

LIONS CLUBS INTERNATIONAL MD 410

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2023

GENERAL INFORMATION

Country of Domicile	South Africa
Nature of Business and Principal Activities	Administrative Body
Postal Address	PO Box 534 Standerton 2430
Bank	First National Bank
Reporting Currency	South African Rand

The financial statements were prepared under the supervision of M. Johnston in his capacity as treasurer.

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APPROVAL

The financial statements, as set out on pages 4 to 16, were approved and signed at the Annual General Meeting. The Chairman and Treasurer are authorised to sign these statements.

CHAIRMAN

TREASURER

DATE

THE CHARTERED ACCOUNTANT'S (SOUTH AFRICA) DECLARATION

The following annual financial statements of Lions Clubs International MD 410, as presented on pages 4 to 16, have been independently compiled by a Chartered Accountant (South Africa) [CA(SA)]. Refer to compilation report on page 3.

Use of the CA(SA) designation is governed by the *Chartered Accountants Designation (Private) Act, 1993* (Act 67 of 1993), which regulates and permits the use of the CA(SA) designation exclusively by members of The South African Institute of Chartered Accountants (SAICA). Use of the designation without SAICA membership is consequently a criminal offence, and misuse is subject to legal action.

SAICA is the premier accountancy body in South Africa and one of the leading chartered accountancy institutes in the world and all members must comply with the Code of Professional Conduct which conforms to the code released by the International Ethics Standards Board for Accountants (IESBA). The SAICA code and definitions contained therein are consistent in all material aspects with the International Federation of Accountants' (IFAC) code as well as the Independent Regulatory Board for Auditors (IRBA) code.

The following fundamental principles are embodied in the SAICA Code of Professional Conduct and are to be upheld by all CA's(SA) at all times.

- Integrity - a duty to be straightforward and honest in all professional and business relationships.
- Objectivity - a duty to not allow bias, conflict of interest or undue influence of others to override professional or business judgments.
- Professional competence and due care - a duty to maintain professional knowledge and skill at the level required to ensure that a client receives competent professional services based on current developments in practice, legislation and techniques and act diligently and in accordance with applicable technical and professional standards.
- Confidentiality - a duty to respect the confidentiality of information acquired as a result of professional and business relationships and, therefore, not disclose any such information to third parties without proper and specific authority, unless there is a legal or professional right or duty to disclose, nor use the information for the personal advantage of the chartered accountant or third parties.
- Professional behaviour - a duty to comply with relevant laws and regulations and avoid any action that discredits the accountancy profession.

A distinguishing characteristic of CA's(SA) are their responsibilities and duties which extend beyond the needs of individual clients and also includes the public as a whole.

Accordingly, this declaration serves to confirm that the above mentioned financial statements have been prepared by a CA(SA) who has observed and complied with the SAICA Code.



L VAN DER MERWE
CHARTERED ACCOUNTANT (SA)
STANDERTON
2024.04.12

MEMBERS' RESPONSIBILITIES AND APPROVAL

The members are required in terms of the NPO Act, to maintain adequate accounting records and are responsible for the content and integrity 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 entity 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 for Small and Medium-sized Entities and the requirements of the NPO Act of South Africa.

The financial statements are prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and the requirements of the NPO Act of South Africa and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The members acknowledge that they are ultimately responsible for the system of internal financial control established by the entity and place considerable emphasis on maintaining a strong control environment. To enable the members to meet these responsibilities, the board sets 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 entity and all employees are required to maintain the highest ethical standards in ensuring the entity's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the entity is on identifying, assessing, managing and monitoring all known forms of risk. While operating risk cannot be fully eliminated, the entity 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, based on the information and explanations given by management that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The members have reviewed the cash flow forecast for the year and, in the light of this review and the current financial position, they are satisfied that the entity has access to adequate resources to continue in operational existence for the foreseeable future.

