should be read as "management and, where appropriate, those charged with governance".

Related Party and Related Party Transaction

Related party

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in IAS 24 *Related Party Disclosures* as the "reporting entity").

- a) A person or a close member of that person's family is related to a reporting entity if that person:
 - i) has control or joint control of the reporting entity;

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- ii) has significant influence over the reporting entity; or
 - iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b) An entity is related to a reporting entity if any of the following conditions applies:
- i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - iii) Both entities are joint ventures of the same third party.
 - iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
 - vi) The entity is controlled, or jointly controlled by a person identified in (a).
 - vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

A reporting entity is exempt from the disclosure requirements of IAS 24.18 in relation to related party transactions and outstanding balances, including commitments, with:

- a) a government that has control or joint control of, or significant influence over, the reporting entity; and

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- b) another entity that is a related party because the same government has control or joint control of or significant influence over, both the reporting entity and the other entity.

Related party transaction - A transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Project Financial Statements

2.1 Statement of Financial Position

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Statement of Financial Position, Grant No. 2100155032768 (UA 3,820,000)

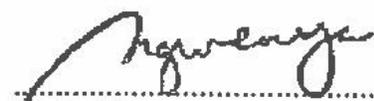
Reporting Period: 08th September 2016 to 31st December 2017

In United States Dollars (US\$)

Description	Notes	Amount
ASSETS		
Current assets		
Receivables	7	5,334
Cash and cash equivalents	8	<u>99,576</u>
Total Assets		<u>104,910</u>
LIABILITIES		
Current liabilities		
Payables	9	253
Amount due to related parties	10	5,334
Deferred income	11	<u>99,323</u>
Total current liabilities		<u>104,910</u>
Net Equity		-
Accumulated surplus		<u>-</u>
Total Equity and Liabilities		<u>104,910</u>


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Clement Kanyama
Director Budget and Finance

Date: 19th June, 2018


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Sindiso Ngwenya
Secretary General

Date: 19th June, 2018

For Lochan & Co
Chartered Accountants

Partner



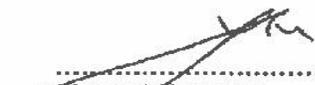
2.2 Statement of Receipt and Expenditure by Component

50 Million African Women Speak Networking Platform – The African Development Fund
Implemented by The Common Market for Eastern and Southern Africa (COMESA)

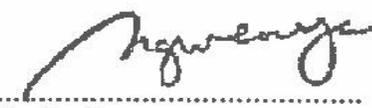
Statement of Receipts and Expenditure by Component, Grant No. 2100155032768 (UA 3,820,000)
Reporting Period: 08th September 2016 to 31st December 2017

In United States Dollars (US\$)

Description	Notes	Amount	
		Budget	Actual
SOURCES			
Fund Received from ADF	4		221,669
Other Income	5		-
Total Source of Fund			221,669
EXPENDITURE			
Component 1: Support for hosting infrastructure platform		1,151,756	-
Component 2: Support for platform, related statistical database, content development and targeted services		504,601	-
Component 3: Support for Back office / in-country resources		579,848	-
Component 4: Project management	6	579,009	221,669
Contingency		<u>197,065</u>	-
Total Expenditure		3,012,279	221,669
Excess of receipts (sources) over expenditures (uses)			-
Gain (loss) on exchange rate fluctuation			-
Net of exchange gains or losses			-
Opening balances			-
Closing Balances			-
Closing balance represented by:			
Cash at Bank - USD			97,527
Cash at Bank - ZMW			2,049
Payable			(5,587)
Deferred Income			(99,323)
Receivable			<u>5,334</u>
Total Closing Balances			-


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Clement Kanyama
Director Budget and Finance

Date: 19th June, 2018


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Sindiso Ngwenya
Secretary General

Date: 19th June, 2018

For Lochan & Co
Chartered Accountants

Partner



2.3 Statement of Receipt and Expenditure by Category

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

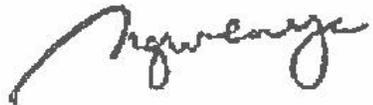
Statement of Receipts and Expenditure by Category, Grant No. 2100155032768 (UA 3,820,000)
Reporting Period: 08th September 2016 to 31st December 2017

In United States Dollars (US\$)

