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**AUDIT SERVICES
CORPORATION**

**ETHIOPIAN CONSTRUCTION DESIGN AND
SUPERVISION WORKS CORPORATION
INDEPENDENT AUDITOR'S REPORT
AND
FINANCIAL STATEMENTS
30 SENE 2021**

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**Office of the Federal Auditor General
Audit Service Corporation**

**INDEPENDENT AUDITOR'S REPORT
TO THE SUPERVISING AUTHORITY OF
ETHIOPIAN CONSTRUCTION DESIGN
AND SUPER-VISION CORPORATION**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Ethiopian construction design and supervision works (the corporation) which comprise the statements of financial position as at 30 June 2021, and the statements of profit or loss and other comprehensive income, statements of change in equity and statement cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements is present fairly, in all material respect, the financial positions of the entity as at 30, June 2021 and its financial performance and its cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the corporation in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in Ethiopia, and we have fulfilled our other ethical responsibilities in accordance with those requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters



**INDEPENDENT AUDITOR'S REPORT
TO THE SUPERVISING AUTHORITY OF
ETHIOPIAN CONSTRUCTION DESIGN
AND SUPER-VISION CORPORATION (continued)**

Report on the Audit of the Financial Statements (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management 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, management is responsible for assessing the corporation'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 management either intends to liquidate the corporation's or to cease operations, or has no realistic alternative but to do so.

Those charged with governance responsible for overseeing the corporation's financial reporting process.

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 auditor's 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 corporation's internal control.



**INDEPENDENT AUDITOR'S REPORT
TO THE SUPERVISING AUTHORITY OF
ETHIOPIAN CONSTRUCTION DESIGN
AND SUPER-VISION CORPORATION (continued)**

Report on the Audit of the Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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 corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the corporation 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Woizero Alganesh Araya.



**INDEPENDENT AUDITOR'S REPORT
TO THE SUPERVISING AUTHORITY OF
ETHIOPIAN CONSTRUCTION DESIGN
AND SUPER-VISION CORPORATION (continued)**

Report on the Audit of the Financial Statements (continued)

Additional Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the additional information. The additional information comprises the information included in note 9 to the financial statements, but does not include the financial statements and our auditor's report thereon.

In connection with our audit of the financial statements, our responsibility is to read the additional information and, in so doing, consider whether the additional information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work that we have performed, we conclude that there is a material misstatement of this additional information, we are required to report that fact. We have nothing to report in this regard.

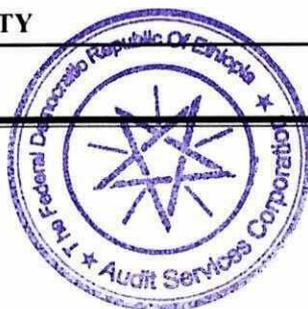
Audit Services Corporation

31 July 2023



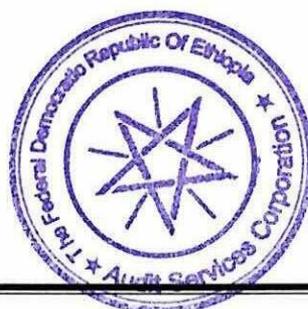
Ethiopian Construction Design and Supervision Works Corporation
Statement of Financial Position
As of June 30, 2021

	Notes	Birr	June 30,2020 Birr (As restated)
Non-current assets			
Property, plant and equipment	2a, 6a	463,398,225	337,497,123
Construction in Progress	6b	19,081,737	57,943,515
Right of Use Asset	2b,6c	13,158,172	13,385,037
Intangible Asset	2c, 6d	5,447,996	3,238,069
Government securities	2d, 6e	346,575	346,575
Deferred tax Assets	2e	29,835,533	25,600,258
Total non-current assets		531,268,238	438,010,577
Current assets			
Inventory	2f, 6f	44,940,114	51,050,293
Trade receivable	2d, 4, 6g	690,849,808	440,695,023
Contract asset	2d	159,642,487	153,730,367
Other Receivables	2g, 4, 6h	158,939,285	140,304,214
Other Tax Recoverable	2g	13,404,831	15,506,909
Cash and cash equivalents	2d, 4	115,341,551	168,309,076
Total current assets		1,183,118,076	969,595,882
Non-current Asset held for Sale	6i		4,758
Total assets		1,714,386,314	1,407,611,217
Current liabilities			
Contract Liabilities		80,207,511	27,173,692
Other Payables	6j	172,013,206	139,484,340
Value added tax Payable	2d	36,102,157	38,667,373
Income tax	2e, 6k	70,615,070	26,387,426
Employee benefit payable	2h	32,448,604	29,287,396
Total current liabilities		391,386,548	261,000,227
Non-current liabilities			
Long term employee benefit payable	2h	106,741,062	105,124,528
Lease Liability	2b,5	10,889,522	10,889,522
Deferred tax liability	2d,	45,881,615	41,728,798
Total non-current liabilities		163,512,199	157,742,848
Total liabilities		554,898,747	418,743,075
EQUITY			
Paid-up Capital	6n	1,114,274,782	952,186,328
Legal Reserve	6o	39,706,932	31,175,961
Equity in Excess of Paid up capital	6p	5,505,853	5,505,853
Total Equity		1,159,487,567	988,868,142
TOTAL LIABILITIES AND EQUITY		1,714,386,314	1,407,611,217



Ethiopian Construction Design and Supervision Works Corporation
Statement profit and loss and other comprehensive income
For the year ended June 30, 2021

