



REPUBLIC OF BURUNDI

DREAMING FOR CHANGE

"D4C"

FINANCIAL AUDIT, 2023

**FOR THE 12 MONTH PERIOD
CLOSED AS AT DECEMBER 2023**

**AUDITORS:
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BUJUMBURA, BURUNDI**

B Bureau d'
auditeurs et
consultants

Bujumbura, 31st May 2024

Mr. D4C EXECUTIVE DIRECTOR

Bujumbura, Burundi

Dear Sir,

Audit report for the 2023 accounts, as closed as at December 31st 2023

We have completed the financial audit of the financial report as at 31st of December 2023 are pleased to forward to you our report which includes our opinion and the financial statements. The purpose of this report is to set out matters arising out of the audit which we feel should be brought to your attention.

The primary purpose of a financial audit is to enable us to express an opinion on the financial statements. Our examination of the accounting information is carried out on a test basis and should not be relied upon to detect errors or irregularities which are not material in relation to the financial statements. It must be emphasized that weaknesses in the system of accounting and internal control may facilitate errors and irregularities which normal audit tests may not necessarily detect.

We have detailed out, in the appendix to this letter, our observations on the accounting and internal control system. Also included are our recommendations for improvement. The issues raised represent our findings during the audit and have not subsequently been reviewed.

Kind Regards!

Prosper BOLINGO
Managing Partner



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(Signature)

A INTRODUCTION

A-1 Overview of Dreaming for Change

Dreaming for Change (D4C) is a community development organization working to improve the health and wellbeing of women and children in poor communities, with a focus on early childhood development, teachers training, girls' education, women entrepreneurship, vocational training, food security and community infrastructure. We work in rural villages of Mpanda-Bubanza and our efforts inspired the donors (U.S Embassy Bujumbura, U.S Department of State, Partners of Americas, D4C USA, Boone Rotary Club, Boone United Methodist Church, Segal Family Foundation, USAID KENYA, YALI RLC EA, KENYATTA UNIVERSITY and individual donors) who funded the vocational training programs to improve the economic opportunities for rural women, community farming, the construction of the hope renewal center, preschool, latrines, kitchen and a refectory to provide comprehensive education, economic development, food security and nutrition in a dignified environment.

Dreaming for Change's mission is to promote human dignity and social development through access to education, health care, entrepreneurship, food security, clean water and protection services to help children, families and communities achieve a positive transformation.

D4C's vision is to build healthy, peaceful and educated communities in Burundi.

A-2 Terms of reference

Audit Objectives

The overall objective is to give a professional opinion on the fairness of the accounts.

The specific objectives of the mission relate to three components namely: the review of the regularity of the accounts, assessing the internal control system and review of compliance with the applicable regulations.

a) Testing the fair statement of the accounts

- Review to ensure that the operations relating to the program period are accurate, true, complete, properly valued and highlighted.
- Review of the financial situation at the end of the period (balance sheet) to ensure his sincerity.

b) Evaluation of the Internal Control System of D4C

- Evaluation of the general control environment and the financial management procedures (Segregation of duties, Competences of the accounting and finance staff, internal control mechanism, etc.).
- Evaluation of the adequacy of internal control for the purposes of prevention, detection and correction of errors and frauds.

- Evaluation of the internal control system for the purposes of protection, management of resources and assets of D4C.
- Assessing the overall internal control system and budgetary monitoring.
- Assessing the quality and completeness of the information system and the reporting.
- Assessing the filing system and the archiving of the accounting and financial documents.

c) Review of the Program's compliance with applicable regulations

- Assessment of compliance to governing laws, regulations, and relevant directives.
- Assessment of compliance to relevant accounting practice.
- Assessment of projects and Programs compliance with donor requirements.

A-3 Disclaimer and confidentiality

This report is *strictly confidential* and is addressed solely to Coordination of the D4C, the donors, and the partners. BACON will not be held responsible for its unauthorized copying and distribution.

We have produced the report specifically for the purposes stated and its interpretation, use or application for other purposes imposes no obligations on us.

