

Desk-Audit Guideline for Tax Year 2018 E.C

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Summary Prepared by PKF Ethiopia





Disclaimer

This publication has been prepared by PKF Ethiopia as a summary of the Desk-Audit Guideline for Tax-Year 2018 E.C. Financial Statements Submitted at Declaration, originally issued by the Addis Ababa City Administration Revenue Bureau in September 2019 E.C.

The purpose of this publication is to provide taxpayers, businesses and other interested parties with a concise and accessible overview of the key requirements, procedures and considerations outlined in the original guideline.

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Part A – Overview

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Bottom line: every Category "A" taxpayer's 2018 E.C. books are desk-audited before they are accepted. Anything the books cannot prove with documents is added to taxable income, or the books are rejected and tax is assessed by estimate.

Filing windows

Category	Annual return period
Category "A"	Hamle 1 – Tikimit 30
Category "B"	Hamle 1 – Hamle 30

Legal basis cited

Instrument	What it is used for
Charter Proc. 361/1995 Art. 11	City power to collect taxes
Income Tax Proc. 979/2008	Bookkeeping duty (Art. 82), depreciation (Art. 25), account titles (Art. 80)
Amendment Proc. 1395/2017	2.5% Minimum Alternative Tax (MAT), Category "B" exclusions (Art. 50), digital income
Tax Admin. Proc. 983/2008	Bureau powers (Art. 2/4), market price (Art. 3), penalties (Art. 10, 114(1)), estimates (Art. 26)
Directive 176/2014	Bookkeeping: Art. 23 adjustments, Art. 24 acceptance/rejection, Art. 7(e), 8(8ch), 11(3a)
Directive 138/2010 (amended)	Estimated assessment
Directive 185/2016 + letter 10/15/12081/18 (5/9/2018)	Market price study
Directive 1063/2017 Art. 2/4	Audit procedure and self-assessment
Directive 143/2011 Art. 4(1)(ch)(4); MoF Directive 5/2011 Art. 4(4)	Idle machinery; disallowing interest/depreciation
Regulation 586/2018; Proc. 1180/2012	Investment incentives and MAT

Chapter 1 – Why the desk audit exists

In 2017 E.C. many taxpayers filed statements that did not reflect real activity, creating a revenue gap the guideline describes as billions of Birr. The desk audit aims to:

- Confirm that every bookkeeping taxpayer files complete and correct books in all branch offices.
- Push voluntary compliance: corrections at desk stage avoid long, costly field audits.
- Build staff capacity and uniform practice across branches.
- Spot revenue risks early and collect tax on unreported income during the filing period.
- Stop accepting books simply because they match the daily-income estimate (Directive 176/2014 Art. 24).

Part B – Detailed Brief

Chapter 2 – Compliance Required for the Desk Audit

Chapter 2.1 – Employment income (PAYE and pension)

- Obtain headcount and job titles; check PAYE was paid for that headcount.
- Compare with the previous year: large wage increases or big changes in PAYE/pension need explanation.
- Each employee needs a written contract signed before them, with stamp duty paid.
- Check how wages are paid (cash, cheque, bank) and that a payroll system exists.
- Benefits paid on top of salary need a written agreement; taxable benefits must be taxed.
- Large salaries paid to the owner or family members are tested as a way to cut business profit.
- PAYE and pension withheld must be remitted on time. Sene withholding unpaid at year-end is collected with interest and penalty.
- Companies with branches outside Addis or federal registration: PAYE goes to the right office, but the expense still appears in the Addis statements.
- Apply the PAYE changes under Proc. 1395/2017.

Chapter 2.2.1 – Balance sheet

The balance sheet shows financial position at Sene 30. The auditor tests that year-end balances are real, complete and correctly valued, and that they agree with the year's income and expenses. Focus areas: cash, receivables, inventory, fixed assets, payables; operating/investing/financing cash flows; registered and unregistered capital, reserves, drawings.

Required ledgers. Cash and bank book, receivables ledger, fixed asset register, payables ledger and retained-capital ledger. Statements without these may be rejected (Directive 176/2014 Art. 24).

Cash and bank

- Year-end cash must come from a physical count observed by the accountant and agreed to the count sheet and bank statement.
- If book cash exceeds what is really in hand or in the bank, the gap is taxed under the Bureau's cash-management directive.
- If book cash is lower than bank cash and unexplained, the difference is also taxed.
- Fake entries that hide cash are reversed to the correct balance and taxed.

