

HIMAYA

**Independent Audit report
and Financial statements
for the year ended 31 December 2023**

HIMAYA

Independent auditor's report for the year ended 31 December 2023

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INDEPENDENT AUDITOR'S REPORT

To the Management Committee of HIMAYA

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **HIMAYA** (the Association), which comprise the statement of financial position as at 31st December 2023, and the statement of operations and cash flows for the year then ended, and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at 31st December 2023, and its financial performance and its cash flows 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 Company in accordance with the International Ethics Standard Board for Accountants' Code of Ethics for Professional Accountants (IASBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Lebanon, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Going Concern

The Association financial statements have been prepared using the going concern basis of accounting. The use of this basis of accounting is appropriate unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so. As part of our audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the Association's financial statements is appropriate.

Management has not identified a material uncertainty that may cast significant doubt on the entity's ability to continue as a going concern, and accordingly none is disclosed in the financial statements. Based on our audit of the financial statements, we also have not identified such a material uncertainty. However, neither management nor the auditor can guarantee the Association's ability to continue as a going concern.

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

Management of the Association is responsible for the preparation and fair presentation of these 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. Those charged with governance are responsible for overseeing the Association's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

The objectives of our audit 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 skepticism throughout the planning and performance of 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 entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 are required to 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 are also required to 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.

The engagement partner on the audit resulting in this independent auditor's report is Nadim A. Daher.

DAHER & PARTNERS

Civil Professional Company - LACPA registration number 70/2009

Mazda center - Boukather building - Jal El Dib highway - Jal El Dib - Lebanon

Beirut, 27th January 2024



HIMAYA

Financial statements for the year ended 31 December 2023

STATEMENT OF FINANCIAL POSITION

<i>Amounts in US Dollars</i>	<i>Note</i>	31-Dec-23	31-Dec-22
ASSETS			
Non-current assets			
Tangible fixed assets, gross		293,411	293,411
Accumulated depreciation		(158,326)	(145,511)
Total non-current assets, net	6	135,085	147,900
Current assets			
Other accounts receivable	7	22,014	4,163
Donations to be received	8	23,999	23,999
Advances to employees		1,530	2,066
Cash & banks	9	1,673,809	2,054,401
Total current assets		1,721,352	2,084,629
Total Assets		1,856,437	2,232,529
EQUITY & LIABILITIES			
Equity			
Accumulated surplus		1,347,896	1,372,664
Surplus (deficit) of the year		(135,650)	(24,768)
Total equity		1,212,246	1,347,896
Non-current liabilities			
Provision for end of service indemnity		81,441	81,441
Total non-current liabilities		81,441	81,441
Current liabilities			
Tax and social security payables	10	22,957	16,138
Other accounts payable	11	1,648	9,452
Unearned donations	12	538,145	777,602
Total current liabilities		562,750	803,192
Total Equity & Liabilities		1,856,437	2,232,529

The accompanying notes form an integral part of the financial statements and should be read in conjunction with them.

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Financial statements for the year ended 31 December 2023

STATEMENT OF OPERATIONS

<i>Amounts in US Dollars</i>	<i>Note</i>	31-Dec-23	31-Dec-22
Income / sources of funds			
Funds received	13	3,130,781	3,990,733
Total income		3,130,781	3,990,733
Disbursements			
Cost of projects		(825,454)	(1,383,116)
Salaries & Social security charges		(2,321,533)	(2,468,269)
Administrative expenses	14	(59,607)	(31,348)
Depreciation charge		(12,815)	(13,873)
Taxes and fees		(11,963)	(17,528)
Financial cost		(57,109)	(101,367)
Write-back of expenses		22,050	-
Total disbursements		(3,266,431)	(4,015,501)
Surplus (Deficit) of the year		(135,650)	(24,768)
Depreciation and amortization		12,815	13,873
Reversal of non-cash charges		12,815	13,873
(Increase) decrease in other receivables & related accounts		(17,315)	67,740
Increase (decrease) in other payables & related accounts		(240,442)	305,016
Net change in working capital		(244,942)	386,629
Net cash flow of the year		(380,592)	361,861
Cash brought forward from last year		2,054,401	1,692,540
Net cash position at the end of the year		1,673,809	2,054,401
Cash and cash equivalents (In USD)		31-Dec-23	31-Dec-22
Banks		1,667,687	2,042,774
Cash on hand		6,122	11,627
Total cash and cash equivalents		1,673,809	2,054,401

The accompanying notes form an integral part of the financial statements and should be read in conjunction with them.

1. Establishment and operations

HIMAYA was incorporated under Ministry of Interior notification n° 748 dated 27th May 2009.

2. Local address

The address of the association is in St. Rita Building, Street 58, Fanar, Lebanon.

3. Objectives and activities

The objectives of the association are as follows:

- Support and encourage the creation of protective societies for children and adolescents who are exposed to neglect, abuse, violence and moral harassment.
- Conduct campaigns to engage the community in supporting and protecting vulnerable groups.

4. Representative of the Association

The general assembly of HIMAYA held on the 10th September 2021 elected the following executive board members representing the association:

Mrs. Viviane Debbas:	President
Mrs. Lilia Sabbagh:	Vice President
Mr. Richard Haykel:	Secretary and accountant
Mr. Joseph Otayek:	Treasurer

5. Main accounting principles

The financial statements and accompanying notes are prepared in accordance with International Financial Reporting Standards (IFRS) applied in Lebanon on a cash basis.