Description	Notes	Amount	
		Budget	Actual
SOURCES			
Fund Received from ADF	4		221,669
Interest Income	5		-
Total Source of Fund			<u>221,669</u>
EXPENDITURE			
Goods		1,144,556	20,673
Services		882,402	195,165
Operational Costs		788,256	5,831
Contingency		<u>197,065</u>	-
Total Expenditure		<u>3,012,279</u>	<u>221,669</u>
Excess of receipts (sources) over expenditures (uses)			-
Gain (loss) on exchange rate fluctuation			-
Net of exchange gains or losses			-
Opening balances			-
Closing Balances			<u>-</u>
Ceiling Balance represented by:			
Cash at Bank - USD			97,527
Cash at Bank - ZMW			2,049
Payable			(5,587)
Deferred Revenue			(99,323)
Receivable			<u>5,334</u>
Total Closing Balances			<u>-</u>


.....
Clement Kanyama
Director Budget and Finance

Date: 19th June, 2018


.....
Sindiso Ngwenya
Secretary General

Date: 19th June, 2018

For Lochan & Co
Chartered Accountants

Partner



2.4 Cash Flow Statement

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Cash Flow Statement, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

In United States Dollars (US\$)

Descriptions	Notes	Amount
Cash flows from operating activities		
Surplus of income over expenditure for the year		-
Change in:		
Receivables	7	5,334
Payables	9	(253)
Amount due to related parties	10	(5,334)
Deferred income	11	<u>(99,323)</u>
Net change		<u>(99,576)</u>
Net increase in cash and cash equivalents		<u>99,576</u>
Cash and cash equivalent as at 08 September 2016		
Cash and cash equivalent as at 31 December 2017	8	<u>99,576</u>

2.5 Notes to financial statement

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Notes to Financial Statements, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

1. Reporting Programme

The specific goal of the COMESA ADF 50 Million Women Speak Networking Platform project is to address the gender specific challenges that are faced by women entrepreneurs such as access to financial services and non-financial information. COMESA together with ECOWAS and EAC will facilitate the development of a social media platform to allow African women entrepreneurs to share their experience of business and find financial and non-financial information.

2. Basis of Preparation

(a) Statement of Compliance

The Financial Statements of 50 Million Women Speak project have been prepared in accordance with the International Financial Reporting Standards (IFRS) which are developed and maintained by the International Accounting Standards Boards (IASB);

(b) Going Concern

The Financial Statements have been prepared on a going concern basis and accounting policies have been applied consistently throughout the period under review. The accounts have been prepared on the historical cost basis.

(c) Use of estimates and judgements

The Financial Statements are in conformity with IFRS and generally accepted accounting practices require the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period.

(d) Functional and Presentation of Currency

The Financial Statements are presented in United States Dollar (USD) as required by the Protocol Agreement between COMESA Secretariat and the African Development Fund.

(e) Basis of accounting

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and the requirements of COMESA financial rules and regulations and Protocol of agreement between COMESA and African Development Fund;

(f) Measurement Base

The accounting principles recognized as appropriate for the measurement and reporting of the financial performance, cashflows, and financial position is on an accrual basis and using historical cost in the preparation of the Financial Statements.

3. Significant Accounting policies

The accounting policies set out below have been applied consistently in these financial statements. Set out below is an index of the significant accounting policies, the details of which are available on the pages that follow.

- a) Income recognition
- b) Deferred income
- c) Expenditure
- d) Income tax
- e) Provisions

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Notes to Financial Statements, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

3. Significant Accounting policies *continued*

- f) Financial instruments
- g) Foreign currency
- h) Related party transactions

a) Income recognition

Grant income is recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it recognised as income in equal amounts over the expected useful life of the related asset.

b) Deferred income

Deferred income are grants received from the Africa Development Fund, which have not been utilised in the period. Income is only recognised when related expenditure for which the grant was obtained has been incurred.

c) Expenditure

Project expenditure is recorded when all the necessary conditions for the grant with regard to expenditure are met or when there is reasonable assurance that the project will comply with the conditions attaching to the grant with regard to expenditure.

d) Income tax

The project is exempt from income tax under paragraph 4b of Part II of Second Schedule to the Income Tax Act 1966 (as amended), Cap 323 of Laws of Zambia.

e) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability instrument of another entity.