Manipulations the guideline lists:

- Recording unpaid credit sales as cash, or inflating receivables.
- Booking cash as "sundry receivables" without proof.
- Showing unpaid liabilities as paid to cut cash.
- Clearing a "DPV difference" on foreign purchases against cash, or omitting it entirely.
- Double-booking expenses on the P&L to lower year-end cash.
- Recording asset purchases or fake capital without proof; recording unpaid capital from an unregistered licence.
- Showing withdrawals that never happened against retained earnings.

Bank-deposit method. For businesses with heavy cash and bank activity whose declared sales look low, deposits are compared with declared income. Unproven deposits are taxed. See Part C, Examples 1 and 2.

Receivables

Each account is reviewed by type: trade receivables, accrued income, loans given, prepayments, tax credits, and other receivables.

- Prove the receivable exists: receipts, invoices, debtor confirmation.
- Never existed → treated as cash taken out and taxed under the cash-management directive.
- Existed but already collected → the collected amount is added back as cash.
- Trade receivables test: $\text{credit sales} = \text{cash collected} + \text{closing balance} - \text{opening balance}$.
- Customer advances need documents showing what goods or services they were for.
- “Owner’s cash withdrawal” or “Receivables from owner” booked from 2013 accounts onward must be cleared under the directive.
- Long-outstanding receivables (loans, prepayments, old balances) need legal grounds to stay on the books; otherwise they may be treated as income.

Inventory

- Year-end stock must come from a physical count, observed by the accountant.
- Test the count two ways: sheet-to-floor (pick items on the sheet, find them) and floor-to-sheet (pick items in the store, find them on the sheet).
- An inventory valuation sheet (quantity × unit cost) is required; without it the stock figure may be rejected.
- Weak controls (family business, no stock cards): year-end adjustments need support.
- Damaged, obsolete or shrinkage items must be identified, recorded and disclosed.
- Destroyed goods need a disposal committee and approval from the branch office or regulator.
- Classify stock separately: goods in transit (GIT), finished goods, raw materials, work in progress, spare parts.
- Opening stock must equal last year’s closing stock (cut-off check).
- High stock plus repeated losses or credit → a physical stock check may be ordered.

Measure	Formula	Meaning
Inventory turnover	$\text{COGS} \div ((\text{Opening} + \text{Closing inventory}) \div 2)$	Times stock is sold and replaced in a year
Days sales in inventory	$\text{Average inventory} \div \text{COGS} \times 365$	Days goods sit before sale
High turnover	–	Goods sell fast
Low turnover	–	Stock builds up; risk of hidden sales

Industry	Ideal turnover	DSI (days)	Speed
Manufacturing	1–2	180–360	Lowest
Merchandising, non-fashion	2–4	90–180	Low
Automotive supplies	4–6	60–90	Medium
Merchandising, fashion	8–11	33–45	High
Restaurant	17–40	9–20	Fast

Fixed assets (property, plant, equipment)

- Large assets need title deeds or registration in the business name.
- All assets must physically exist and be in business use; an annual count should include fixed assets.

- Check use with productivity and efficiency ratios; personal use or assets pledged for personal loans are not allowed.
- Cost must be proven; related-party prices must be at arm's length; major improvements are capitalised.
- Expert valuations must not inflate value to raise depreciation.
- No depreciation on assets in construction, installation or transit.
- Revaluation up or down does not change tax depreciation (Proc. 979/2008 Art. 25(7)).
- Check the depreciation schedule: opening assets, additions, removals; gains/losses on disposal correctly taxed.

Payables and loans

Each account is reviewed by type: trade payables, loans, customer advances, tax payable, and other payables.

Bank loans: paid within the agreed term; pledged assets used for business; interest beyond the term or on loans not used in the business is not deductible.

Loans from individuals or non-bank lenders must have all of the following, or the amount is taxed as income (Directive 176/2014 Art. 23(4) and (5)):

- A written loan contract, with stamp duty paid before or at signing (Art. 11(3a)).
- A real lender with the legal capacity and means to lend.
- Proof of the transfer (bank transfer, cheque, deposit slip) and repayment evidence.
- If the lender is a business, the loan appears in the lender's books too.
- Evidence the money was used for the business.
- Year-end entries such as "Owner's account" or "Owner's payables" need full detail, or they are treated as income.
- Overstated payables: confirm with creditors and check original receipts; unexplained overstatement is taxed.
- Obligations that never existed are treated as cash withdrawn.
- Very old payables may be written back as income once the creditor's claim lapses.