A-4. Acronyms and abbreviations used in this report

BACON	Bureau des Auditeurs et Consultants
D4C	Dreaming for Change
FBU	Burundian Franc
IFAC	International Federation of Accountants
USD	US Dollar

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B Independent audit report for the period beginning 01st January to 31st December 2023

We have audited the financial statements of D4C on pages 8 to 15 which have been prepared in accordance with the accounting policies and basis of preparation set out on page 11. We have obtained all the information and explanations which we considered necessary for the purposes of this audit.

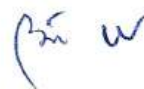
Respective responsibilities of management and auditors

The managing team of D4C are responsible for the preparation of the underlying books of accounts that reflect with accuracy financial statements and the financial position of the project, which enables to ascertain that the accounts are in compliance with the International Accounting Standards and/or other standards applied by the donor. The managing team is also responsible for the safeguard of the Organization assets by taking adequate measures to prevent and detect frauds and other irregularities. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report this.

Basis of audit opinion

We conducted our audit in accordance with International Auditing Standards promulgated by the International Federation of Accountants (IFAC). An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by management in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Organisation's circumstances, consistently applied and disclosed.

We planned and performed our audit to obtain all the information and explanations which we considered necessary to provide us with sufficient evidence to give reasonable assurance that the financial statements are free of material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.



Opinion

In our opinion, proper books of account have been kept and the financial statements which agree with the books, give a true and fair view of the balance sheet of Dreaming for Change as of 31st December 2023 and of the transactions for the 12 months' period then ended in accordance with the accounting policies and basis of preparation set out in section D.

Also, D4C books of accounts are established to reflect the financial transactions in respect of national laws and regulations, and the donor's policies as well.

DATE:

31 / 05 / 2024



C Financial report

C-1 Income and expenditure statement from 01st January to 31st December 2023

Libellé	Note	Amount (USD)
Income		
Opening balance		4 010
funds from donors		139 758
In-kind donations		8 680
Total income	E	152 448
EXPENDITURE		
	F1	
Nutrition and Health	F11	28 400
Education Program	F12	42 177
Construction	F13	40 000
Rural Girls Scholarship	F14	3 950
Women's training&Dev	F15	6 083
Administration	F16	9 605
GRAND TOTAL		130 215
<i>Balance 1</i>		22 233
Accruals and other adjustments		-
Cash & Bank Balance-	G	22 233



The income and expenditure statement is to be read in conjunction with other accompanying statements and the notes to the financial statements on pages 12 to 15.

Chief Accounting Officer

Anitha Ndayishimiye

Executive Director

Janvier Manirakiza



C-2 Statement of financial position (balance sheet) as at 31st December 2023

ASSETS	NOTE	Amount (US)
Receivables Prepayments		-
Cash and cash equivalents	G	<u>22 233</u>
Total Assets		<u>22 233</u>
LIABILITIES	NOTE	
Short-term debts		
Accruals and other adjustments		
Balance	G	<u>22 233</u>
Total Liabilities		<u>22 233</u>



The balance sheet is to be read in conjunction with other accompanying statements and the notes to the financial statements on pages 12 to 15

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C-3 Statement of budget implementation of the project from 1st January to 31st December 2023

Description	BUDGET (USD)	Total expenses (USD)	Variance (USD)	Implementation rate (%)
Nutrition and Health	33 330	28 400	4 930	85%
Education Program	50 059	42 177	7 882	84%
Construction	40 500	40 000	500	99%
Rural Girls Scholarship	6 630	3 950	2 680	60%
Women's Training & Dev	10 058	6 083	3 975	60%
Administration	11 872	9 605	2 267	81%
GRAND TOTAL	<u>152 449</u>	<u>130 215</u>	<u>22 234</u>	85%



The detailed report with budget lines highlighted in annexes

D. Accounting policies

Principal accounting principles applied

The accounts have been prepared under historical convention and on cash basis as per the accounting policy outlined by the regulator.

Income

Income from donors is recognized when received gross of bank charges.

Expenditure

The expenses are regrouped as per the project expenditure lines.

Stocks and fixed assets

Items of stocks and of fixed assets are fully expensed at the time purchase or acquisition.