	Notes	Birr	2020 Birr (As restated)
Revenue	2k, 6q	911,488,717	675,959,524
Cost of sales	6r	441,390,118	422,380,682
Gross profit		470,098,599	253,578,842
Other income	6s	26,633,836	31,597,439
Administration Expense	5,6t	241,099,824	204,926,457
Provision for Uncollectable receivable	6g	10,910,454	34,887,551
		252,010,278	239,814,008
Profit before tax		244,722,157	45,362,273
Tax expense	2e, 6l,6m	74,102,731	16,151,523
Profit for the year		170,619,425	29,210,750



Ethiopian Construction Design and Supervision Works Corporation
Statement of changes in equity
For the year ended June 30, 2021

	Note	Paid up Capital <u>Birr</u>	Equity in Excess of Paid up Capital <u>Birr</u>	Legal reserve <u>Birr</u>	Retained Earning <u>Birr</u>	Total <u>Birr</u>
Balance At 30 June 2019		924,923,613	5,505,853	29,227,926	-	959,657,392
Adjustment	5				-9,749,952	0
transfer		-9,749,952			9,749,952	
as restated		<u>915,173,661</u>	<u>5,505,853</u>	<u>29,227,926</u>	<u>-9,749,952</u>	940,157,488
Profit for the Year					<u>38,960,702</u>	
Transfers		<u>37,012,667</u>		<u>1,948,035</u>	<u>-38,960,702</u>	
Balance At 30 June 2020		<u>952,186,328</u>	<u>5,505,853</u>	<u>31,175,961</u>	<u>-9,749,952</u>	<u>979,118,190</u>
as per previously Reported		961,936,280	5,505,853	31,175,961	-	998,618,094
Adjustment	5	-9,749,952				-9,749,952
As restated		952,186,328	5,505,853	31,175,961	0	988,868,142
Profit for the year					170,619,425	170,619,425
Transfer	6m.6n	162,088,454		8,530,971	-170,619,425	0
Balance At 30 June 2021		<u>1,114,274,782</u>	<u>5,505,853</u>	<u>39,706,932</u>	<u>0</u>	<u>1,159,487,567</u>



Ethiopian Construction Design and Supervision Works Corporation
Statement of cash flows
For the year ended on June 30, 2021

	Birr	June 30,2020 Birr
Cash flows from operating activities		
Profit before tax	244,722,157	45,362,273
Adjustment For:		
Depreciation & Amortization	27,014,768	19,010,417
Gain From Foreign Exchange rate change	(4,163,642)	(2,291,998)
Gain From Disposal of Plant property & equipment	(496,869)	(4,642,102)
Annual Leave Provision	3,161,209	3,940,599
Long term Employee Benefit	1,618,533	8,700,729
Provision for obsolete stock	45,919	462,972
Provision for Expected Credit loss	10,910,454	34,887,551
	282,812,528	105,430,440
Movement in Working Capital		
(Increase) Decrease in inventory	6,064,260	(11,106,356)
(Increase) Decrease in Tread receivable & Other receivables	(283,510,352)	60,427,383
Increase (Decrease) in contract liability & Other payables	86,158,677	35,731,765
Cash generated from operation	91,525,113	190,483,232
Income tax Paid	(29,957,545)	(79,422,803)
Interest recognized in profit or loss	(1,473,313)	(150,939)
Net Cash inflow /(out flow) from operating activities	60,094,255	110,909,490
Cash flows from investing activities		
Purchase of Plant Property & Equipment	(158,765,201)	(33,532,257)
Purchase of Materials for construction	38,861,778	(34,079,654)
Net cash outflow from investing activities	(119,903,423)	(67,611,911)
Cash flows from financing activities		
Proceeds from redemption of Bond	-	4,000,000
Proceeds from disposal of Plant Property & equipment	1,204,688	6,796,105
Proceeds from Gain on Foreign Exchange rate change	4,163,642	2,291,998
Interest received	1,473,313	150,939
Net cash (outflow)/inflow from financing activities	6,841,643	13,239,043
Net decrease in cash and cash equivalents	(52,967,525)	56,536,622
Cash and cash equivalents at the beginning of the year	168,309,076	111,772,454
Ending Cash Balance	115,341,551	168,309,076





NOTES TO THE FINANCIAL STATEMENTS
30 June 2021

1. REPORTING ENTITY INFORMATION

Ethiopian Construction Design and Supervision Works Corporation (the 'Corporation') is a Corporation domiciled in Ethiopia. The corporation has been established by the council of ministers regulation No.365/2015 and governed by public enterprises Proclamation No.25/1992. The corporation is established to provide study, surveying, design, construction supervision, contract administration, consultancy, training, material inspection and laboratory services on roads, bridges, tunnels, airfields, railways, buildings, architectural engineering, dams, irrigation, drainage, water supply, water quality, sewerage disposal, dry waste disposal, hydropower, wind and geothermal energy development, integrated water use, integrated basin development, basing development, flood prediction and diversion, water infrastructure, city and sub city planning and architectural engineering, rural development plan and settlement, land use planning, geo-techniques and foundation engineering and other infrastructure development projects where the market failure exists.