Capital

- File a statement of changes in owner's equity; unexplained changes are taxed.
- Capital in the trade licence is often higher than real paid capital. Unpaid ("bogus") capital must be disclosed in a note or corrected in the licence, never booked as a receivable.
- New capital must come from an already-taxed source; otherwise the source is taxed.

Chapter 2.2.2 – Profit and loss statement

- Closing stock must match the Sene 30 count sheet and valuation; differences are adjusted and taxed.
- Opening stock must match the prior year's count.
- No count sheet, or stock not kept by brand and size → stock is revalued at latest purchase price and tax adjusted.
- Withholding credits must be used correctly.
- Low turnover with large stock → targeted check and adjustment.
- Vehicles or machines without matching income (e.g. transport) → income estimated from comparable businesses.
- Profit lower than the change in owner's equity → difference taxed.
- 12-month VAT/TOT returns vs. annual sales and purchases → gaps are added to income.
- Expenses tested against balance sheet: prepaid rent and insurance, lease contracts.

- Only administrative expenses and no sales for a full year → must explain, or income is estimated.

Chapter 3 – Common income understatement and expense overstatement

Income understatement indicators:

- Monthly VAT/excise sales higher than the annual return.
- Bank deposits not explained in the books.
- Receipts used only for part of the year, or business licences missing from the return.
- Long-term contract revenue not recognised.
- Cash flow from non-operating sources (loans, capital) that is really income.
- Receivables or payables booked to the wrong ledger to hide income.
- Capital injections from untaxed income.
- Deleting receivables or recording fake withdrawals; large purchases or expenses omitted from the books.
- Stock differences.

Expense overstatement indicators:

- Shared costs of multi-sector businesses not split.
- Contractors mixing project costs.
- Depreciation on inflated asset bases.
- Expenses declared monthly for VAT reported again yearly.
- Interest and depreciation on items that earn no income.
- Purchases without valid receipts.
- Expenses disallowed by law.

Chapter 4 – Sector checks

4.1 Manufacturers

- Confirm product type and excise status, tax accounts, and investment incentive licence.
- Compare growth before, during and after any incentive period; explain sudden changes.
- Capacity utilization = $\text{actual output} \div \text{maximum output} \times 100$. Reasons for under-capacity must be real (input shortage, breakdown).
- Idle "excess capacity" costs are not deductible.
- Separate fixed and variable costs; compute break-even units = $\text{fixed costs} \div (\text{price} - \text{variable cost per unit})$.
- Input-output (I-O) analysis: standard input per unit vs. actual. Using more input per unit than the standard suggests hidden production.
- Request supplier and customer lists; third-party data from tax information.
- Check machinery (dedicated or multipurpose), depreciation, PAYE, by-products and wastage, packaging and transport.

4.2 Importers and wholesalers

- Get third-party customs data; compare declared imports (value and quantity) with customs.
- Cost of goods = customs valuation per item.
- Post-clearance audit taxes paid after the goods were sold cannot be expensed against current income; they may be charged to retained earnings. Extra VAT paid on post-clearance audit is not claimable as input.
- Record the cost difference between customs price and invoice price correctly.
- Air cargo: 1/3 of air freight is in customs CIF; the other 2/3 and airport-to-store transport are added to cost.

- Sea cargo via Djibouti: deduct the land transport already in customs CIF to avoid duplication.
- Reconcile opening, purchases, sales, returns, damaged goods and closing stock.
- Gross loss (selling below cost) must be explained or adjusted using the market price study.
- Triangulate inventory turnover, sales and gross margin against prior year.
- Persistent credit, high stock with low turnover, legal problems, or owner accounts → extra checks.

4.3 Retail trade

- Third-party data from the system.
- Large purchases checked in the system.
- Purchase price vs. selling price difference must reconcile with inventory.
- Same turnover, credit and legal-risk tests as importers.