Financial assets

Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Cash on hand and on call is carried at fair value. Deposits held on call are classified as loans originated by the Project and carried at amortised cost. Due to the short-term nature of these, the amortised cost approximates its fair value.

Other receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Other receivables, which generally have 30-day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts as the effect of imputing interest is considered to be insignificant. In relation to other receivables, a provision for impairment is made when there is objective evidence (such as significant financial difficulties of the debtor) that the Project will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Notes to Financial Statements, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

3. Significant Accounting policies *continued*

Financial liabilities

Other payables

Other payables are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Project derecognises financial liabilities when, and only when, the Project’s obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

f) Foreign currency

In preparing the financial statements, transactions in currencies other than the United States Dollar are recorded at the exchange rate at the date the transaction first qualifies for recognition.

At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Foreign exchange differences are recognised in income and expenditure statement in the period in which they arise.

The following significant exchange rates for local payments made in Zambian Kwacha applied during the year:

	Average rate	Reporting date
	2017	2017
United States Dollar (US\$)	9.87530	9.87530

g) Related party transactions

Related parties are defined as those parties that directly or indirectly through one or more intermediaries, the party that:

- (i) Controls is controlled by, or is under common control with, the entity;
- (ii) has an interest in the entity that gives it significant influence over the entity.

All dealings with related parties are transacted on an arm’s length basis and accordingly included in income statement.

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Notes to Financial Statements, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

In United States Dollars (US\$)

No	Description	Amount
4.	Income	
	Grant received from ADF	315,658
	Grant receivable from ADF	5,334
	Less: Deferred Income (note 10)	<u>(99,323)</u>
		<u>221,669</u>
5.	Other Income	
	Other income	-
	The 50 Million Women Speak Project does not have any other income for the period under review.	
6.	Programme Expenditure	
	Airfare	2,819
	Conference facilities	2,665
	Recruitment Expenses	200
	Consultant fees	192,500
	Printing and Stationery	253
	Bank Charges	2,559
	Furniture & Fittings	7,134
	Office Equipment	2,199
	Computer Equipment	<u>11,340</u>
		<u>221,669</u>
7.	Receivables	
	Other receivables	<u>5,334</u>
		<u>5,334</u>
	USD pertains to Grant receivable from the AfDB relating to unclaimed amounts due to COMESA Secretariat as at 31 December 2017. These have subsequently been claimed.	
8.	Cash and Cash equivalents	
	BARCLAYS Account Number Foreign - 1116337	97,527
	BARCLAYS Account Number Local - 1720704	<u>2,049</u>
		<u>99,576</u>
9.	Payables	
	K- One Marketing.	<u>253</u>
		<u>253</u>
	Payables pertain to expenditure on staff business cards unpaid as at 31 December 2017. The amount has subsequently been paid.	
10.	Amounts due to related parties	
	COMESA Secretariat	<u>5,334</u>
		<u>5,334</u>
	This relates to expenditure paid by COMESA Secretariat on behalf of the project as at 31 December 2017. These have subsequently been claimed.	

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Notes to Financial Statements, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

In United States Dollars (US\$)

No	Description	Amount
11.	Deferred Income	
	Grant received in 2016	-
	Deferred income released to income in 2016	-
	Balance as at 31 December 2016	-
	Grant received in 2017	229,000
	Deferred income released to income in 2017	<u>(129,677)</u>
	Balance as at 31 December 2017.	<u>99,323</u>
	The amount relates to unspent grant for the period under review from disbursement made by African Development Fund. The said amount will be carried forward to be used in next financial year.	
11.1	Deferred income reconciled to cash and cash equivalents	
	Dr: General ledger - bank	99,576
	Charged to fund, unpaid from bank	(5,587)
	Paid from bank, uncharged to fund	<u>5,334</u>
	Cr: General ledger - fund	<u>99,323</u>
11.2	Fund Accountability Statement	
	Grant financing agreement	5,386,200
	Cash draw-down to date	<u>(320,992)</u>
	Available	<u>5,065,208</u>
	Assets: Analysis of cash received from ADF as at 31st December 2017.	
	Cash at Bank, as at 31-December 2017	99,576
	Expenditure recognized to-date	221,669
	Less: Amounts payable to third parties	(5,587)
	Add: Amounts receivable from ADF	<u>5,334</u>
	ADF Cash advance	<u>320,992</u>
	Liabilities: Analysis of liabilities as at 31-December 2017	
	General ledger - fund, as at 31 December 2017	99,323
	General ledger - income recognized to-date	<u>221,669</u>
	Total ADF fund to-date	<u>320,992</u>

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Notes to Financial Statements, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

In United States Dollars (US\$)

12. Contingent Liabilities

There were no contingent liabilities as at 31 December 2017.

