

# **CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT**

## **Financial Statement**

**31<sup>st</sup> December 2022**

# **CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT**

## **Financial Statement**

**For the financial year ended 31<sup>st</sup> December, 2022**

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## **D. B. ZULU AND ASSOCIATES**

**CHARTERED ACCOUNTANTS**

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**Report of the independent Auditors,**

**To the members of the CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT**

### **Report on the Financial Statements**

We have Audited the financial statements of CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT, which comprise the statement of financial position as at 31<sup>st</sup> December 2022, statement of comprehensive income, statement of changes in accumulated funds and Statement of cash flows for the year then ended and the summary of significant accounting policies and other explanatory notes set out on page 14 to 19.

### **Board Members' Responsibility for the Financial Statements**

The organisation's members are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards (IFRSs) for SMEs and in the manner required by the NGO Act. The responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### **Auditors Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs). Those Standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatements.

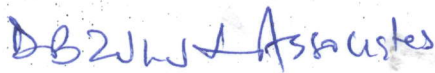
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the overall presentation of the financial statements.

## Opinion

In our opinion, the financial Statements present fairly, in all material respects, the financial position of CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT as at 31<sup>st</sup> December 2022 and its financial performance and cash flow for the year then ended.

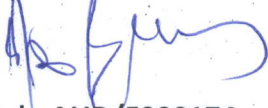
## Report on other Legal Regulatory Requirements

Zambian NGO Act requires that in the conduct of our audit, we consider and report as to whether the organisation has kept the accounting records and registers required by the Act. We confirm that in our opinion from the examination of the records, accounting records, other reports and registers required by the NGO Act have been kept by the organisation.



**DB Zulu & Associates**

**Registered Auditors**



**David Zulu AUD/F000174**

**Managing Partner**

## **CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT**

### **Financial Statements**

**For the Year Ended 31<sup>st</sup> December, 2022**

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#### **Members' Responsibilities and Approval**

The Board members are required by the NGO Act to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the organisation as at the end of the financial year and the results of its operations and cash flows for the period then ended in conformity with International Financial Reporting Standards (IFRS) for SMEs as modified and the manner required by the NGO Act. The auditors are engaged to express an independent opinion on the financial statements.

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) for SMEs as modified in the manner required by the Societies Act (amended) and are based upon appropriate accounting policies which are consistently applied and are reasonable and prudent.

The Board members acknowledge that they are ultimately responsible for the system of internal financial controls established by the organisation and place considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the board sets standards for internal controls aimed at reducing the risks 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 organisation and all employees are required to maintain the highest ethical standards in ensuring the organisation's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring the appropriate infrastructure, control systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Board members have reviewed the organisation's cash flow forecast for the year to 31<sup>th</sup> December 2023 and in the light of this review and the current financial position, they are satisfied that the organisation has access to adequate resources to continue in operational existence for the foreseeable future.

## CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT

### Financial Statements

For the Year Ended 31<sup>st</sup> December, 2022


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#### Members' Responsibilities and Approval Cont'd

Board Members	Position	Nationality
Mr Alex Bwaluka	Executive Director	Zambian
Mr Golden Kontakonta	Board Chairperson	Zambian
Ms Alice Kindalo	Vice Board Chairperson	Zambian
Mr Jones Kayuma Makayi	Legal Advisor	Zambian
Mr Cephas Simbeye	Board Member	Zambian
Ms Precious Kasewenta	Board Member	Zambian

The External Auditors are responsible for independently reviewing and reporting on the organisation's financial Statements. The financial statements have been examined by the organisations external auditors and their report is presented on pages 3 & 4

The Board on 25/03/2023 approved the organisation's financial statements and were signed on its behalf by:

  
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Board Chairperson



  
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Executive Director

## **CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT**

### **Financial Statements**

**For the Year Ended 31<sup>st</sup> December, 2022**

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#### **Board Members' Report**

The Members of CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT submit its report together with the audited financial Statement for the year ended 31 December 2022, which disclose the state of affairs of the Organisation.

#### **1.0 Principal Activities**

CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT formally registered as an NGO under the Societies Act in 2006 has been in existence since then. The Registered office is plot 17786 Humphrey Mulema Vila Park off Mutanda Road Solwezi. CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT's principal activities include; Providing micro entrepreneurship through provision of sustainable and profitable means of livelihoods, training of income generating and financial management.