Consistency

In order for users to be able to compare the performance of the association in between periods, consistent accounting policies and procedures are applied by the association from one period to another. This does not mean that the association cannot change accounting policies if it changes in its activities, however, the cumulative effect of the change must be accounted for and disclosed in the financial statements.

Going concern assumption

It is presumed (subject to rebuttal by evidence to the contrary) that the association will continue to operate in the foreseeable future.

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Notes to the financial statements for the year ended 31 December 2023

6. Non-Current assets

This caption represents the net fixed assets detailed as follows:

<i>Amounts in US Dollars</i>	<u>Gross value</u>	<u>Accumulated depreciation</u>			<u>Net book value as at</u>
	<u>Balance as at</u>	<u>Balance as at</u>	<u>Additions</u>	<u>Balance as at</u>	
	<u>31-Dec-23</u>	<u>1-Jan-23</u>	<u>of the year</u>	<u>31-Dec-23</u>	<u>31-Dec-23</u>
Tangible assets					
General installations	67,489	(25,586)	(4,074)	(29,660)	37,829
Transportation equipment	33,544	(15,235)	(2,007)	(17,242)	16,302
Office & computer equipment & software	128,838	(64,993)	(1,665)	(66,658)	62,180
Furniture	63,540	(39,697)	(5,069)	(44,766)	18,774
Total	293,411	(145,511)	(12,815)	(158,326)	135,085

7. Other accounts receivable

This caption represents the balances due from third parties detailed as follows:

Description	<u>31-Dec-23</u>		<u>31-Dec-22</u>	
	<u>In LBP</u>	<u>In USD</u>	<u>In LBP</u>	<u>In USD</u>
Halal Rent a car	-	16,586	-	-
Medco SAL	-	3,566	-	3,072
Wissam Moutran	-	1,344	-	-
Total Liban SAL	46,382,504	518	46,382,504	1,091
Total		22,014		4,163

8. Donations to be received

This caption represents the donations not yet received for ended projects detailed as follows:

Description (In USD)	31-Dec-23	31-Dec-22
SSI	19,303	19,303
Expertise France	4,696	4,696
Total	23,999	23,999

9. Cash & Banks

The balance of this caption represents the cash on hand and available at banks detailed as follows:

Description	<u>31-Dec-23</u>		<u>31-Dec-22</u>	
	<u>In F.C.</u>	<u>In USD</u>	<u>In F.C.</u>	<u>In USD</u>
BLF SAL / USD	-	846,935	-	1,293,867
BLF SAL / EUR	3,059	3,406	12,404	13,197
BLF SAL / LBP	1,255,693,068	14,030	475,836,866	11,196
BLF SAL / CHF	(10)	(12)	33	36
BLF SAL / GBP	-	-	7,985	9,608
Total BLF SAL		864,359		1,327,904
Arab Bank Switzerland / USD	-	793,151	-	756,180
Bank of Beirut SAL	-	10,177	-	-
Astro Bank Cyprus / USD	-	-	-	1,881
BOB Finance SAL / USD	-	-	-	(39,300)
BOB Finance SAL / LBP	-	-	(165,377,075)	(3,891)
Total BOB Finance SAL		-		(43,191)
Total Banks		1,667,687		2,042,774
Petty Cash / USD	-	4,426	-	6,958
Petty Cash / LBP	151,727,751	1,696	198,421,611	4,669
Total Cash on hand		6,122		11,627
Total		1,673,809		2,054,401

10. Tax and social security payables

This caption represents the tax and social security (NSSF) payables detailed as follows:

Description	31-Dec-23		31-Dec-22	
	In LBP	In USD	In LBP	In USD
Tax on salaries	1,043,696,000	11,661	340,287,000	8,007
Non-resident tax	25,669,000	287	2,271,000	53
Total tax dues		11,948		8,060
NSSF payables	985,289,400	11,009	343,324,033	8,078
Total		22,957		16,138

11. Other accounts payable

This caption represents the balances due to third parties detailed as follows:

Description (In USD)	31-Dec-23	31-Dec-22
Computec Ltd-Jonny Abboud	950	-
Other payables	698	9,452
Total	1,648	9,452

12. Unearned donations

This caption represents the donations received in 2023 for ongoing projects detailed as follows:

Description (In USD)	31-Dec-23	31-Dec-22
LHF	361,794	121,351
LHDF	133,281	-
UNICEF	38,855	43,741
Save The Children	4,215	-
Other finished projects	-	612,510
Total	538,145	777,602

13. Received donations

The donations received by the association are detailed by donor as follows:

Description (In USD)	31-Dec-23	31-Dec-22
UNHCR	1,136,007	959,865
LHF	695,496	102,703
UNICEF	839,721	1,675,523
DFAT	90,365	407,455
RDPP	51,422	253,750
RISHANI	49,950	24,985
LHDF	48,964	68,544
Other donations	218,856	497,908
Total	3,130,781	3,990,733

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Notes to the financial statements for the year ended 31 December 2023

14. Administrative expenses

The administrative expenses are detailed as follows:

Description (<i>In USD</i>)	31-Dec-23	31-Dec-22
Subscription fees	13,990	-
Rent and related charges	13,748	-
Repair and maintenance expenses	9,209	-
Stationery, printings and office supplies	7,372	4,709
Consultancy fees	7,000	12,000
Audit fees	4,000	-
Formality charges	1,037	5,039
NSSF fees	1,000	1,500
Advertising expenses	1,000	20
Other expenses	1,251	8,080
Total	59,607	31,348