The financial statements set out on pages 4 to 16, which have been prepared on the going concern basis, were approved by the board on _____ and are signed on its behalf:

CHAIRMAN

TREASURER

STANFIN CENTRE
26A KERK STREET
STANDERTON
2430



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DIRECTORS: HENNIE VAN DER MERWE HONNS.B COMM CA (SA) LEON VAN DER MERWE B COMM. HONS (REK) CA (SA) REINETTE DE BEER B COMPT PGDIP AAS CA (SA)

GEREGISTREERDE REKENMEESTERS

REGISTERED ACCOUNTANTS

INDEPENDENT COMPILER'S REPORT

To the Members of Lions Clubs International MD 410

Report on the Financial Statements

We have compiled the annual financial statements of Lions Clubs International MD 410 based on information the entity provided. These financial statements are presented in accordance with the financial framework described in the accounting policy in these financial statements. The financial statements comprise of the statement of financial position as at 30 June 2023 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and the members' report, as set out on pages 4 to 16.

Members' Responsibility for the Financial Statements

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

Independent Compiler's Responsibility

We performed this compilation agreement in accordance with *International Standard on Related Services 4410 (Revised), Compilation Agreements*. This Standard requires that we comply with quality control standards and relevant ethical requirements, including ethical principles of integrity, objectivity, professional competence and due care.

A compilation engagement involves applying expertise in accounting and financial reporting to assist management in preparing and presenting financial information. A compilation engagement does not involve gathering evidence for the purpose of expressing an opinion or a review conclusion. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

L VAN DER MERWE
CHARTERED ACCOUNTANT (SA)
STANDERTON
2024.04.12

DIE VAN DER MERWES INGELYF / INCORPORATED

Reg nr / no: 1999 / 010890 / 21

BTW nr / VAT no: 4300209477

Kantore te / Offices at

Standerton, Newcastle, Secunda & Middelburg



The members have pleasure in presenting their report for the year ended 30 June 2023.

BUSINESS ACTIVITIES AND GENERAL REVIEW OF OPERATIONS

The main business of the entity is an administrative body.

No material fact or circumstance has occurred since the financial position and the date of this report.

SPECIFIC MATTERS

No major change in the nature of the entity's business took place during the accounting period.

The entity realised a deficit after tax of R 8.182 for the year ended 30 June 2023 (2022- surplus of R 37,371). Accordingly, the annual financial statements of the entity are prepared on the basis of accounting policies applicable to a going concern.

The postal address is: PO Box 534, Standerton, 2430

The registered address is: 26A Kerk Street, Standerton, 2430

The financial statements were approved and signed by the members.

MEMBERS:

CHAIRMAN

TREASURER

DATE

	NOTES	2023	2022
<u>ASSETS</u>			
CURRENT ASSETS		1,640,909	1,654,546
Trade and Other Receivables	2	51,915	23,104
Cash and Cash Equivalents	3	1,588,994	1,631,442
<u>TOTAL ASSETS</u>		1,640,909	1,654,546
<u>FUNDS AND LIABILITIES</u>			
FUNDS		1,128,595	1,115,336
Administration Reserve Fund		501,147	509,329
Alert Reserve Fund		69,659	50,677
Convention Reserve Fund		177,695	181,845
International Candidate Campaign Reserve Fund		31,447	29,467
International Convention Reserve Fund		11,018	10,028
Project Reserve Fund		314,649	310,015
Regional Lions Leadership Fund		22,980	23,976
NON-CURRENT LIABILITIES		500,000	500,000
Long Term Loans	4	500,000	500,000
CURRENT LIABILITIES		12,315	39,210
Trade and Other Payables	5	12,315	39,210
<u>TOTAL FUNDS AND LIABILITIES</u>		1,640,909	1,654,546

LIONS CLUBS INTERNATIONAL MD 410

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

(6)