The main objectives of CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT are: -

- To promote access to quality education to the under privileged and empower them.
- To support the orphans, the displaced widows and physically challenged.
- Promote and encouraging families that have HIV/AIDS which includes orphans through provision of school fees and uniforms.

#### **2.0 The operating results**

For the Year Ended 31<sup>st</sup> December, 2022 CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT received funding from the following:

- Donations by individuals
- Grants
- Broiler Chickens
- Incubation Services
- Hammer Mill
- PTA Fees
- Bank Interest
- Other Income

## CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT

### Financial Statements

For the Year Ended 31<sup>st</sup> December, 2022

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#### 3.0 Financial Results and Performance

The financial operation results of the action for the year were as follows: -

INCOME	Note	2022 ZMW
Grant Income	1	649,338
Other Income		<u>841,015</u>
		<u>1,490,353</u>
LESS: EXPENDITURE		
Administration costs		<u>1,423,588</u>
Surplus/(Deficit)		<u>66,765</u>

#### 4.0 Post balance Sheet events

The Board Members are not aware of any matter or circumstance arising since the end of the financial year and are of the view that the organisation will continue its operational existence for the foreseeable future.

#### 5.0 Employees

CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT has policies and procedures to safe guard the occupational health, safety and welfare of its employees. The monthly average number of employees for the year was less than 30.

At the end of the financial year, the total number of employees stood to be less than 30; (2022 :30). The related salaries and wages cost was the equivalent to **ZMW 135,080**

## CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT

### Financial Statements

For the Year Ended 31<sup>st</sup> December, 2022

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#### 6.0 Plant and Equipment

CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT acquired plant and equipment during the year.

#### 7.0 Resource Mobilisation

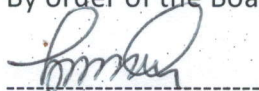
CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT were implementing several projects with cooperating partners which includes Individuals with common interest.

#### 8.0 Auditors

The current auditors, DBZ & Associates has indicated their willingness to continue in office for the next financial year. CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT Board will ratify their appointment as organisational auditors at the next board meeting.

#### 9.0 Executive Director/Secretary

By order of the Board,



## CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT

### Financial Statements

For the Year Ended 31<sup>st</sup> December, 2022

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#### Statement of Comprehensive Income

INCOME	Note	2022 ZMW
Grant Income	1	649,338
Other Income		<u>841,015</u>
		<u>1,490,353</u>
LESS: EXPENDITURE		
Administration costs		<u>1,423,588</u>
Surplus/(Deficit)		<u>66,765</u>

The notes on pages 14 to 19 are integral part of the financial statements

# CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT

## Financial Statements

For the Year Ended 31<sup>st</sup> December, 2022


### Statement of Financial Position

	Note	2022 ZMW
<b>Non-Current Assets</b>		
Property, Plant and Equipment	2	1,532,749
<b>Current Assets</b>		
Trade & Other Receivables	3	20,000
Bank & Cash	4	66,765
<b>Total Assets</b>		<u>1,619,514</u>
<b>Capital Reserves</b>		
Accumulated Fund	5	1,597,861
<b>Current Liabilities</b>		
Trade Creditors & Other Payables	7	<u>21,653</u>
<b>Total Equity &amp; Liabilities</b>		<u>1,619,514</u>

The financial statements on pages 10 to 13 were approved for issue by the board of Directors on 25/03/2023 and signed on its behalf by:



Board Chairperson



Executive Director

The notes on pages 14 to 19 are integral part of the financial statements

## CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT

### Financial Statements

For the Year Ended 31<sup>st</sup> December, 2022

#### Statement of Cash Flow Position

Notes	2022 ZMW
<b>Cash flows from operating activities</b>	
Surplus/(Deficit) for the year	66,765
- Interest received	2,674
<i>Adjustments for non-cash income and expenses:</i>	
- Depreciation	30,846
<i>Cash flow included in investing activities:</i>	
- (Gains) / Losses on sale of equipment	
<i>Changes in operating assets and liabilities:</i>	
- Decrease / (Increase) in trade and other receivables	20,000
- Increase / (Decrease) in trade and other payables	( 21,653 )
Cash generated from operations	
Interest paid	
<i>Net cash from operating activities</i>	<u>98,632</u>
<b>Cash flows from investing activities</b>	
Purchases of property, plant & equipment	123,495
Other Investing activities	-
Purchases of investments	-
Interest received	
Dividends received	
<i>Net cash used in investing activities</i>	<u>123,495</u>
<b>Cash flows from financing activities</b>	
Repayment of loans	
<i>Net cash used in financing activities</i>	<u>-</u>
Net increase / (decrease) in cash and cash equivalents	(11,669)
Cash and cash equivalents at beginning of year	<u>78,434</u>
Cash and cash equivalents at end of year	<u>66,765</u>

The notes on pages 14 to 19 are integral part of the financial statements.