The address of the Company's registered office is Ethiopian Construction Design & Supervision Works Corporation headquarters, Bole- Megenagna Ring road in front of the former Imperial Hotel, Addis Ababa, Bole sub city, Woreda 5. The Corporation is registered in the Trade Register of Business Registration Number MT/AA/2/0034395/2008 and Business License Number MT/AA/14/673/559605/2008.

a. Basis of Preparation

The principal accounting policies applied in the preparation of this financial statement are set out below. The Financial statement for the period ended on June 30,2021 has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and related interpretations issued by the International Financial Reporting Interpretations Committee(IFRIC). Additional information required by National regulations is included where appropriate.

b. Judgments & Estimates

The preparation of the financial statement in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process



of applying the Corporation's accounting policies. Management believes that the underlying assumptions are appropriate and that the Corporation's financial statement therefore presents the results fairly.

c. Functional and Presentation Currency

Items included in the financial statement are measured using the currency of the primary economic environment in which the Corporation operates ('the functional currency'). The functional currency and presentation currency of the Corporation is the Ethiopian Birr (ETB).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Property, Plant and Equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the property, plant and equipment if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Corporation recognizes such parts as individual assets with specific useful lives and depreciates them accordingly. All other repair and maintenance costs are recognized in statement of profit or loss and other comprehensive income as incurred.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Category	Useful life in years	Residual Value (based on %age of cost)
Building	50	50%
Motor Vehicle	15	30%
Computer & Accessories	10	5%
Furniture & fittings	10	5%
Equipment	10	5%
Office Machine	15	5%
Heavy Duty Machine	20	40%



The Corporation commences depreciation when the asset is available for use. Land is not depreciated. Capital work-in-progress is not depreciated as these assets are not yet available for use. They are disclosed when reclassified during the year. An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in income statement when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on sale

Net gains on sale of items of plant property & equipment are presented in profit or loss as other income. Net losses on sale are included in administration Expenses. Net gains and losses are recognized in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, and there is no continuing management involvement with the plant property & equipment.

b. Lease

The Corporation has long-term lease of land and for it the present value of the lease payments represent substantially all of the fair value of the land.

The Corporation recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any indirect cost incurred.

The right-of-use asset is subsequently depreciated using strait line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset.

c. Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.



The useful lives of intangible assets are assessed to be either finite or infinite. Intangible assets with finite lives are amortized over the useful economic life. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortization period or methodology, as appropriate, which are then treated as changes in accounting estimates. Intangible assets with infinite lives will not amortize but there will be an impairment loss test.

Amortization is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives, as follows:

Category	Useful life in years	Residual Value
Intangible Asset (software)	8	No residual Value

d. Financial Instruments

Financial Assets

Initial recognition and measurement

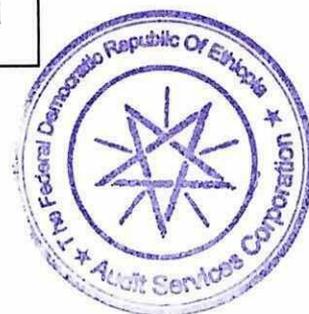
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. All financial assets except trade receivable are recognized initially at fair value.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified into three categories:

- At amortized cost
- Financial assets at fair value through profit or loss
- Financial assets at fair value through other comprehensive income

The basis of classification depends on the Corporation’s business model and the contractual cash flow characteristics of the financial assets. In the process of providing consultancy services, the corporation issue an invoice to its client having provided the deliverables as per the contract agreement. Such business activity create a trade receivable to the corporation and a business model of ‘hold to collect’ has been set to manage financial assets in order to generate cash flows.



Therefore according to the 'hold to collect' business model, the corporation holds financial assets to collect their contractual cash flows. All current financial assets the Corporation has are classified under amortized cost.

For trade receivables, the Corporation chooses to apply the Stage 3 approach to recognize an allowance for lifetime expected credit losses from initial recognition. The corporation measures the loss allowance at an amount equal to lifetime expected credit losses. In this regard the corporation was using the inflation rate declared by central statistics agency in determining the loss through aging analysis of receivables. But in the current year the corporation has used the average banks' lending rate in setting the loss rate.

The corporation has recognized revenues based on percentage of completion method for its study & design projects before it reached at its milestone stated on the contract. In this case the corporation recognize its right to consideration as "contract asset" in exchange for the services provided.

De-recognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Corporation's statement of financial position) when the rights to receive cash flows from the financial asset have expired or has been transferred.

Financial liabilities

Recognition and measurement

Financial liabilities are initially measured at fair value (the transaction price) using effective interest rate. After initial recognition, all financial liabilities of the Corporation are measured at amortized cost. The fair values of trade payables of the Corporation are similar with their transaction price. Collections from advance payment by clients are recognized as liability until the earning process is completed.

Cash and cash equivalents

Cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand, cash at bank and treasury bills when they are deemed receivable within three months.



Value added tax recoverable

As per IAS 32 Financial instrument standard paragraph 42, financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when, and only when, an entity: currently has a legally enforceable right to set off the recognized amounts; and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In this regard the corporation has legally enforceable right to offset the value added tax recoverable with value added tax payable. Therefore the value added tax recoverable amount Birr 33,082,850 has been offset against value added tax payable which amounts Birr 69,185,008. As a result the value added tax payable has been presented in the statement of financial position at net amount of Birr 36,102,158.

e. Income Taxation

Current income tax

The income tax liability for the period is the tax payable on the current period's taxable income based on the applicable income tax rate. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in Ethiopia.

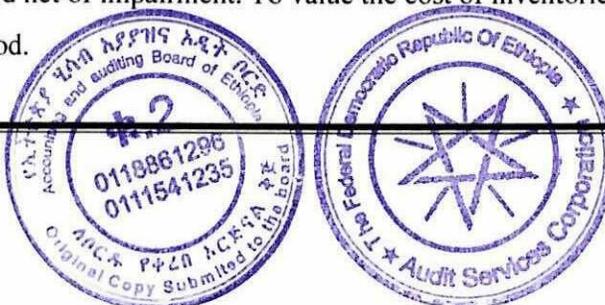
Deferred tax

Deferred tax is recognized on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statement. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

f. Inventories

Inventories are measured at the lower of cost and Net Releasable Value. The Corporation writes down the values of obsolete inventories to nil which it no longer expects future economic from. Inventories are presented net of impairment. To value the cost of inventories, the Corporation uses weighted average method.



g. Other Assets

Other assets are generally defined as claims held against other entities for the future receipt of money. The other assets in the Corporation's financial statements include the following:

Prepayments

Prepayments are payments made in advance for services to be enjoyed in future. The amount is initially capitalized in the reporting period in which the payment is made and subsequently amortized over the period in which the service is to be enjoyed.