ADMINISTRATION RESERVE FUND

	2023	2022
INCOME	161,358	146,316
District E	68,915	66,490
District W	71,687	71,726
Interest Received	20,756	8,101
EXPENSES	169,540	108,945
Accounting Fees	14,490	8,000
Awards and Presentations	630	1,500
Bank Charges	1,600	2,281
Breakfast Incoming President	1,520	0
Chairperson Expenses Constitution	0	11,239
Council Convention Expenses	28,069	10,728
First Council Cape Town	36,313	0
Fourth Council Durban	41,449	0
International Visitors	11,800	12,946
Life Members	1,290	1,376
Meetings Council	0	49,225
Meetings Global Leadership Team	3,525	3,901
Meetings Global Service Team	2,483	0
PDG Dinner for Governors	0	4,750
Pins for District Governors	0	3,000
Third Council Johannesburg	26,372	0
<u>SURPLUS/(DEFICIT) FOR THE YEAR</u>	<u>(8,182)</u>	<u>37,371</u>

LIONS CLUBS INTERNATIONAL MD 410

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

(7)

ALERT RESERVE FUND

	2023	2022
INCOME	18,983	26,856
District W Awards	18,983	26,856
EXPENSES	0	19,800
LV Disaster	0	19,800
<u>SURPLUS/(DEFICIT) FOR THE YEAR</u>	<u>18,983</u>	<u>7,056</u>

LIONS CLUBS INTERNATIONAL MD 410

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

(8)

CONVENTION RESERVE FUND

	2023	2022
INCOME	31,600	15,330
District E	7,365	7,065
District W	7,485	7,388
Income from Convention	16,750	878
EXPENSES	35,750	8,330
Convention Suitability Bloemfontein	0	8,330
Sponsorship Durban	35,750	0
<u>SURPLUS/(DEFICIT) FOR THE YEAR</u>	<u>(4,150)</u>	<u>7,000</u>

LIONS CLUBS INTERNATIONAL MD 410

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

(9)

INTERNATIONAL CANDIDATE CAMPAIGN RESERVE FUND

	2023	2022
INCOME	1,980	1,927
District E	982	942
District W	998	985
<u>SURPLUS/(DEFICIT) FOR THE YEAR</u>	<u>1,980</u>	<u>1,927</u>

LIONS CLUBS INTERNATIONAL MD 410

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

(10)

INTERNATIONAL CONVENTION RESERVE FUND

	2023	2022
INCOME	990	964
District E	491	471
District W	499	493
	<hr/>	<hr/>
<u>SURPLUS/(DEFICIT) FOR THE YEAR</u>	990	964
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LIONS CLUBS INTERNATIONAL MD 410

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

(11)

PROJECT RESERVE FUND

	2023	2022
INCOME	23,282	16,193
District E	7,018	7,554
District W	3,300	2,502
Interest Received	12,964	6,137
EXPENSES	18,647	16,791
Meeting: Christmas Cake DC's with Bakery	6,645	5,861
Peace Poster Prizes	10,000	10,000
Postage Competitions	2,002	930
<u>SURPLUS/(DEFICIT) FOR THE YEAR</u>	<u>4,634</u>	<u>(598)</u>

LIONS CLUBS INTERNATIONAL MD 410

STATEMENT OF SURPLUS OR DEFICIT AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023 (CONTINUED)

(12)

REGIONAL LIONS LEADERSHIP FUND

	2023	2022
INCOME	0	127,933
Training Income	0	61,570
International Grant	0	66,363
EXPENSES	996	111,000
Bank Charges	996	940
Venue and Accommodation	0	110,060
<u>SURPLUS/(DEFICIT) FOR THE YEAR</u>	<u>(996)</u>	<u>16,933</u>