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EXPLICATIVE NOTES

E. INCOME STATEMENT (IN USD)

2023 Revenue	Nutrition Health	Education Program	Construction	Rural Girls Scholarship	Women's training&Dev	Admini- stration	Total income
Dreaming for Change USA	33 300	37 475		4 800	2 011	2 500	80 086
Duke Family Fund	0	0	35 000				35 000
Segal Family Foundation	0	0	5 500	1 800		4 200	11 500
YALI-USAID Grant	0	0	0	0	8 000		8 000
Other income	0	0	0	0	0	5 172	5 172
2022 carryover	30	3 904	0	30	47	0	4 010
In-kind donations	0	8 680	0	0	0	0	8 680
TOTAL SOURCES	33 330	50 059	40 500	6 630	10 058	11 872	152 448

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F. Expenses

F1. Local expenses

F11 COMMUNITY HEALTH AND NUTRITION

Designation	Budget (US)	Actual (US)	Balance (US)	Variance (%)
Salaries for nutrition staff	6 595	5 508	1 087	16%
Tax and social security fees	990	980	10	1%
Porridge ingredients	14 700	11 670	3 030	21%
Sugar for porridge	4 500	4 460	40	1%
Medication	3 600	2 900	700	19%
Utensils purchase	320	257	63	20%
Charcoal	500	500	0	0%
Transport fees	1 915	1 915	0	0%
Communications	210	210	0	0%
Total	33 330	28 400	4 930	15%

F1.2. PRESCHOOL, PRIMARY SCHOOL AND AMERICAN SHELF EXPENSES

Designation	Budget (USD)	Actual (USD)	Balance (USD)	Variance (%)
Teachers' salaries	21 256	13 848	7 408	35%
Security guards salaries	3 590	2 980	610	17%
Tax and social security fees	2 188	2 882	-694	-32%
Snacks and breakfast for children	3 820	3 700	120	3%
In-country travelling	1 200	1 300	-100	-8%
Classroom materials and office supplies	1 250	800	450	36%
D4C USA educators accommodation and in-country travel	6 000	5 872	128	2%
Christmas celebration	2 075	2 115	-40	-2%
Books, Computers and accessories from US Embassy	5 000	5 000	0	0%
Office chairs from US Embassy	3 680	3 680	0	0%
Total	50 059	42 177	7 882	16%

F1.3. CONSTRUCTION

Designation	Budget (USD)	Actual (USD)	Balance (USD)	Variance (%)
Building the Hope Renewal Center	30 000	30 000	0	0%
Building the rabbit house	5 500	5 074	426	8%
Fence construction	2 000	1 974	26	1%
Shelves, tables and chairs for the hope renewal center	3 000	2 952	48	2%
TOTAL	40 500	40 000	500	1%

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F1.4. RURAL GIRLS SCHOLARSHIP PROGRAM

Designation	Budget (USD)	Actual (USD)	Balance (USD)	Variance (%)
Purchase text books to equip a mini library for high school girls	1 000	1 000	0	0%
Stipends for part-time tutors	1 800	540	1 260	70%
Stipend for a program coordinator	1 260	470	790	63%
Tuition for 40 high school girls	880	380	500	57%
Uniforms and school suppliers	1 174	1 160	14	1%
Administration and transport	516	400	116	22%
TOTAL	6 630	3 950	2 680	40%

F15. WOMEN'S TRAINING AND DEVELOPMENT

Designation	Budget (USD)	Actual (USD)	Balance (USD)	Variance (%)
VSLA materials	1 047	1 000	47	4%
Supporting Jacqueline with rabbits	500	455	45	9%
Supporting Jacqueline with house renovation	511	491	20	4%
She Rises for Change grant's visibility, beneficiary visibility	3 000	2 937	63	2%
She Rises for Change's VSLA trainings	5 000	1 200	3 800	76%
TOTAL	10 058	6 083	3 975	40%

F1.6. ADMINISTRATION

Designation	Budget (USD)	Actual (USD)	Balance (USD)	Variance (%)
Purchase a TVS motorcycle	2 200	2 100	100	5%
Travel and learning visits	300	300	0	0%
Administrative staff salaries	6 167	4 200	1 967	32%
Staff development	600	400	200	33%
Fuel, maintenance	400	400	0	0%
Office rent including internet, electricity	2 100	2 100	0	0%
Bank charges	105	105	0	0%
TOTAL	11 872	9 605	2 267	19%

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G. Financial position notes

Cash and bank

Title	Account	31 st December 2023
		(US)
BANKS		22 112
PETTY CASH (in BIF)		122
Total		22 234

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