13. Subsequent Events

There were no subsequent events requiring disclosure or adjustments to the financial statements.

14. Periodicity of preparation of Financial Statement

The Financial Statement of the COMESA ADF 50 Million Women Speak Networking Platform project have been prepared for the sixteen month period from 8th September 2016 to 31st December 2017, as the waiver to conduct the audit of the Financial Statements for the year 2016 was obtained from The African Development Fund.

2.6 Statement of Special Account

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Statement of Special Account, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

BARCLAYS Account Number Foreign – 1116337

In United States Dollars (US\$)

Description	Amount
Opening balance	-
Add: Receipt	
Initial disbursement – 5 September 2017	229,000
Interest income	-
Fund available for use	<u>229,000</u>
Less: Transfer and expenditure	-
Expenditure paid during the year from special account	124,200
Transfer to Local account	5,000
Bank services charges	2,273
Exchange gain / Loss	
Total expenditure	<u>131,473</u>
Closing balance	<u>97,527</u>

50 Million African Women Speak Networking Platform - African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Statement of Special Account, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

BARCLAYS Account Number Local - 1720704

In United States Dollars (US\$)

Description	Amount (ZMW)	Amount
Opening balance	-	-
Add: Receipt		
Fund received from foreign account	49,376	5,000
Interest income	-	-
Fund available for use	<u>49,376</u>	<u>5,000</u>
Less: Transfer and expenditure	-	-
Expenditure paid during the year from special account	26,314	2,664
Transfer to foreign account	-	-
Bank services charges	2,829	287
Exchange gain / Loss	-	-
Total expenditure	<u>29,143</u>	<u>2,951</u>
Closing balance	<u>20,233</u>	<u>2,049</u>

2.7 Reconciliation of Disbursements

50 Million African Women Speak Networking Platform - African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Reconciliation of Disbursements, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

BARCLAYS Account Number Foreign 1116337

BARCLAYS Account Number Local 1720704

Description	Amount (US\$)	Amount (ZMW)
Direct Payments		
Direct payment on 31/01/2017	2,199	-
Direct payment on 22/02/2017	7,134	70,451
Direct payment on 17/03/2017	11,340	
Special Account		
Fund Disbursed on 04/09/2017	229,000	-
Reimbursement		
Reimbursement on 15/11/2017	<u>65,985</u>	=
Total	<u>315,658</u>	<u>70,451</u>
Received by Agency		
Direct Payments		
Direct payment on 31/01/2017	2,199	-
Direct payment on 22/02/2017	7,134	70,451
Direct payment on 17/03/2017	11,340	-
Special Account		
Fund received on 5/09/2017	229,000	
Reimbursement		
Reimbursement on 15/11/2017	<u>65,985</u>	=
Total	<u>315,658</u>	<u>70,451</u>
Variance if any	-	-

2.8 Statement of Project Fixed Assets

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Schedule of Fixed Assets, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

The Common Market for Eastern and Southern Africa (COMESA)