## **CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT**

### **Financial Statements**

**For the Year Ended 31<sup>st</sup> December, 2022**

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#### **Statement of Changes in the Accumulated Fund.**

	<b>2022</b> <b>ZMW</b>
<b>As at 01.01.2022</b>	
Surplus/Deficit for the year	<b>66,765</b>
<b>As at 31.12.22</b>	<b>66,765</b>

**The notes on pages 14 to 19 are integral part of the financial statements.**

## **CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT**

### **Financial Statements**

**For the Year Ended 31<sup>st</sup> December, 2022**

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### **Accounting Policies and Explanatory Notes**

#### **1. General Information**

Charity Centre for Children and Youth Development (CCCYD) is a Non-profit, Non-political and Non-religious Organizations which was established to support Orphans and vulnerable children (OVCs), Youth, women and persons with physical challenges improve their standards of Living through the provision of several life skills, education support, HIV/AIDS awareness and prevention, provision of micro-entrepreneurship skills and as well as material support.

The organization was formerly Registered in 2007 with the Registrar of Societies under Section 7 (2) of Societies Act Cap 119 of the Laws of Zambia.

On 5th May 2014, The organization migrated and legally registered with the Registrar of NGOs, Under the NGO Act No. 16 of 2009 Ministry of Community Development and Social Services. Registration NO. RNGO 101/0253/14.

CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT's principal activities also include; research, advocacy and disseminating Information about HIV and AIDS and other health related issues; facilitating the implementation of health-related skills and capacity building programmes; and enabling access to health-related treatment, care and support services.

#### **2. Basis of preparation and accounting policies**

These financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRSs) for Medium-sized Entities issued by the International Accounting Standards Board and presented in the functional currency the Zambian Kwacha.

##### **2.1 Revenue Recognition**

Income from Revenue Grants is recognised when it is received. Revenue is recognised from grants when there is reasonable assurance that: the organisation will comply with the conditions attached to them and the grants have been received or receivable

##### **2.2 Property, Plant & Equipment**

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method.

## CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT

### Financial Statements

For the Year Ended 31<sup>st</sup> December, 2022

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#### Accounting Policies and Explanatory Notes – *continued*

##### Property, Plant & Equipment – *continued*

The following rates are used for the depreciation of property, plant and equipment:

Motor Vehicles	25%
Furniture & Equipment	20%
Office Equipment	30%

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised to reflect the condition.

#### 2.3 Translation of foreign currencies

Transactions denominated in foreign currencies are translated into Zambian Kwacha at the rates of exchange ruling on the date of the transaction.

Assets and liabilities denominated in foreign currencies are translated into Kwacha at the rates of exchange ruling at the balance sheet date. Gains and losses arising from translations are included in the profit and loss account in the period in which they arise.

#### 2.4 Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and any accumulated impairment losses. It is amortised over its estimated life using straight line method. If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised accordingly to reflect the new expectations.

#### 2.5 Impairment of assets

At each reporting date, property, plant and equipment and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is any indication of impairment, the recoverable amount of any affected asset (or group of related assets) is compared with the carrying amount of the asset.

## **CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT**

### **Financial Statements**

**For the Year Ended 31<sup>st</sup> December, 2022**

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#### **Accounting Policies and Explanatory Notes – *continued***

If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in the Statement of Comprehensive Income.

#### **2.6 Payables**

Payables are obligations on the basis of normal credit terms and do not bear interest.

#### **2.7 Bank loans and over draft.**

Interest expenses are recognised on the basis of the effective interest method and are included in finance costs.

#### **Borrowing costs**

All borrowing costs are recognised in Income & Expenditure Statement in the period in which they are incurred.