	2023	2022
<u>ADMINISTRATION RESERVE FUND</u>		
Opening Balance	509,329	471,958
Surplus/(Deficit) for the Year	<u>(8,182)</u>	<u>37,371</u>
	501,147	509,329
<u>ALERT RESERVE FUND</u>		
Opening Balance	50,677	43,621
Surplus/(Deficit) for the Year	<u>18,983</u>	<u>7,056</u>
	69,659	50,677
<u>CONVENTION RESERVE FUND</u>		
Opening Balance	181,845	174,844
Surplus/(Deficit) for the Year	<u>(4,150)</u>	<u>7,000</u>
	177,695	181,845
<u>INTERNATIONAL CANDIDATE CAMPAIGN RESERVE FUND</u>		
Opening Balance	29,467	27,540
Surplus/(Deficit) for the Year	<u>1,980</u>	<u>1,927</u>
	31,447	29,467
<u>INTERNATIONAL CONVENTION RESERVE FUND</u>		
Opening Balance	10,028	9,065
Surplus/(Deficit) for the Year	<u>990</u>	<u>964</u>
	11,018	10,028
<u>PROJECT RESERVE FUND</u>		
Opening Balance	310,015	310,613
Surplus/(Deficit) for the Year	<u>4,634</u>	<u>(598)</u>
	314,649	310,015
<u>REGIONAL LIONS LEADERSHIP FUND</u>		
Opening Balance	23,976	7,043
Surplus/(Deficit) for the Year	<u>(996)</u>	<u>16,933</u>
	22,980	23,976
<u>TOTAL FUNDS SURPLUS/(DEFICIT) FOR THE YEAR</u>	13,259	70,653

	2023	2022
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	(42,447)	184,620
Surplus/(Deficit) for the Year	13,259	70,653
Adjustments:		
- Interest Received	(52,703)	(41,094)
(Increase)/Decrease in Trade and Other Receivables	(28,811)	90,157
Increase/(Decrease) in Trade and Other Payables	(26,895)	23,810
Cash Generated from Operations	(95,150)	143,526
Interest Received	52,703	41,094
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(42,447)	184,620
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,631,442	1,446,822
<u>CASH AND CASH EQUIVALENTS AT END OF YEAR</u>	<u>1,588,994</u>	<u>1,631,442</u>

1. ACCOUNTING POLICY

The annual financial statements are presented in accordance with International Financial Reporting Standards appropriate to the association and are prepared on the historical cost basis. The principal policies are consistent with those applied in the previous year, except where indicated otherwise.

1.1 Trade and Other Receivables

Trade and other receivables are carried at nominal value. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year-end. Bad debts are written off during the year in which they are identified.

1.2 Cash and Cash Equivalents

For purposes of the statement of cash flow, cash and cash equivalents comprise cash on hand, deposits held at call with banks and investments in money market instruments, and net of bank overdrafts.

1.3 Long Term Loans

Long term loans are carried at nominal value less the short term portion of the loan. Loans from related parties are carried at nominal value and no short term portion is recognised as there is no fixed repayment schedule determined on these loans.

1.4 Trade and Other Payables

Trade and other payables are carried at nominal value.

1.5 Revenue Recognition

Revenue is recognized upon delivery and represents amounts received or receivable from operations in the normal course of business and is stated as net income after discounts.

1.6 Interest Received

Interest is accrued on a time-proportion basis, recognising the effective yield on the underlying assets.

1.7 Capital Expenditure

Capital expenses as per council decision all capital assets written off in year of acquisition.

1.8 Funds

Accumulated funds specifically reserved for specific future expenditure.

	2023	2022
<u>2. TRADE AND OTHER RECEIVABLES</u>		
Trade Receivables	51,915	23,104
	51,915	23,104
<u>3. CASH AND CASH EQUIVALENTS</u>		
Bank Cheque Account	243,214	343,339
Bank Money Market Account	1,214,280	1,155,606
Bank Savings Account	131,501	132,497
	1,588,994	1,631,442
<u>4. LONG TERM LOANS</u>		
Lions Clubs International Operational Brightsight	500,000	500,000
<u>5. TRADE AND OTHER PAYABLES</u>		
Trade Payables	12,315	39,210
	12,315	39,210
<u>6. TAXATION</u>		

No provision for taxation has been made. The club is exempt from tax, and registered accordingly with SARS.