Other tax recoverable

According to the federal income tax proclamation number 979/2016, the corporation's client is obliged to withheld 2 % of our sales and repay it to the tax authority. Therefore the corporation will record this withholding tax following the receiving of official receipt provided by the client and report it as other tax recoverable on the statement of financial position.

Other receivables

Other receivables are recognized upon the occurrence of event or transaction as they arise and cancelled when payment is received. The Corporation's other receivables are sundry receivables and other receivables from debtors.

h. Employee Benefits

Leave and Severance pay

The Corporation has an employee benefit scheme which follows the Corporation's Labor union Collective agreement & management directive in which it effects severance pay for those employees who voluntarily leaves the Corporation after 5 and plus years of service. The payment made is based on employees' final salary.

The corporation has used a model that uses the actual data for service year & salary to calculate the severance pay for each eligible employee by considering the annual growth in salary and assuming the will retire at age of 59. Therefore a severance pay which amounts br. 1,618,533.46 has been recorded as additional provision for the current year.



The Corporation recognizes a liability for bonuses and profit-sharing based on a formula that takes into consideration the profit at each year end. The Corporation accounts for annual leaves by providing in full for all unused leaves.

The Corporation has a defined post-employment scheme in line with the provisions of pension for public servants proclamation 714/2011. Funding under the scheme is 7% and 11% by employees and the Corporation respectively. The pension scheme is based on employees' monthly salary. Employer's contributions to this scheme are charged to profit or loss and other comprehensive income in the period in which they relate.

Termination benefits

Termination benefits are payable to employees as per proclamation 1156/2019 and collective agreement made between the labor union & the management as well as based on the management directives of the corporation. When employment is terminated by the corporation before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Corporation recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

Bonus plans

The Corporation recognizes a liability and an expense for bonuses based on the decision of the board of management following the acceptable level of profit plan performance. The Corporation recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

i. Impairment of Non-Financial Assets

The Corporation assesses, at each reporting date, whether there is an indication that an asset/ cash generating unit (CGU) may be impaired. If any indication exists, or when annual impairment testing for an asset/cash generating unit is required, the Corporation estimates the CGU'S recoverable amount. CGU'S recoverable amount is the higher of cash-generating units (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for each CGU. When the



carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate (i.e, the borrowing cost of the Corporation) that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

j. Provision

Provisions are recognized when the Corporation has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Corporation expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in income statement net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as other operating expenses.

k. Recognition of Revenue from Contracts with Customers

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Corporation and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Projects of Study & Design Services has their own milestones stated on the contract agreement. These milestones are outputs at different stages of the project. The milestones could be delivering Inception Report, feasibility study report, Draft design report and Final design report to the client. The Corporation Recognizes revenue when Performance obligations are satisfied at a point in time.



For Projects of Construction supervision service, the Corporation bills fixed amount for each hour of service provided by the assigned professionals and deployment of scientific & other equipment. Therefore, the Corporation recognizes revenue in the amount to which it has a right to invoice.

Foreign exchange gains or losses

These are gains and losses arising on settlement and translation of monetary assets and liabilities denominated in foreign currencies at the functional currency's spot rate of exchange at the reporting date. This amount is recognized in the statement of profit or loss; they are included under other income.

I. Cash Flow Statement

The cash flow statement is prepared using the indirect method. Changes in balance sheet items that have not resulted in cash flows such as fair value changes and other non -cash items which has no effect on the profit and loss statement have been eliminated for the purpose of preparing this statement.

3. FINANCIAL RISK MANAGEMENT

Introduction

Risk is inherent in the Corporation's activities, but is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. Risk Management provides a comprehensive and dynamic framework for identifying, measuring, monitoring and managing financial and non-financial risks. When the quantitative data disclosed at the reporting date is not representative of the Corporation's exposure to risk during the period, further information that is representative must be assisted in qualitative disclosures.

This process of risk management is critical to the Corporation's continuing profitability and each individual within the Corporation is accountable for the risk exposures relating to his or her responsibilities. The Corporation is exposed to credit risk, liquidity risk and market risk. It is also subject to country risk and various operating risks.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. The Corporation policy is to monitor those business risks through the Corporation's strategic planning process.





Risk management structure

The objective of the Corporation's risk policies and procedures is to ensure that the risks in its operations are identified, measured, monitored and effectively managed. Exposure to risk is managed to ensure that it will remain within limits and the risk appetite adopted by the Corporation will comply with regulatory requirements. The Corporation has established a comprehensive risk management system.

The Corporation risk management and control is based on the following key principles: -

- The Board of management approve risk management policies of the Corporation and ensure their implementation;
- Risk management policies and systems are reviewed regularly to reflect changes in the regulations, market conditions, product and services offered;
- The Board of management is assisted by the Audit committee to undertake regular and ad-hoc reviews of risk management control and procures
- Board of management ensures that appropriate remedial actions are taken whenever there are risks which are out of Corporation's risk appetite.

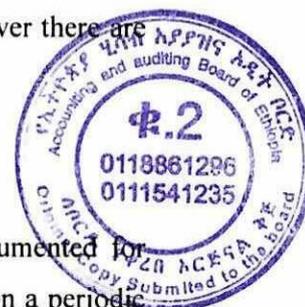
Risk mitigation

Risk controls and mitigates, identified and approved for the Corporation, are documented for existing and new processes and systems. The adequacy of these mitigates is tested on a periodic basis through administration of control self-assessment questionnaires, using an operational risk management tool which requires risk owners to confirm the effectiveness of established controls.

