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## **SHE HIVE ASSOCIATION**

### **Audited Financial Statements for the year ended 31 December 2019**

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**She Hive Association**

**Financial statements**  
Year ended 31 December 2019

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**BOARD APPROVAL**

The Financial Statements set out on pages 3 to 10 were approved by the association's Management team on ..... 2021 and were signed on its behalf by:

Mesheka

President

Shaboli

Secretary

Treasury

Treasurer



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23 March 2021

To the Members  
She Hive Association  
Maseru  
LESOTHO.

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of She Hive Association, which comprise the statement of affairs as at 31 December, 2019, and the statement of activities and statement of changes in net assets for the year then ended, and a summary of significant accounting policies and other explanatory notes.

##### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Accounting Practice. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

##### *Auditor's 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. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control 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 appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

*Basis for Qualified Opinion on the Financial Performance and Cash Flows*

The opening net assets stated as at 01 January 2020 was not audited. We were unable to satisfy ourselves as to the reasonableness of the balances at that date by other audit procedures. Since opening balances enter into the determination of the financial performance and cash flows, we were unable to determine whether adjustments to profit for the year and net cash flows from operating activities might be necessary.

*Qualified Opinion on the Financial Performance and Cash Flows*

In our opinion, except for the effects of adjustments, if any, which we might have determined to be necessary had we been able to audit the opening balances as described in the Basis for Qualified Opinion paragraph, the income statement and cash flow statement present fairly, in all material respects, the financial performance and cash flows of She Hive Association for the year ended 31 December 2019, in accordance with Generally Accepted Accounting Practice

GH Consulting  
GH Consulting  
Chartered Accountants (L)

**She Hive Association**

**Statement of Affairs**  
**31 December 2019**

	<u>Notes</u>	<b>2019</b>	<b>2018</b>
		<b>M</b>	<b>M</b>
<b><u>Current Assets</u></b>			
Cash and cash equivalents	3	239	(98)
<b><u>Fixed Assets</u></b>			
	4	6,329	5,960
<b>Total Assets</b>		<b><u>6,568</u></b>	<b><u>5,862</u></b>
<b><u>Net Assets</u></b>			
Unrestricted net assets		6,568	5,862
<b>Total liabilities and net assets</b>		<b><u>6,568</u></b>	<b><u>5,862</u></b>

**She Hive Association**

**Statement of activities**

Year ended 31 December 2019

	Note	2019 M	2018 M
Income from activities	5	598,655	43,750
General and administrative expenses (see page 10)		(597,949)	(45,338)
<b>Net surplus/(deficit) for the year</b>		<b>706</b>	<b>(1,588)</b>

**She Hive Association**

**Statement of changes in net assets**  
Year ended 31 December 2019

	<b>Accumulated Fund</b>	<b>Total</b>
<b>Balance as of 1 January 2018</b>	7,450	7,450
<u>Changes during the year</u>		
<b>Net surplus/(deficit) for the year</b>	(1,588)	(1,588)
<b>Balance as of 31 December 2018</b>	<u>5,862</u>	<u>5,862</u>
<b>Balance as of 1 January 2019</b>	5,862	5,862
<u>Changes during the year</u>		
<b>Net surplus/(deficit) for the year</b>	706	706
<b>Balance as of 31 December 2019</b>	<u>6,568</u>	<u>6,568</u>

## **She Hive Association**

### **Notes to the financial statements**

Year ended 31 December 2019

#### **1. General**

She Hive Association was established as a non-profit organisation according to the Law of Lesotho, the societies act 1966 and began its activities in September 2012.

The aim of She Hive is to improve lives of women and children who are victims of domestic violence by formulating clubs countrywide whose aim is to provide psychosocial support and advocacy for abolition of domestic violence and mobilising resources towards the attainment of an improved social welfare delivery.

#### **2. Significant accounting policies**

2.1 The financial statements were prepared according to Generally Accepted Accounting Practice for Non-profit institutions in accordance with the Lesotho Institute of Accountants

##### **2.2 Historical cost convention**

The financial statements were prepared on the basis of the historical cost convention and do not include the impact of changes in the general purchasing power of the Loti currency on the results of the activities

##### **2.3 Cash and cash equivalents**

The organisation considers all highly liquid investments, including short-term bank deposits (up to three months from date of deposit) that are not restricted as to withdrawal or use, to be cash equivalents.

