

Lighthouse Children and Youth Ministry
(Registration Number W.O. 492)
Annual Financial Statements
for the year ended 31 March 2022

Lighthouse Children and Youth Ministry

(Registration Number W.O. 492)

Annual Financial Statements for the year ended 31 March 2022

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Annual Financial Statements for the year ended 31 March 2022

General Information

| | |
|--|---|
| Country of Incorporation and Domicile | Namibia |
| Registration Number | W.O. 492 |
| Nature of Business and Principal Activities | The nonprofit organisation Providing care and support to needy children and youth and their families. |
| Managing Board Members | Patrick Kafuka - Chairperson Kenneth Shipipa - Vice Chairperson Gerritje Bruijnes - Director Magreth Bezuidenhoudt - Member Basil van Wyk - Member Kaylin van Wyk - Secretary Marie Hagen van Wyk - Treasurer |
| Business Address | Erf 703 Block B Rehoboth Namibia |
| Postal Address | P O Box 3080 Rehoboth Namibia |
| Bankers | Nedbank Namibia |
| Auditors | Primrose Registered Accountant and Auditors Hyper Motor City, Nr 29 (office 9), Maxwell Street Southern Industrial Windhoek |

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Members' Responsibilities and Approval

The members are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the nonprofit organisation, and explain the transactions and financial position of the business of the nonprofit organisation at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the nonprofit organisation and supported by reasonable and prudent judgements and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the nonprofit organisation and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the members set standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the nonprofit organisation and all office bearers are required to maintain the highest ethical standards in ensuring the nonprofit organisation's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the nonprofit organisation is on identifying, assessing, managing and monitoring all known forms of risk across the nonprofit organisation. While operating risk cannot be fully eliminated, the nonprofit organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The members are of the opinion that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the members have no reason to believe that the nonprofit organisation will not be a going concern in the foreseeable future. The financial statements support the viability of the nonprofit organisation.

The annual financial statements have been audited by the independent auditing firm, Kisting Consult Registered Accountants and Auditors, who has been given unrestricted access to all financial records and related data, including minutes of all meetings of the director, the members and committees of the members. The members believe that all representations made to the independent auditor during the audit were valid and appropriate. The external auditor's unqualified audit report is presented on pages 4 to 5.

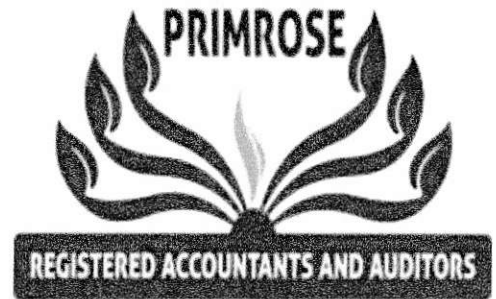
The annual financial statements set out on pages 7 to 15, and the supplementary information set out on page 16 which have been prepared on the going concern basis, were approved by the members and were signed on 25 February 2023.



Gerritje Bruijnes



Kaylin van Wyk



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LIGHTHOUSE CHILDREN AND YOUTH MINISTRY

Opinion

I have audited the financial statements of Lighthouse Children and Youth Ministry set out on pages 7 to 15, which comprise the statement of financial position as at 31 March 2022, and the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and the members' report.

In my opinion, the financial statements present fairly, in all material respects, the financial position of Lighthouse Children and Youth Ministry as at 31 March 2022, and its financial performance and cash flows for the year then ended in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities.

Basis for Opinion

I conducted my audit in accordance with International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the nonprofit organisation in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) and other independence requirements applicable to performing audits of financial statements in Namibia. I have fulfilled my ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

The members are responsible for the other information. The other information comprises the statement of Members' Responsibilities and Approval, which I obtained prior to the date of this report, and the supplementary information set out on page 16. The other information does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not and will not express any form of assurance conclusion thereon.

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

Responsibilities of the Members for the Financial Statements

The members are responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the members are responsible for assessing the nonprofit organisation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the members either intend to liquidate the nonprofit organisation or to cease operations, or have no realistic alternative but to do so.


Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my 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, I exercise professional judgement and maintain professional scepticism throughout the audit. I 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 my 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 nonprofit organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' 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 nonprofit organisation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the nonprofit organisation 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.

I communicate with the members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Primrose

Registered Accountants and Auditors

Chartered Accountants (Namibia)

Per: A Campbell (Proprietor)

Practice No: 2147



Lighthouse Children and Youth Ministry

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Annual Financial Statements for the year ended 31 March 2022

Members' Report

The members present their report for the year ended 31 March 2022.

1. Review of activities

Main business and operations

The nonprofit organisation Providing care and support to needy children and youth and their families. There were no major changes herein during the year.

The operating results and statement of financial position of the nonprofit organisation are fully set out in the attached financial statements and do not in our opinion require any further comment.

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Events after reporting date

All events subsequent to the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The members are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the nonprofit organisation.

4. Donation

No donation was declared or paid to the members during the year.

5. Members

The members of the entity are as stated on page 2 of this report.

6. Auditors

Primrose Registered Accountants and Auditors will be the auditor of Lighthouse Children and Youth Ministry for 2022.

Lighthouse Children and Youth Ministry

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Financial Statements for the year ended 31 March 2022

Statement of Financial Position

Figures in N\$

| | Notes | 2022 | 2021 |
|-------------------------------------|-------|----------------|---------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4 | 365,786 | - |
| Current assets | | | |
| Cash and cash equivalents | 5 | 314,360 | 45,319 |
| Total assets | | 680,146 | 45,319 |
| Equity and liabilities | | | |
| Equity | | | |
| Accumulated surplus | | 680,146 | 45,319 |
| Total equity and liabilities | | 680,146 | 45,319 |

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Financial Statements for the year ended 31 March 2022

Statement of Comprehensive Income

| Figures in N\$ | Notes | 2022 | 2021 |
|--|-------|----------------|---------------|
| Revenue | 6 | 1,788,308 | 502,883 |
| Administrative expenses | 7 | (22,992) | (1,679) |
| Other expenses | 8 | (1,130,732) | (455,890) |
| Surplus from operating activities | | 634,584 | 45,314 |
| Finance income | 9 | 243 | 5 |
| Surplus for the year | | 634,827 | 45,319 |

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Statement of Changes in Equity

| Figures in N\$ | Accumulated surplus | Total |
|---|---------------------|----------------|
| Changes in equity | | |
| Surplus for the year | 45,319 | 45,319 |
| Total comprehensive income for the year | 45,319 | 45,319 |
| Balance at 31 March 2021 | 45,319 | 45,319 |
| Balance at 1 April 2021 | 45,319 | 45,319 |
| Changes in equity | | |
| Surplus for the year | 634,827 | 634,827 |
| Total comprehensive income for the year | 634,827 | 634,827 |
| Balance at 31 March 2022 | 680,146 | 680,146 |

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Statement of Cash Flows

Figures in N\$

| | Note | 2022 | 2021 |
|---|----------|------------------|---------------|
| Cash flows from operations | | | |
| Surplus for the year | | 634,827 | 45,319 |
| Adjustments to reconcile surplus | | | |
| Adjustments for finance income | | (243) | (5) |
| Adjustments for depreciation and amortisation expense | | 8,429 | - |
| Total adjustments to reconcile surplus | | 8,186 | (5) |
| Net cash flows from operations | | 643,013 | 45,314 |
| Interest received | | 243 | 5 |
| Net cash flows from operating activities | | 643,256 | 45,319 |
| Cash flows used in investing activities | | | |
| Purchase of property, plant and equipment | | (374,215) | - |
| Cash flows used in investing activities | | (374,215) | - |
| Net increase in cash and cash equivalents | | 269,041 | 45,319 |
| Cash and cash equivalents at beginning of the year | | 45,319 | - |
| Cash and cash equivalents at end of the year | 5 | 314,360 | 45,319 |

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Accounting Policies

1. General information

Lighthouse Children and Youth Ministry ('the nonprofit organisation') Providing care and support to needy children and youth and their families.

The nonprofit organisation is incorporated as a Nonprofit Organisation and domiciled in Namibia. The address of its registered office is Erf 703, Block B, Rehoboth, Namibia.