Fixed Asset Register

Reporting Period: 8th September 2016 to 31st December 2017

Asset Code	Lookup	Asset Description	Serial No	Base Amount	Acquisition	Location/ Custodian	Condition
50MWS/IT01	50MWS/LAPTOP	Laptop	5CG7020G39	1,890	22/2/2017	David Sabiti	Good
50MWS/IT02	50MWS/LAPTOP	Laptop	5CG7020G40	1,890	22/2/2017	Silver Mwesigwa	Good
50MWS/IT03	50MWS/LAPTOP	Laptop	5CG7020G3T	1,890	22/2/2017	Paige Zulu	Good
50MWS/IT04	50MWS/LAPTOP	Laptop	5CG7020G3N	1,890	22/2/2017	Gerum Zewdu	Good
50MWS/IT05	50MWS/LAPTOP	Laptop	5CG7020G34	1,890	22/2/2017	Stores (Content Manager)	Good
50MWS/IT06	50MWS/LAPTOP	Laptop	5CG7020G6X	1,890	22/2/2017	Kabungo Nzima	Good
		Total		11,340			
50MWS/OE01	50MWS/HD COPIER	Heavy Duty Copier	VIE64068998	2,199	13/12/2016	Gender Unit	Good
		Total		2,199			
50MWS/OF01	50MWS/OM DESK	Office Management Desk	NA	455	12/12/2016	David Sabiti	Good
50MWS/OF02	50MWS/OM DESK	Office Management Desk	NA	455	12/12/2016	Silver Mwesigwa	Good
50MWS/OF03	50MWS/OM DESK	Office Management Desk	NA	455	12/12/2016	Paige Zulu	Good
50MWS/OF04	50MWS/OM DESK	Office Management Desk	NA	455	12/12/2016	Gerum Zewdu	Good
50MWS/OF05	50MWS/OM DESK	Office Management Desk	NA	455	12/12/2016	Stores (Content Manager)	Good

Asset Code	Lookup	Asset Description	Serial No	Base Amount	Acquisition	Location/ Custodian	Condition
50MWS/OF06	50MWS/OM DESK	Office Management Desk	NA	455	12/12/2016	Kabungo Nzima	Good
		Total		2,732			
50MWS/OF07	50MWS/HBS CHAIR	High Back Swivel Chair	NA	173	12/12/2016	David Sabiti	Good
50MWS/OF08	50MWS/HBS CHAIR	High Back Swivel Chair	NA	173	12/12/2016	Silver Mwesigwa	Good
50MWS/OF09	50MWS/HBS CHAIR	High Back Swivel Chair	NA	173	12/12/2016	Paige Zulu	Good
50MWS/OF10	50MWS/HBS CHAIR	High Back Swivel Chair	NA	173	12/12/2016	Gerum Zewdu	Good
50MWS/OF11	50MWS/HBS CHAIR	High Back Swivel Chair	NA	173	12/12/2016	Stores (Content Manager)	Good
50MWS/OF12	50MWS/HBS CHAIR	High Back Swivel Chair	NA	173	12/12/2016	Kabungo Nzima	Good
		Total		1,041			
50MWS/OF13	50MWS/V. CHAIR	Visitor's Chair with ARM Rest	NA	149	12/12/2016	David Sabiti	Good
50MWS/OF14	50MWS/V. CHAIR	Visitor's Chair with ARM Rest	NA	149	12/12/2016	David Sabiti	Good
50MWS/OF15	50MWS/V. CHAIR	Visitor's Chair with ARM Rest	NA	149	12/12/2016	Silver Mwesigwa	Good
50MWS/OF16	50MWS/V. CHAIR	Visitor's Chair with ARM Rest	NA	149	12/12/2016	Silver Mwesigwa	Good
50MWS/OF17	50MWS/V. CHAIR	Visitor's Chair with ARM Rest	NA	149	12/12/2016	Stores (Content Manager)	Good
50MWS/OF18	50MWS/V. CHAIR	Visitor's Chair with ARM Rest	NA	149	12/12/2016	Stores (Content Manager)	Good
50MWS/OF19	50MWS/V. CHAIR	Visitor's Chair with ARM Rest	NA	149	12/12/2016	Paige Zulu	Good
50MWS/OF20	50MWS/V. CHAIR	Visitor's Chair with ARM Rest	NA	149	12/12/2016	Paige Zulu	Good