##### **2.4 Fixed assets**

The fixed assets are shown at cost less accumulated depreciation. The depreciation was calculated according to the estimated length of use of the assets and at the following rates:

Furniture and fittings	20%
Computers	20%
Office equipment	20%

##### **2.5 Indexation to foreign currency**

Balances in or indexed to foreign currency are recorded at the exchange rate on the balance sheet. Income and expenses indexed to foreign currency are recorded on the transaction day.

## **She Hive Association**

### **Notes to the financial statements - Cont'd**

Year ended 31 December 2019

**2.6 Statement of Changes in Cash Flow**

The financial statements do not include a statement of cash flow, as such a statement would not add significant financial information to that already included in the financial statements

**2.7 Net Assets**

*Unrestricted Net Assets* – Net assets available for use in general operations.

*Temporarily Restricted Net Assets* – Net assets subject to donor restrictions that may or will be met by expenditures or actions of the Organization and/or the passage of time, and certain income earned on permanently restricted net assets that has not yet been appropriated for expenditure by the Organization's Executive Committee.

**2.8 Revenue recognition**

Revenue is recognized when earned. Program service fees and payments under cost-reimbursable contracts received in advance are deferred to the applicable period in which the related services are performed or expenditures are incurred, respectively. Contributions are recognized when cash, securities or other assets, an unconditional promise to give, or notification of a beneficial interest is received.

**She Hive Association**

**Notes to the financial statements - Cont'd**

Year ended 31 December 2019

		2019	2018
		<u>M</u>	<u>M</u>
<b>3. Cash and cash equivalents</b>			
Nedbank Lesotho		239	(98)
		<u>239</u>	<u>(98)</u>
<b>4. Fixed assets</b>			
<b>2019</b>			
		<b>Cumulative</b>	<b>Depreciated cost</b>
		<b>Cost</b>	<b>As of March 31</b>
		<b>Depreciation</b>	<b>2019</b>
Computers	3,100	1,116	1,984
Office equipment	2,471	577	1,894
Furniture and fittings	3,830	1,379	2,451
	<u>9,401</u>	<u>3,072</u>	<u>6,329</u>
		<b>2018</b>	<b>2018</b>
		<b>Cost</b>	<b>Depreciated cost</b>
		<b>Depreciation</b>	<b>As of March 31</b>
		<b>Cumulative</b>	<b>2018</b>
		<b>2019</b>	<b>2018</b>
Computers	3,100	620	2,480
Office equipment	520	104	416
Furniture and fittings	3,830	766	3,064
	<u>7,450</u>	<u>1,490</u>	<u>5,960</u>
		<b>2017</b>	<b>2017</b>
		<b>Cost</b>	<b>Depreciated cost</b>
		<b>Depreciation</b>	<b>As of March 31</b>
		<b>Cumulative</b>	<b>2018</b>
		<b>2018</b>	<b>2017</b>

**She Hive Association****Notes to the financial statements - Cont'd**Year ended 31 December 2019

5. <b>Income from activities</b>	<b>For the year ended</b>	
	<b>March 31,</b>	
	<b>2019</b>	<b>2018</b>
Jhpiego	277,240	43,750
GIZ	234,150	-
Her Voice	28,300	-
Fundraising activities	58,365	-
Subscriptions	400	-
Consultations	200	-
	<b>598,655</b>	<b>43,750</b>

  

6. <b>Cost of activities</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>	
	Activities	58,965	539,690	598,655
		<b>58,965</b>	<b>539,690</b>	<b>598,655</b>

**She Hive Association**

**General and administrative expenses**

Year ended 31 December 2019

	<u>2019</u>	<u>2018</u>
	M	M
<b>Expenses</b>		
Allowances	285,383	9,000
Bank charges	7,394	608
Depreciation	1,582	1,490
Dialoque/Events	177,228	25,500
Fuel/Transportation	8,125	6,000
Motor vehicle expenses	26,682	-
Sundry expenses	33,970	2,240
Stationery	585	500
Video articles	57,000	-
 Total expenses	 597,949	 45,338