Financial Instruments by category

The Corporation's financial assets are categorized and classified under amortized cost measurements. The classification of the Corporation's financial assets are summarized in the table below.

	30 June 2021 Birr	30 June 2020 Birr
Cash and balances with banks	115,341,551	168,309,076
Trade receivable	690,849,808	440,695,023
Total financial Assets	806,191,359	609,004,099



Credit risk

Credit risk is the probability that a counterparty of the Corporation will not meet its obligations in accordance with agreed terms and conditions which may lead to financial loss. The Corporation is exposed to credit risk due to its credit policy.

Management of credit risk

In measuring credit risk of receivables to various counterparties, the Corporation considers the character and capacity of the obligor to pay or meet contractual obligations, current exposures to the counter party/obligor and its likely future developments, credit history of the counter party /obligor; and the likely recovery percentage in case of default obligations-value of collateral and other ways out. Our credit exposure is largely on trade receivables still outstanding.

Maximum exposure to credit risk

All trade receivables still outstanding are not backed by any form of guaranty. The maximum exposure to risk is thus the current carrying amount of trade receivables.

Credit quality of cash and cash equivalent

The credit quality of cash and cash equivalents and short-term investments that were neither past due nor impaired at as 30 June 2021, have been classified as non-rated as there are no credit rating agencies in Ethiopia.

Investments

The Corporation limits its exposure to credit risk by only investing available cash balances in liquid securities and only with counterparties that have strong credit history.

Market risk

Market risk is defined as the risk of loss risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market risk factors such as interest rates, foreign exchange rates, equity prices, credit spreads and their volatilities. Market risk can arise in conjunction with trading and non-trading activities. The Corporation does not ordinarily engage in trading activities as there are no active markets in Ethiopia.



Management of Market risk

The main objective of Market Risk Management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk. Market risk is monitored by the audit committee on regularly, to identify any adverse movement in the underlying variables.

Foreign currency risk

The corporation is exposed to foreign currency risk on its foreign activates. The Corporation is engaged in two foreign projects which are denominated in a currency other than the functional currency during the fiscal year 2020/2021. The currency that give rise to this risk is the US dollar.

In managing foreign currency risk, the corporation aims to ensure the availability of the foreign currency and to reduce the impact of short-term fluctuations on earnings. Over the longer term, however, permanent changes in foreign exchange rates and the availability of foreign currencies will have a positive/negative impact on profit. The Corporation currently has access to foreign currency through sale of its service. The Corporation doesn't raise capital in any currency other than the functional currency.

4. SIGNIFICANT ACCOUNTNG JUDGMENT, ETSIMATES AND ASSUMPTIONS

Estimates and assumptions

The preparation of the Corporation's financial statement requires management to make judgments, estimates and assumptions that affect the reported amount of assets, liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgments

In the process of applying the Corporation's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:



Impairment losses on receivables

The Corporation chooses to apply the 3 Stage approach or to recognize an allowance for lifetime expected credit losses from initial recognition. The Corporation reviews its receivables for impairment on an on-going basis and write down the carrying amount of receivables if there is a reasonable expectation that amounts won't be recovered/ collected. To provide for loss allowances on trade receivables, the Corporation looks in to past history, experience, trends as well as nature of transactions and type of customers.

The use of historical loss experience is supplemented with significant management judgment to assess whether current economic and credit conditions are such that the actual level of inherent losses is likely to differ from that suggested by historical experience. In normal circumstances, historical experience provides objective and relevant information from which to assess inherent loss within each portfolio.

The estimation of impairment losses is subject to uncertainty, which has increased in the current economic environment, and is highly sensitive to factors such as the level of economic activity, unemployment rates, property price trends, and exchange rates. The assumptions underlying this judgment are highly subjective. The methodology and the assumptions used in calculating impairment losses are reviewed regularly in the light of differences between loss estimates and actual loss experience.

Depreciation and carrying value of property, plant and equipment

The estimation of the useful lives of assets is based on management's judgement. Any material adjustment to the estimated useful lives of items of property and equipment will have an impact on the carrying value of these items.

Provisions

The reconciliation of provisions for Tax/Legal related cases and accrued balances for severance pay are based on the best estimate of the Corporation. The Corporation has assessed past experiences, trends, the opinion of legal department and industry trends to come up with numeric figures for liabilities with uncertain timing and amount.



Severance pays

The Corporation uses estimates, averages and computational short cuts to provide a reliable approximation of the liability incurred in relation to severance pay. It is assumed that an employee will stay until retirement & annual average salary growth rate is calculated using uses five years trend to come up with average figures.

5. RESTATEMENT OF COMPARATIVE FIGURES

In 2019/2020 there was found double recording of contract asset and the related revenue account with br.9,749,952.73. Hence, having made adjustments, the comparative figures have been restated. The value added tax recoverable amount Birr 18,591,954 has been offset against value added tax payable which amounts Birr 57,259,328. As a result the value added tax payable has been presented in the statement of financial position at net amount of Birr 38,667,373. For the comparative period of 2021, lease liability with birr 10,889,521 has been shown separately which was previously included in contract liability and Provision for annual leave amounts Birr 2,164,093 was wrongly classified under other payable account has been reclassified to employee benefit payable. All the effects of the restatements on the cash flow also considered.