2. Basis of preparation and summary of significant accounting policies

The financial statements of Lighthouse Children and Youth Ministry have been prepared in accordance with the International Financial Reporting Standard for Small and Medium-sized Entities, issued by the International Accounting Standard Board. The financial statements have been prepared under the historical cost basis and are consistent with the previous years.

They are presented in Namibian Dollar.

The principal accounting policies applied in the preparation of these annual financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the members.

The nonprofit organisation adds to the carrying amount of an item of property, plant and equipment the cost of replacing parts of such an item when that cost is incurred if the replacement part is expected to provide incremental future benefits to the nonprofit organisation. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to surplus or deficit during the period in which they are incurred.

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The estimated useful lives range as follows:

| Asset class | Useful life / depreciation rate |
|-----------------------|---------------------------------|
| Fixtures and fittings | 5 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other gains / (losses)' in the statement of comprehensive income.

2.2 Financial instruments

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown in current liabilities on the statement of financial position.

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Financial Statements for the year ended 31 March 2022

Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

2.3 Taxation

The entity is a charity, receiving donations and grant income. The entity is therefore not subject to normal taxation. Charitable institutions are subject to taxation only if they carry out commercial activities.

If the charity carries out commercial activities, taxation will be recognised as follows:

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset, limited to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred Tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future, and any unused tax losses or unused tax credits, limited to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The net carrying amount of deferred tax asset is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognised in profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which it expects the deferred tax asset to be realised or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

Tax expense

Income tax expense represents the sum of the tax currently payable and deferred tax movement for the current period. The tax currently payable is based on taxable profit for the year.

2.4 Revenue

Revenue comprises revenue from donations and grants received. Revenue is measured by reference to the fair value of the consideration received or receivable by the entity for goods supplied and services rendered, excluding VAT, rebates and trade discounts.

Revenue is recognised when the amount of revenue can be measured reliably, collection is probable, the cost incurred or to be incurred can be measured reliably, and when the criteria for each of the entity's different activities have been met. Details of the activity specific recognition criteria are described below:

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Accounting Policies

Basis of preparation and summary of significant accounting policies continued...

Donation received

Donations received comprise of gifts that will not provide any economic return to the donor other than the knowledge that someone will benefit from the donation.

Donations collected including cash and goods for resale, are recognised as revenue when the entity gains control, economic benefits are probable and the amount of the donations can be measured reliably.

Grants received

Grant income is any voluntary income or transfer of property received by the entity from a person or an institution. Grant income is recognised as receivable, to the extent that the grant has been spent by the end of the financial year. Unspent grants are shown as liabilities.

Interest received

Interest received is recognised in profit or loss on the accrual basis using the effective interest rate method.

2.5 Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the services or at the date of their origin.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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Notes to the Financial Statements

Figures in N\$

2022

2021

4. Property, plant and equipment

Balances at year end and movements for the year

| | Buildings | Fixtures and fittings | Total |
|---|---------------|-----------------------|----------------|
| Reconciliation for the year ended 31 March 2022 | | | |
| Balance at 1 April 2021 | | | |
| At cost | - | - | - |
| Accumulated depreciation | - | - | - |
| Carrying amount | - | - | - |
| Movements for the year ended 31 March 2022 | | | |
| Additions from acquisitions | 77,529 | 296,686 | 374,215 |
| Depreciation | - | (8,429) | (8,429) |
| Property, plant and equipment at the end of the year | 77,529 | 288,257 | 365,786 |
| Closing balance at 31 March 2022 | | | |
| At cost | 77,529 | 296,686 | 374,215 |
| Accumulated depreciation | - | (8,429) | (8,429) |
| Carrying amount | 77,529 | 288,257 | 365,786 |

Reconciliation for the year ended 31 March 2021

5. Cash and cash equivalents

5.1 Cash and cash equivalents included in current assets:

Cash

| | | |
|---------------------|----------------|---------------|
| Cash on hand | 19,476 | 2,843 |
| Balances with banks | 294,884 | 42,476 |
| | 314,360 | 45,319 |