4.4 General contractors

- Grade and licence: required equipment must appear in the books.
- Contracts, variations and price adjustments; consultant-certified payment certificates.
- List active and inactive projects for the year.
- Advance payments: withholding receipts recorded as liabilities.
- Revenue on percentage-of-completion; final certificate before Sene means accrued revenue at year-end.
- Monthly VAT differences, price escalation and client-retained amounts must reach the return.
- Machinery idle for 6+ months with no income → income may be estimated.
- Material purchases must match project stage (e.g. no large cement buying at excavation stage).
- Staff and casual labour costs, PAYE; depreciation only on assets used.
- Disallowed: penalties, interest on overdue loans, costs without documents or unrelated to business, double and personal expenses.
- Rented machinery: contracts over 3 months, receipts, and relevance to the project stage.
- Delay penalties and rework costs are not deductible unless agreed in writing.
- Separate income and expense records per project (Directive 176/2014 Art. 7(e)).

4.5 Real estate developers

Revenue must be recognised by percentage-of-completion or completed-contract method, applied consistently. Unsold units, advances from buyers and handover dates are checked against sale contracts.

4.6 Condominium and housing projects

Units built and transferred are checked against project records and transfer documents; income recognised on transfer must reach the return.

4.7 Lodging and room rental

Room numbers, rates and occupancy are reconciled with guest registers and receipts; unreported room income is added.

4.8 Construction machinery rental

- Rental contracts, machine types and numbers, average daily hours.
- Ownership documents (libre); machines sub-rented from others need contracts and receipts.
- Fuel paid by the lessee must be documented; payments by bank or electronic means.
- Time sheets support income. Long idle periods need proof; otherwise income may be estimated (Proc. 983/2008 Art. 10; Directive 143/2011 Art. 4(1)(ch)(4)) and penalty applied (Art. 114(1)).

4.9 Consultants and professional services

- Professional and trade licence, client list and contracts (finished and ongoing).

- Receipts for advances; PAYE on staff; withholding receipts.
- Third-party data from courts and ministries for lawyers.
- Fixed fees for protocol or expenses only if supported.

4.10 Building rent (including furnished)

- Licence for building rent; written lease contracts with stamp duty paid.
- Income per contract; compare with third-party data and the market rent study.
- Tenant-paid expenses, VAT on rent, and separation of rental income from other business income.
- Building depreciation only from a completion certificate; valuation must be documented.
- Overdraft or withdrawals greater than retained earnings plus depreciation → extra tax.
- Report to the Bureau when a tenant leaves; legal entities in Addis report rental income and expenses separately.
- Partly rented buildings: disclose unrented and personally used areas.

4.11 Foreign employment agencies

Agreements with destination-country agents, number of workers sent (third-party data from the Ministry of Labour, immigration, airlines, insurers, banks), and VAT differences found monthly.

4.12 Commission agents

Commission contracts with producers or importers, commission rate per item, sales volume, and third-party data reconciled to the books.

Chapter 5 – Taxpayers newly keeping books

- Receipts printed per license and branch; start date of receipt use = start of bookkeeping.
- Supporting documents for every sale and purchase.
- Chart of accounts covering assets, liabilities, equity, income and expenses; journals and ledgers prepared.
- Separate tax accounts (PAYE, pension, profit tax, rent, VAT).
- Opening cash, receivables, payables and stock counted and recorded by item.
- Part-year books: income for missing months estimated from daily income or cost.
- Capital paid vs. unpaid, and match with the trade license or loan evidence.

Chapter 6 – Other procedures

6.1 When books are accepted or rejected (Directive 176/2014 Art. 24)

Books may be rejected when:

- The taxpayer or preparer cannot explain the statements when asked.
- Supporting documents are not provided.
- Receipts were not authorised by the Bureau.
- Statements were not prepared under accepted standards.
- Income was declared without books required by law.
- Supporting materials are not provided within 10 working days of a written request.
- The external auditor issued an adverse or disclaimer opinion.
- It cannot be shown that the books were prepared by an employed or licensed accountant, that receipt printing was approved, or which basis (cash or accrual) was used.

Rejected books → tax by estimated assessment (Directive 138/2010). No separate penalty for not keeping books is added when the estimate is used.

6.2 Adjustments to accepted books (Art. 23)

- Income adjusted when receipts exceed declared income, VAT/TOT sales exceed the return, third-party income is missing, or stock values differ at count.
- Expenses disallowed when lease, loan or machinery-rental contracts are unregistered, invoices break the receipt directive, or support is missing (Art. 25).
- Books are accepted only with trial balance, depreciation schedule, purchases/sales schedule and stock sheet attached.
- Qualified opinions from external auditors point to where the desk audit focuses.