Asset Code	Lookup	Asset Description	Serial No	Base Amount	Acquisition	Location/ Custodian	Condition
50MWS/OF21	50MWS/V. CHAIR	Visitor's Chair with ARM Rest	NA	149	12/12/2016	Gerum Zewdu	Good
50MWS/OF22	50MWS/V. CHAIR	Visitor's Chair with ARM Rest	NA	149	12/12/2016	Gerum Zewdu	Good
50MWS/OF23	50MWS/V. CHAIR	Visitor's Chair with ARM Rest	NA	149	12/12/2016	Kabungo Nzima	Good
50MWS/OF24	50MWS/V. CHAIR	Visitor's Chair with ARM Rest	NA	149	12/12/2016	Kabungo Nzima	Good
		Total		1,793			
50MWS/OF25	50MWS/2DWLM CAB	2 Doors Wooden Lockable Metal Cabinet	NA	360	12/12/2016	David Sabiti	Good
		Total		360			
50MWS/OF26	50MWS/2DLM CAB	2 Doors Lockable Metal Cabinet	NA	200	12/12/2016	Silver Mwesigwa	Good
50MWS/OF27	50MWS/2DLM CAB	2 Doors Lockable Metal Cabinet	NA	200	12/12/2016	Paige Zulu	Good
50MWS/OF28	50MWS/2DLM CAB	2 Doors Lockable Metal Cabinet	NA	200	12/12/2016	Gerum Zewdu	Good
50MWS/OF29	50MWS/2DLM CAB	2 Doors Lockable Metal Cabinet	NA	200	12/12/2016	Stores (Content Manager)	Good
50MWS/OF30	50MWS/2DLM CAB	2 Doors Lockable Metal Cabinet	NA	200	12/12/2016	Kabungo Nzima	Good
		Total		1,000			
50MWS/OF31	50MWS/4DLM CAB	4 Drawer Lockable Metal Cabinet	NA	209	12/12/2016	Silver Mwesigwa	Good
		Total		209			
Grand Total				20,673			

2.9 Schedule of Ineligible Expenditure

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Schedule of Ineligible Expenditure, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

There was no ineligible expenditure during the period under review.

2.10 Schedule of Withdrawals Applications

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Schedule of Withdrawal Applications, Grant No. 2100155032768 (UA 3,820,000)

Reporting Period: 08th September 2016 to 31st December 2017

COMESA – US\$

Serial Number	Date of Submission of Withdrawal Application	Withdrawal Application Reference Number	Amount Involved (US\$)	Date Approved	Date Fund Received	Amount Received (US\$)	Method of Payment
1	19-Dec-16	2	2,199	19-Dec-16	31-Jan-17	2,199	Direct Payment
2	24-Feb-17	4	11,340	1-Mar-17	17-Mar-17	11,340	Direct Payment
3	1-Aug-17	5	229,000	16-Aug-17	4-Sep-17	229,000	Special Account
4	20-Oct-17	6	65,985	30-Oct-17	15-Nov-17	65,985	Reimbursement

COMESA - ZMW

Serial Number	Date of Submission of Withdrawal Application	Withdrawal Application Reference Number	Amount Involved (ZMW)	Date Approved	Date Fund Received	Amount Received (ZMW)	Method of Payment
1	19-Dec-16	3	70,451	21-Dec-16	22-Feb-17	70,451	Direct Payment

2.11 Budget Performance Report

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Appendix I : Budget Performance Report

Reporting Period: 08th September 2016 to 31st December 2017

In United States Dollars (US\$)

(i) Summary Budget Performance Report

Component	2016/2017 Expenditure to Date US\$	2016/2017 Budget US\$	Variance US\$	%
Component One: Support for hosting infrastructure	-	1,151,756.22	1,151,756.22	100%
Component Two: Support for platform, related statistical data base, content development, targeted service for women entrepreneurs	-	504,600.81	504,600.81	100%
Component Three: Support for back office/ in-country office	-	579,847.83	579,847.83	100%
Component Four: Project management	221,668.86	579,008.54	357,339.68	62%
Total Base Cost	221,668.86	2,815,213.40	2,593,544.54	92%
Contingency		197,064.94	197,064.94	100%
TOTAL PROJECT COST	221,668.86	3,012,278.34	2,790,609.48	93%

(ii) Detailed Budget Performance Report

Component	Budget Code	Activity	2016/2017 Expenditure to Date US\$	2016/2017 Budget US\$	Variance US\$	%
Component One: Support for hosting infrastructure	FIF1.1	Procurement of Infrastructure platform equipment	-	7,200.00	7,200.00	100%
	FIF1.2	Delivery/ Installation of Infrastructure equipment	-	1,144,556.22	1,144,556.22	100%
Sub Total Component One			-	1,151,756.22	1,151,756.22	100%

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Appendix I : Budget Performance Report