6. DETAIL OF ACCOUNT BALANCE

a. Property, Plant and Equipment

Cost

	Balance 30 June 2020 Birr	Addition Birr	Disposal Birr	Balance 30 June 2021 Birr
Building	122,108,238	61,422,313	-	183,530,551
Computer & Related Equipment	34,324,455	40,832,862	14,934	75,142,383
Equipment (Eng.,Camp.& Off.Eqip.)	79,368,678	8,132,685	612,048	86,889,316
Heavy Duty Machine	35,486,236	18,946,263	-	54,432,498
Motor Vehicle	201,501,977	18,756,514	376,120	219,882,371
Furniture & Fittings	27,871,989	3,615,771	301,583	31,186,178
Office Machine	12,699,406	810,481	-	13,509,887
Total Cost	513,360,980	152,516,890	1,304,684	664,573,185

Depreciation

	Balance 30 June 2020 Birr	Addition Birr	Disposal Birr	Balance 30 June 2021 Birr
Building	8,064,314	2,113,854	-	10,178,169
Computer & Related Equipment	18,988,709	5,656,978	12,234	24,633,452
Equipment (Eng.,Camp.& Off.Eqip.)	53,141,384	4,790,375	87,116	57,844,643
Heavy Duty Machine	13,261,172	1,419,943	0	14,681,115
Motor Vehicle	66,127,370	8,858,246	263,284	74,722,332
Furniture & Fittings	10,308,187	2,313,365	238,989	12,382,562
Office Machine	5,972,721	759,966	-	6,732,687
Total	175,863,857	25,912,726	601,624	201,174,960
Book Value	337,497,123	126,604,163	703,061	463,398,225



Ethiopian Construction Design & Supervision Works Corporation
IFRS Based Financial Statement
As of June 30, 2021

Cost

	Balance 30 June 2019 Birr	Addition Birr	Disposal/ Adjustment Birr	Balance 30 June 2020 Birr
Building	122,624,239		516,000	122,108,239
Computer & Related Equipment	33,470,950	853,505		34,324,455
Equipment (Eng., Camp. & Off. Equip.)	73,774,525	5,956,118	5,015	79,725,628
Heavy Duty Machine	35,478,856	7,380		35,486,236
Motor Vehicle	180,786,749	21,692,331	977,103	201,501,977
Furniture & Fittings	24,918,758	3,207,707	254,476	27,871,989
Office Machine	11,515,300	827,157		12,342,456
Total Cost	482,569,377	32,544,197	1,752,594	513,360,980

Depreciation

	Balance 30 June 2019 Birr	Addition Birr	Disposal/ Adjustment Birr	Balance 30 June 2020
Building	6,946,503	1,226,242	108,431	8,064,314
Computer & Related Equipment	16,543,568	2,445,141		18,988,709
Equipment (Eng., Camp. & Off. Equip.)	49,006,178	4,139,970	4,765	53,141,384
Heavy Duty Machine	12,423,317	837,855		13,261,172
Motor Vehicle	59,886,826	6,924,516	683,972	66,127,370
Furniture & Fittings	8,241,465	2,148,197	81,475	10,308,187
Office Machine	5,397,029	575,692		5,972,721
Total	158,444,886	18,297,613	878,642	175,863,857
Book Value	324,124,491	14,246,584	873,952	337,497,123





b. Construction in Progress

Construction in progress relates with site work at the head office of the Corporation. The construction is expected to be completed in the near Future along with all work and title deed transfer.

Construction in Progress	June 30,2021 Birr	June 30,2020 Birr
Beginning Balance	57,943,515	23,863,861
Addition	23,683,754	34,079,654
Transferred to Plant property & Equipment	(62,545,532)	
Ending Balance	19,081,737	57,943,515

c. Right of Use Asset

Right of Use Asset	June 30,2021 Birr	June 30,2020 Birr
Beginning Balance	13,385,037	13,611,902
Depreciation	226,865	226,865
Ending Balance	13,158,172	13,385,037

The land was transferred to the corporation at the date of May 9, 2019 on lease base by Yeka sub city administration land development and management office with a cost of Birr 13,611,902.19. The total area of the land is 5525 square meter and transferred with 60 years of lease term. 20 % of the lease amount was paid at commencement date and the remaining amount was recorded as lease liability to be paid during the next 30 years including the interest computed on the remaining balance of the lease liability.

d. Intangible Assets - Software

Cost

	June 30,2021 Birr	June 30,2020 Birr
Beginning Balance	6,414,613	5,426,553
Addition	3,085,104	988,060
Ending Balance	9,499,717	6,414,613



Accumulated Depreciation

	June 30,2021 Birr	June 30,2020 Birr
Beginning Balance	3,176,545	2,690,606
Addition	875,176	485,939
Ending Balance	4,051,721	3,176,544

Book value

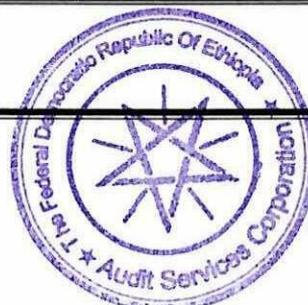
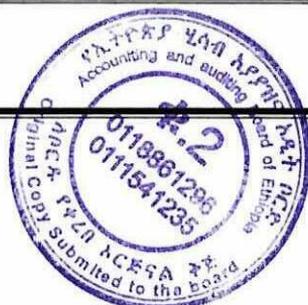
	June 30,2021 Birr	June 30,2020 Birr
Book value	5,447,996	3,238,069

e. Investment in Government Securities

The Corporation purchased Ethiopian government saving bond which is issued by the federal government of Ethiopia Ministry of Finance with face amount of br. 346,575 issued on July 25, 2016. The bond maturity date is five years from the date of issue which is July 24, 2021 and is redeemable in full without any discount or premium.