6.3 Taxpayers with no or incomplete books

- Estimated assessment (Proc. 983/2008 Art. 26; Directive 138/2010) using internal, third-party and comparable-margin data.
- Category "A" transport operators: withholding receipts used to estimate tax.
- Professional services cannot be Category "B" (Proc. 1395/2017 Art. 50): accountants, architects, consultants, contractors, engineers, finance, economics and investment advisers, health and legal professionals.
- Administrative penalties apply to those required to keep books who do not.

6.4 Taxpayers with legal compliance problems

Where sales are far below available data and receipt misuse is serious: missing receipts or fake/unauthorised receipts lead to rejection of books and tax by estimate.

Chapter 7 – Loss declarations

- Contractors file books per project (Directive 176/2014 Art. 8(8ch)); MAT 2.5% applies to all project revenue; pay the higher of profit tax or MAT.
- Multi-sector taxpayers file per sector; MAT applies per sector.
- Unexplained losses → adjusted using the average margin of 3 comparable taxpayers or the market price study (Directive 185/2016 Art. 5; letter 10/15/12081/18 of 5/9/2018).
- Unusual gap between gross and net margin → administrative expenses adjusted (see Part C, Example 5).
- Loss before interest and depreciation → suspicious, large, unusual or questionable expenses must be justified; unjustified interest/depreciation disallowed (MoF Directive 5/2011 Art. 4(4)(2)).
- Losses from fire, disaster or other events need official evidence.

Chapter 8 – Market price study

Under Proc. 983/2008 Art. 3 and Directive 185/2016, market price studies support assessments for importers, wholesalers and retailers. 2018 E.C. returns are checked against the study. Months already reviewed during extra-VAT assessments are not redone; remaining months are compared and adjusted.

Chapter 9 – Other matters

Minimum Alternative Tax (MAT)

- MAT = 2.5% of gross annual revenue (Proc. 1395/2017). Extra paid is creditable later against profit tax.
- Distributors and agents: MAT base = commission earned.
- Wholesalers: contract price agreed under competition proclamation 813/2006.
- Meter-taxi operators: MAT base = commission or service fee (Art. 8(2m)).
- Member associations: amounts received from members are income for MAT (MoF letter of 27/2/2018).
- Exempt: losses proven by court bankruptcy; VAT bad-debt write-offs proven by court.
- Investment incentives: before Regulation 586/2018 exempt; from Hidar 16, 2018 MAT applies, with reduced rates from 5%. Incentives cover annual income tax only and never refund tax paid.

Other income types

- Rental income: no MAT, but quarterly advance tax applies.
- Digital content income (YouTube, social media, affiliate, fan gifts, memberships, digital/physical goods, barter, live streaming, ads, brand deals): business income; 15% of gross if no books.
- Platforms must report payments to the tax authority.

Cash, advance tax and withholding

- Cash payment limit: a single payment over 50,000 Birr (per person, per day) is not deductible and its input VAT is disallowed (MoR letter 3.0/336/18, 17/07/2018).
- Advance tax: 25% of prior year's tax each quarter; unpaid → penalty and interest.
- Withholding: 3% on goods over 20,000 Birr and services over 10,000 Birr; year-end balance confirmed.
- Fixed assets sold: capital gain and VAT must be declared.
- Vehicle importers: one VAT receipt per vehicle; deposits must match receipts; prices checked against market study.
- Wrong account titles hiding income are reclassified and taxed (Proc. 979/2008 Art. 80).

Part C – Worked Examples

Example 1 – Bank deposits beyond declared income (guideline, p.11)

Step	Birr
Gross deposits in bank	50,866,344
Less: declared net cash sales	(11,169,159)
Less: bank loans and other verified loans	(16,000,000)
Less: collections of prior-year credit sales	(5,500,000)
Less: other verified bank credits/transfers	(5,000,000)
Unjustified gross deposits	13,197,185
Excluding 15% VAT ($\div 1.15$)	11,475,813
Add: 50% VAT withheld by customer	860,686
Less: 2% withholding by customer	(229,516)
Hidden income (understated sales)	12,106,983

Example 2 – Deposits with nil declaration (p.12)

Step	Birr
Gross deposits	7,134,179.05
Declared net cash sales	0.00
Less: bank loan and verified loans	(2,500,000.00)
Less: other verified credits/transfers	(755,369.00)
Unjustified gross deposits	3,878,810.05
Unjustified deposits without VAT (understated sales)	3,372,878.30

Example 3 – Manufacturer capacity and break-even (p.37)

Item	Value
Annual capacity	1,000,000 t
Actual output	750,000 t
Capacity utilization	75%
Fixed costs	40,000,000 Birr
Selling price / variable cost per t	190 / 107 Birr
Break-even = $40,000,000 \div (190 - 107)$	481,927.71 t
Extra cost per tonne from under-use	13.33 Birr
Annual inefficiency cost	9,997,500 Birr

The factory runs at a loss below 481,927.71 t. Auditors also compare inputs per unit with the standard I-O table (e.g. Input-001: 2,300 per tonne of Product 1); higher actual use suggests unreported output.