#### **Income tax**

The organisation is exempt from income tax under paragraph 6 of the Second Schedule of the Income Tax Act, 1966 as amended.

#### **Control of cash**

Control of cash is considered by reference to control by the implementing partner. Any cash that is held in the designated and operating bank accounts are controlled by the implementing partner. Receipts and payments made through the bank accounts are reported separately as required by the Cash Basis IPSAS.

#### **Cash**

Cash comprises demand deposits and cash equivalents. Demand deposits and cash equivalents comprise balances with banks and investments in short-term money market instruments. There are no cash equivalents held by the project.

## CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT

### Financial Statements

For the Year Ended 31<sup>st</sup> December, 2022

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#### Accounting Policies and Explanatory Notes – *continued*

##### 3.Revenue

In the financial year ended 31<sup>st</sup> December 2022 Grants and other income were received as follows in Zambian Kwacha.

Opening	184,518
• Donation	474,056
• Project Grants	649,338
• Broiler Chickens	3,523
• Incubation Services	6,237
• Hammer Mill	82,251
• PTA Fees	54,701
• Bank Interest	2,674
• Other Income	33,056
<b>Total Income</b>	<b>1,490,354</b>

## CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT

### Financial Statements

For the Year Ended 31<sup>st</sup> December, 2022

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#### Accounting Policies and Explanatory Notes – *continued*

##### Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the organization. All other leases are classified as operating leases.

Rights to assets held under finance leases are recognized as assets of the organization at the fair value of the leased property of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the lease.

##### Inventories

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the first-in, first-out (FIFO) method.

## CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT

### Financial Statements

For the Year Ended 31 December 2022

#### 2. Property, plant & equipment

	Land & Buildings ZMW	Office Equipment ZMW	Furniture & Fittings ZMW	Computer Equipment ZMW	Audio-Visual ZMW	General Equipment	Total ZMW
<b>Cost</b>							
At 01 January 2022	1,333,000	5,000	52,500	40,000	6,500	169,600	1,606,600
Additions	-	15,545	19,500	58,950	16,000	13,500	123,495
Disposals	-	-	-	-	-	-	-
At 31 December 2022	<u>1,333,000</u>	<u>20,545</u>	<u>72,000</u>	<u>98,950</u>	<u>22,500</u>	<u>183,100</u>	<u>1,730,095</u>
<b>Accumulated depreciation</b>							
At 01 January 2022	-	500	30,000	40,000	6,500	60,000	137,000
Depreciation for the year	-	5,976	17,400	7,470	5000	21,220	57,066
Disposals	-	-	-	-	-	-	-
At 31 December 2022	<u>-</u>	<u>6,476</u>	<u>47,400</u>	<u>47,470</u>	<u>11,500</u>	<u>81,220</u>	<u>194,066</u>
<b>Carrying amount</b>							
At 31 December 2022	<u>1,333,000</u>	<u>14,069</u>	<u>24,600</u>	<u>51,480</u>	<u>11,000</u>	<u>101,880</u>	<u>1,532,749</u>

# CHARITY CENTRE FOR CHILDREN & YOUTH DEVELOPMENT

## Financial Statements

For the Year Ended 31<sup>st</sup> December, 2022

### Schedules

#### Schedule I – Detailed Statement of Income & Expenditure

	Note	2022
<b>8 INCOME</b>		<b>ZMW</b>
Grant Income	1	649,338
Other Income		841,015
<b>Total Income</b>		<b>1,490,353</b>
<b>Administration Expenditure</b>		
Staff wages & salaries		135,080
NAPSA		5,600
NHIMA		2,400
Monitoring & evaluation		10,000
Tuition & accommodation		137,656
Trainers fees -FBG		26,500
Stipend		186,705
Student stipend		51,060
poultry		9,534
Electricity		11,250
Trainers Fees MBG		149,800
Construction materials & labor		167,914
Office supplies		19,285
Rent Holland office		12,000
Student orientation		1,803
Student Mentoring Fees		7,750
Bank Charges		9,651
Stationery		97,098
Donations		164,292
M/V maintenance		11,450
Transport & Fuel		30,360
Communication & Data Fees		8,219
Taxes & Fees		7,060
Administration costs		161,121
<b>Total Expenditure</b>		<b>1,423,588</b>
<b>Surplus/(Deficit)</b>		<b>66,765</b>