f. Inventories

	June 30,2021 Birr	June 30,2020 Birr
Stationary	7,040,811	8,138,757
Office Supplies	5,026,243	6,528,740
Construction Supp. & Other	430,286	1,390,044
Laboratory Supplies	2,707,522	2,926,581
Motor Vehicle Spare parts	11,448,698	16,714,024
Rig Spare parts	17,271,922	14,570,881
Other Supplies (Camping, Eng. & Clearing Supplies)	1,647,544	781,267
Total	44,940,114	51,050,293





g. Trade Receivable

	June 30,2021 Birr	June 30,2020 Birr
Trade receivable	816,975,470	555,910,230
Less: Provision for doubtful trade receivable	(126,125,661)	-115,215,207
	690,849,808	440,695,023

h. Other Receivables

	June 30,2021 Birr	June 30,2020 Birr
Sundry Debtors	126,165,789	89,872,087
Supplier Advance	19,745,574	39,048,340
Staff Debtors	2,472,174	3,057,041
Retention Receivable	518,415	293,291
Travel Advance	7,208,659	5,652,104
Prepayments	270,514	320,463
Purchase Advance	2,813,397	2,316,125
Sub total	159,194,522	140,559,451
Less: provision for doubtful staff debtors	-237,237	-237,237
Less : provision for doubtful sundry debtors	-18,000	-18,000
	158,939,285	140,304,214

i. Non-Current Assets Held for Sale

	June 30,2021 Birr	June 30,2020 Birr
Vehicles		4,758

In the year preceding the reporting year, Items decided to dispose through sale the Corporation classified them as held for sale after assessing that all the criteria were met for the assets to be classified as such. The Corporation decided to sale the assets because it was deemed that the vehicles would bring more economic benefit through sale rather than continuing use.

As per the property management directive of the corporation, the committee assigned for the disposal process submit a proposal with professional advice of the current status of the vehicles with their valuation for initial bid price. Based on the information provided the board of management of the corporation will decide that the property, plant and equipment to be disposed.





j. Other Payables

	June 30,2021 Birr	June 30,2020 Birr
Unearned Revenue	58,416,054	49,949,193
Sunday Creditors	25,290,962	13,319,421
Taxes & Pension Payable	16,878,766	35,672,529
Accruals	71,427,424	40,543,197
Total	172,013,206	139,484,340

k. Current Tax Payable

	For the year ended 30 June 2021 Birr	For the year ended 30 June 2020 Birr
Beginning balance	26,387,426	77,788,696
Paid during the year	-29,957,545	-79,422,802
Current profit tax	74,185,189	28,021,532
Total	70,615,070	26,387,426

l. Tax Charge

	For the year ended 30 June 2021 Birr	For the year ended 30 June 2020 Birr
Net Profit before tax	244,722,157	45,362,273
Add: Disallowed expenses		
Entertainment	1,943,892	1,674,463
Penalty	694,705	1,844,761
Depreciation - IFRS	27,014,768	19,010,417
Severance pays expense	1,618,533	8,700,729
Leave expense	3,161,209	3,940,599
Provision for obsolete stock	45,919	462,972
Provision for doubtful debts	10,910,454	34,887,551
Less :Allowed Expenses		
Depreciation for tax purpose	40,857,490	27,435,569
Less: Income taxed at source or not to be taxed		
Gain on Disposal of PPE	496,869	4,642,102
Interest Income	1,473,313	150,939
Taxable profit	247,283,965	83,655,155
Income tax at 30%	74,185,189	25,096,547



m. Income Tax Expense

	For the year ended 30 June 2021 Birr	For the year ended 30 June 2020 Birr
Current tax based on adjusted profit at 30%	74,185,189	28,021,532
Deferred tax assets expense	-4,235,275	-14,397,555
Deferred tax liabilities expense	4,152,817	2,527,546
Total tax expense	74,102,731	16,151,523

n. Paid-up Capital

The Corporation is wholly owned by the Government of the Federal Democratic Republic of Ethiopia. Though the Corporation has been established with a paid up capital of birr 393,771,990, Ministry of finance & economic cooperation has allowed the corporation to use its whole profit after tax & legal reserve to increase its paid up capital till it reaches the authorized capital through a letter dated march 06,2018 with reference number ክሃ.መ/41/7/39. Therefore the current year profit after tax less of legal reserve has been transferred to paid up capital in the financial statement prepared as of June 30, 2021. Currently the total paid up capital of the corporation becomes br. 1,114,274,782.

o. Legal Reserve

The legal reserve is a statutory reserve to which 5% of the net profits shall be transferred each year until it amounts to 20% of the capital.

p. Excess of paid-up capital

Excess of contribution in cash and in kind over the proclaimed paid up capital at the date of establishment. It is not available for distribution.



q. Revenue

	For the year ended 30 June 2021 Birr	For the year ended 30 June 2020 Birr
Consultancy& Construction	739,289,192	649,455,015
Laboratory Service & Geotechnical Work	172,199,525	26,504,509
Total	911,488,717	675,959,524

r. Operating Cost

	For the year ended 30 June 2021 Birr	For the year ended 30 June 2020 Birr
Salaries and Related Benefits	267,463,435	229,055,050
Traveling & Transportation	88,184,158	92,377,694
Depreciation & Amortization	4,662,346	1,976,043
Professional Services/Sub Consultancy	4,689,151	12,565,898
Rental Expense	30,795,030	40,550,187
Materials & Supplies	27,933,986	16,938,698
Repair & Maintenance	10,503,613	11,446,594
Printing Advertising & Communication	747,299	7,369,110
Entertainment	828,095	799,331
Annual leave provision		713,369
Penalty	522,265	
Miscellaneous -other expense	5,060,739	8,588,708
Total	441,390,118	422,380,682





s. Other Income

	For the year ended 30 June 2021 Birr	For the year ended 30 June 2020 Birr
Rent Income	16,860,576	16,867,110
Interest	1,473,313	150,939
Gain on disposal of PPE	496,869	4,642,102
Gain on Foreign Currency rate change	4,163,642	2,291,998
Miscellaneous	3,639,435	7,645,289
Total	26,633,836	31,597,439