Example 4 – Inventory turnover test

A trader: COGS 12,000,000 Birr, opening stock 9,000,000, closing stock 15,000,000. Average stock = 12,000,000; turnover = 1.0; DSI = 365 days. For non-fashion merchandising the benchmark is 2–4 (90–180 days), so the auditor may order a physical stock count.

Example 5 – Contractor margin gap (p.61)

Benchmark for construction (Directive 138/2011): unadjusted margin 24%, adjusted margin 16%, gap 8%. A contractor reporting 24% gross but 10% net (gap 14%) gets administrative expenses above the 8% gap adjusted back.

Example 6 – Minimum Alternative Tax

Revenue 20,000,000 Birr, declared loss. MAT = $2.5\% \times 20,000,000 = 500,000$ Birr payable. If profit tax were 650,000 Birr, 650,000 would be paid.

Example 7 – Cash payment limit

A supplier is paid 120,000 Birr cash on one day. The whole payment is not deductible and its input VAT is disallowed. Paying by bank transfer avoids this.

Example 8 – Undocumented private loan

Books show a 3,000,000 Birr loan from a relative, with no stamped contract and cash received. The auditor treats 3,000,000 Birr as taxable income.

Part D – Company Compliance Pack

Complete before filing the annual return; keep signed copies in one audit file ready for request within 10 working days.

Form A – Audit-readiness checklist

- ☐ Audited statements with unqualified opinion (no adverse/disclaimer)
- ☐ Chart of accounts, general ledger, trial balance, depreciation schedule
- ☐ Sene 30 stock count sheet signed by counter and observer
- ☐ Inventory valuation sheet (quantity × unit cost)
- ☐ Bank reconciliation for every account and cash count certificate at Sene 30
- ☐ Only Bureau-authorized receipts used
- ☐ 12 monthly VAT/TOT returns reconciled to annual sales
- ☐ 12 monthly PAYE and pension returns reconciled to payroll
- ☐ Employment contracts with stamp duty
- ☐ Lease, loan and machinery-rental contracts with stamp duty
- ☐ 3% withholding receipts issued and received filed
- ☐ Quarterly advance tax (25% of last year) paid
- ☐ No cash payment over 50,000 Birr per person per day
- ☐ Statement of changes in equity; capital matches licence
- ☐ Separate books per project/sector where required

Form B – Bank deposit reconciliation

Bank/account	Total deposits	Declared sales	Verified loans	Prior collections	Other transfers	Unexplained (= 0)

Form C – Non-bank loan file

Lender	Amount	Contract date	Stamp duty (Y/N)	Bank transfer ref.	Lender capacity proof	Business use (Y/N)

Form D – Payroll vs. PAYE reconciliation

Month	Headcount payroll	Headcount PAYE	Gross salary	PAYE paid	Pension paid	Difference explained
Hamle						
Nehase						
...						
Sene						

Form E – Inventory count and turnover

Item	Unit	Qty counted	Qty in books	Unit cost	Value	Remark (damaged/obsolete)

Form F – Fixed asset register

Asset	Title/reg. no.	Cost	Location	In use (Y/N)	Dep. rate	Disposal gain/loss

Form G – Manufacturing capacity and input-output

Product	Capacity	Actual output	Utilization %	Main input	Std input/unit	Actual input/unit

Form H – Loss and MAT check

Line	Birr
Gross revenue	
Profit tax per return	
MAT = 2.5% × gross revenue	
Tax payable (higher)	
Written reason for loss attached (Y/N)	

Form I – Sign-off

Role	Name	Signature	Date
Prepared by (Accountant)			
Reviewed by (Finance head)			
Approved by (General Manager)			

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Belong together
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PKF Ethiopia

Liberia Street, Capstone Building 3rd Floor Addis Ababa

Telephone: +251 +251 115 574753 | +251 118 545 765 Email: info@pkf-et.com

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