Reporting Period: 08th September 2016 to 31st December 2017

(ii) Detailed Budget Performance Report *continued*

Component	Budget Code	Activity	2016/2017 Expenditure to Date US\$	2016/2017 Budget US\$	Variance US\$	%
Component Two: Support for platform, related statistical data base, content development, and targeted service for women entrepreneurs	FIF2.1.1	Platform design - Mobile Platform	-	134,700.00	134,700.00	100%
	FIF2.1.2	Platform design - Architectural Des/ Bus Analytics	-	214,200.15	214,200.15	100%
	FIF2.2	Content Management and Development	-	28,200.00	28,200.00	100%
	FIF2.3	Statistical Database Development	-	127,500.66	127,500.66	100%
Sub Total Component Two			-	504,600.81	504,600.81	100%
Component Three: Support for back office/ in-country office	FIF3.1	Support Missions	-	37,050.00	37,050.00	100%
	FIF3.2	Support Back Office Mentorship	-	24,000.08	24,000.08	100%
	FIF3.3	Support In Country Mentorship	-	19,999.91	19,999.91	100%
	FIF3.4	Support In Country Awareness	-	19,999.91	19,999.91	100%
	FIF3.5	Support In Country Content	-	458,798.02	458,798.02	100%
	FIF3.6	Support In Country Training	-	19,999.91	19,999.91	100%
	FIF3.7	Transaction Advisory Services	-	-	-	
Sub Total Component Three			-	579,847.83	579,847.83	100%

50 Million African Women Speak Networking Platform – The African Development Fund Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Appendix I : Budget Performance Report

Reporting Period: 08th September 2016 to 31st December 2017

(iii) Detailed Budget Performance Report *continued*

Component	Budget Code	Activity	2016/2017 Expenditure to Date US\$	2016/2017 Budget US\$	Variance US\$	%
Component Four: Project Management	FIF4.1	Capacity Building	23,337.72	33,119.96	9,782.24	30%
	FIF4.2	Operating Costs	5,831.15	7,000.00	1,168.86	17%
	FIF4.3	Travel Costs	-	-	-	
	FIF4.4	Staff Costs	192,500.00	444,000.00	251,500.00	57%
	FIF4.5	Financial Audits	-	10,000.00	10,000.00	100%
	FIF4.6	Marketing and Outreach	-	62,666.51	62,666.51	100%
	FIF4.7	Creation of ICT use to enable youths	-	22,222.07	22,222.07	100%
Sub Total Component Three			221,668.86	579,008.54	357,339.68	62%
Total Base Cost			221,668.86	2,815,213.40	2,593,544.54	92%
Contingency				197,064.94	197,064.94	100%
Total Project Cost			221,668.86	3,012,278.34	2,790,609.48	93%

2.12 Statement on Exchange Rate Movements

Implemented by The Common Market for Eastern and Southern Africa (COMESA)

Appendix II: Statement on Exchange Rate Movements,
Reporting Period: 08th September 2016 to 31st December 2017

	Month	UA Amount	Actual US\$	Expected US\$	Exchange Difference
Direct payment on 31/01/2017	Jan-17	1,602.26	2,199.00	2,222.49	23.49
Direct payment on 22/02/2017	Feb-17	5,364.02	7,134.00	7,477.34	343.34
Direct payment on 17/03/2017	Mar-17	8,397.57	11,340.00	11,613.92	273.92
Special Account Initial Disbursement	Sep-17	162,283.97	229,000.00	223,210.24	(5,789.76)
Reimbursement to COMESA	Nov-17	56,712.51	65,985.00	78,234.91	12,249.91
Balance - Projected exchange loss		3,595,228.45	5,070,542.00	4,977,953.31	(92,588.69)
TOTALS		3,829,588.78	5,386,200.00	5,300,712.22	(85,487.78)

Note:

Management regularly reviews the exchange rate movement between the Unit of Account, which is currency of a financing commitment and the currency of disbursement. Rules of Procedure governing concessionary grants from the ADF, transfer risks arising from exchange rate movement between the Unit of Account and the currency of disbursement to the beneficiaries. COMESA Secretariat as a grant beneficiary thus makes an assessment of the risks of exchange rate variability and put in place measures to mitigate against the negative impacts. Exchange differences, both realized and unrealized are quantified and an assessment is made on the impact on the future operations of the grant.

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