t. Administration Expenses

	For the year ended 30 June 2021 Birr	For the year ended 30 June 2020 Birr
Salaries and Related Benefits	147,739,395	138,314,426
Supplies & utilities	17,626,009	20,437,563
Printing and Advertizing	755,768	1,997,029
Communications		1,757,474
Traveling & Transport	7,724,412	2,596,091
Insurance	7,263,687	3,684,284
Depreciation	22,352,422	17,034,374
Entertainment	1,115,797	875,132
Rental Expense	5,610,102	2,011,038
Severance pay & Annual leave	4,779,742	11,927,958
Miscellaneous	26,132,490	4,291,088
Total	241,099,824	204,926,457

u. Contingent Liabilities

Tax assessments have not yet been finalized with the tax authorities. One of the Corporation's constituent organizations is being charged by the tax authority with addition assessments amounting to Birr 19,834,196 in respect to value added tax and penalties. An appeal against these assessments has been lodged with the Tax Appeal Committee. The outcome of the appeal cannot be assessed at this time and no provision for this contingent liability has been made in these financial statements.



v. Events after the reporting period

There were no significant events that occurred after the reporting period which should be reported in this financial statement.

7. EXTRA ORDINARY ISSUE

Though the total profit before tax earned during the year was birr 267,087,093, as per the tax debt remittance Directive number 64/2012 issued by the Ministry of finance adjustments made for tax related receivables and payables resulted in a reduction of profit by birr 22,364,936.27.

8. DATE OF AUTHORIZATION

The chief executive officer of Ethiopian Construction Design & Supervision Corporation authorized the issue of these financial statements on 31 July 2023

9. ADDITIONAL INFORMATION

The Corporation has Four Sectors And two centers Considered as a business unites under the legal entity of Ethiopian construction Design & Supervision Works Corporation. The summarized Statement of financial position and Statement of profit or loss for each sector & center along with account breakdowns are presented as follows as an additional disclosure.



Ethiopian Construction Design & Supervision Works Corporation
IFRS Based Financial Statement
As of June 30, 2021

Ethiopian Construction Design and Supervision Works Corporation
Statement of Financial Position

As of June 30, 2021

	Water and energy design super works sector	Building Design and super works sector	Transport Design and super works sector	Gio inv. Gio works design Sector	Research laboratory and tr.center	Surveying Geospatial and civil info center	Construction Sector	Head Office	ECDSWC
ASSETS									
Non - Current Assets	268,629,408	35,723,822	14,040,255	2,616,375	264,206	340,527	-	1,261,872,081	531,268,238
Current Assets	430,581,400	319,265,789	150,312,373	29,447,126	6,928,831	12,799,364	29,322,722	204,460,471	1,183,118,076
TOTAL ASSETS	1,043,596,066	585,319,332	341,278,739	105,115,096	49,107,011	75,830,394	29,491,868	2,154,646,538	1,714,386,314
LIABILITIES									
Non-Current Liabilities	111,676,474	50,722,959	32,972,018	8,274,494	5,404,912	5,387,941	3,824,703	173,123,049	391,386,548
Current Liabilities	33,559,041	27,270,874	13,044,685	9,698,426	8,934,487	10,669,020	-	60,335,666	163,512,198
TOTAL LIABILITIES	477,789,418	272,932,126	197,337,388	78,186,943	53,985,768	64,695,439	32,592,991	995,158,971	554,898,746
EQUITY									
Paid up									
Legal Reserve									
Retained Earning									
Equity in excess of paid up capital									
Total Equity	565,806,648	312,387,207	143,941,351	26,928,153	(4,878,756)	11,134,955	(3,101,123)	1,159,487,568	1,159,487,568
TOTAL LIABILITY & EQUITY									1,714,386,314





Ethiopian Construction Design and Supervision Works Corporation
Statement of Profit or Loss and Other Comprehensive Income
For The Year Ended June 30, 2021



	Water and energy Design and super works sector	Transport Design and super works sector	Building and urban Devt Design and super works sector	Gio inv.Gio engin under ground work super works design	Research laboratory and training center	Servicing Geospacial and civel informatics center	Construction Sector	Consolidated profit and loss statement
Revenue:								
Operating Revenue	367,634,791	181,282,488	299,950,373	9,128,673	17,380,670	10,613,703	25,498,019	911,488,717
Intra-corporate Revenue	9,775,025	4,472,024	540,000	59,892,121	21,769,696	58,674,378	-	
Total Revenue	377,409,816	185,754,512	300,490,373	69,020,793	39,150,366	69,288,081	25,498,019	1,066,611,961
Intra-corporate Expense	79,121,302	31,305,199	39,437,028	1,618,015	-	3,641,700	-	
Net Operating Revenue	298,288,514	154,449,313	261,053,345	67,402,778	39,150,366	65,646,381	25,498,019	911,488,717
Cost of Sales	136,637,351	69,610,297	110,830,772	39,724,859	29,388,162	34,968,122	20,230,556	441,390,118
Gross Operating Profit	161,651,163	84,839,016	150,222,573	27,677,920	9,762,204	30,678,260	5,267,464	470,098,600
Other Income	19,596,154	3,328,495	2,492,410	412,075	238,949	396,607	169,146	26,633,836
Expenses:	181,247,317	88,167,511	152,714,983	28,089,995	10,001,153	31,074,867	5,436,610	496,732,435
Administrative Expense	94,448,215	58,964,510	42,243,817	14,339,745	9,985,955	12,579,850	8,537,732	241,099,824
Doubtful Account	3,540,869	(3,473,682)	10,843,267					10,910,454
Net Profit Before Tax	83,258,233	32,676,682	99,627,899	13,750,249	15,198	18,495,018	(3,101,123)	244,722,157