5.2 Net cash and cash equivalents

| | | |
|----------------|---------|--------|
| Current assets | 314,360 | 45,319 |
|----------------|---------|--------|

6. Revenue

Revenue comprises:

| | | |
|-----------------|-----------|---------|
| Donation income | 1,788,308 | 502,883 |
|-----------------|-----------|---------|

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Notes to the Financial Statements

Figures in N\$

2022

2021

7. Administrative expenses

Administrative expenses comprise:

| | | |
|--------------------------------------|---------------|--------------|
| Auditors remuneration - Fees | 5,000 | - |
| Bank charges | 12,030 | 1,679 |
| Telecommunication | 5,962 | - |
| Total administrative expenses | 22,992 | 1,679 |

8. Other expenses

Other expenses comprise:

| | | |
|-----------------------------|------------------|----------------|
| Activities & outings | 24,863 | 3,892 |
| Allowances | 315,646 | 114,000 |
| Building materials | 13,608 | - |
| Cleaning | 9,989 | 2,954 |
| Clothes | - | 27,283 |
| Community help | 65,294 | 2,382 |
| Depreciation | 8,429 | - |
| Farming related expenses | 16,487 | 3,097 |
| Foodpackages | 45,587 | 72,060 |
| Gardening | - | 315 |
| General expenses | 3,059 | 18,249 |
| Help out program | 20 | 14,152 |
| Hope Garden Expenses | 251,851 | - |
| Hostel Expenses | 41,913 | 8,414 |
| Kitchen equipment | 6,892 | - |
| Materials | 1,937 | 34,693 |
| Meals | 152,144 | 76,372 |
| Needlework project | 9,142 | - |
| Office supplies | 11,594 | 9,993 |
| Repairs and maintenance | 56,735 | 538 |
| School materials & uniforms | 61,994 | 59,168 |
| Staff welfare | 25,325 | - |
| Toiletries | 8,223 | 8,328 |
| Total other expenses | 1,130,732 | 455,890 |

9. Finance income

Finance income comprises:

| | | |
|-------------------|-----|---|
| Interest received | 243 | 5 |
|-------------------|-----|---|

Lighthouse Children and Youth Ministry

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Annual Financial Statements for the year ended 31 March 2022

Detailed Income Statement

| Figures in N\$ | Notes | 2022 | 2021 |
|--|-------|--------------------|------------------|
| Revenue | 6 | | |
| Donor Grants | | 1,788,308 | 502,883 |
| Administrative expenses | 7 | | |
| Auditors remuneration - Fees | | (5,000) | - |
| Bank charges | | (12,030) | (1,679) |
| Telecommunication | | (5,962) | - |
| | | (22,992) | (1,679) |
| Other expenses | 8 | | |
| Activities & outings | | (24,863) | (3,892) |
| Allowances | | (315,646) | (114,000) |
| Building materials | | (13,608) | - |
| Cleaning | | (9,989) | (2,954) |
| Clothes | | - | (27,283) |
| Community help | | (65,294) | (2,382) |
| Depreciation - property, plant and equipment | | (8,429) | - |
| Foodpackages | | (45,587) | (72,060) |
| Gardening | | - | (315) |
| General expenses | | (3,059) | (18,249) |
| Help out program | | (20) | (14,152) |
| Hope Garden Expenses | | (251,851) | - |
| Hostel Expenses | | (41,913) | (8,414) |
| Kitchen equipment | | (6,892) | - |
| Materials | | (1,937) | (34,693) |
| Meals | | (152,144) | (76,372) |
| Needlework project | | (9,142) | - |
| Office supplies | | (11,594) | (9,993) |
| Petrol and diesel | | (16,487) | (3,097) |
| Repairs and maintenance | | (56,735) | (538) |
| School materials & uniforms | | (61,994) | (59,168) |
| Staff welfare | | (25,325) | - |
| Toiletries | | (8,223) | (8,328) |
| | | (1,130,732) | (455,890) |
| Surplus from operating activities | | 634,584 | 45,314 |
| Finance income | 9 | | |
| Interest received | | 243 | 5 |
| Surplus for the year | | 634,827 | 45,319 |