

Balance sheet

chamber of diving and water sports

For Financial Year

Ended June 30, 2019

Chartered accountants office & partners

Mohamed Fekry Abd El Kariem

Shafik Naguib Ghaly

Magdy Neseem Riad

1SAKET ELFADL St. Talaat Harb St. / Cairo

Tel: 23957447 to 23900253

Fax: 23930070

Directory

page no.	<u>Description</u>
1	<u>Auditor's Report</u>
2	<u>Balance sheet At June 30, 2019</u>
4 : 3	<u>Revenues and Expenses statement</u>
7 : 5	<u>Cash flow statement</u>
15 : 8	<u>Note for the financial statements at June 30, 2019</u>
8	<u>About the Chamber of Diving and Water Sports</u>
9	<u>The most applicable accounting policies</u>
10	<u>Accounts receivable-related parties</u>
11	<u>Cash on hand and at bank</u>
12	<u>Other current liabilities</u>
13	<u>General and administrative expenses</u>
14	<u>Collected membership –Tourist ministry subsidize</u> <u>Membership fees accrued</u>
15	<u>Depreciation of Fixed assets</u>

chamber of diving and water sports
Balance sheet
At June 30, 2019

Description	Note	page no.	June 30, 2019	June 30, 2018
<u>Assets</u>				
<u>Non-current assets</u>				
Fixed assets, net	(9)	(15)	582 249	207 277
<u>Total non-current assets</u>			582 249	207 277
<u>current assets</u>				
Accounts receivable	(4)	(10)	377 792	427 019
Inventory accessories			51 015	6 730
Cash on hand and at bank	(5)	(11)	8 321 381	6 605 448
<u>Total current assets</u>			8 750 187	7 039 197
<u>Total assets</u>			9 332 437	7 246 474
<u>Equity</u>				
Legal reserve			1 453 495	1 377 895
<u>Net surplus (deficit) for retained</u>			1 322 026	1 783 613
<u>Net surplus (deficit) for the year</u>			4 282 683	2 635 070
<u>Total equity</u>			7 058 204	5 796 578
<u>Non - current liabilities</u>				
Provision for end of service benefits			588 201	588 201
Provision of implementation of international standards			506 616	506 616
<u>Total non-current liabilities</u>			1 094 817	1 094 817
<u>Current liabilities</u>				
Other current liabilities	(6)	(12)	1 179 415	355 079
<u>Total current liabilities</u>			1 179 415	355 079
<u>Total equity and liabilities</u>			9 332 437	7 246 474

The accompanying notes form an integral part of these financial statements and are to be read therewith .

* Auditor's report attached

Chief Accountant

Treasurer

Chairman of Board of Director

Chamber of diving and water sports
Revenues and Expenses statement
For the Year Ended June 30, 2019

Description	Note	page no.	From July 1, 2018 To June 30, 2019	From July 1, 2017 To June 30, 2018
<u>Revenues</u>				
collected membership fees for the year			346 800	370 800
collected membership fees for the Previous year			409 200	348 900
Member Services revenues			2 119 560	1 212 615
Revenue for services			1 947 500	1 439 400
Registration fees for the first time			1 035 000	752 000
Revenues of implementation of international standards			1 846 915	1 260 533
Other revenues			336 200	6 189
<u>Total revenues</u>			8 041 175	5 390 437
<u>Add - Other revenues</u>				
Credit interest			507 338	440 722
Foreign exchange differences			—	129 060
<u>Total revenues</u>			8 548 513	5 960 219

Chamber of diving and water sports
Revenues and Expenses statement
For the Year Ended June 30, 2019

Description	Note	page no.	From July 1, 2018 To June 30, 2019	From July 1, 2017 To June 30, 2018
<u>Less - total revenues</u>				
<u>Expenses</u>				
General and administrative expenses	(7)	(13)	3 869 679	2 300 141
Member Services expenses			65 475	77 171
Implementation of international standards expenses			2 423 534	1 320 418
International exhibitions expenses			47 743	59 332
<u>Total Expenses</u>			6 406 431	3 757 063
<u>Add - Other expenses</u>				
Depreciation of Fixed assets	(9)	(15)	176 554	56 464
Foreign exchange differences			237 602	—
<u>Total Expenses</u>			6 820 587	3 813 526
<u>Net profit</u>			1727 926	2146 693
<u>Distribution as :</u>				
30% Share of egyption fedration	(8)	(14)	226 800	215 910
10% Share of egyption fedration			103 500	75 200
10 % Legal reserve	(8)	(14)	75 600	71 970
<u>Net surplus (deficit) for the year</u>			1322026	1783613
			1727 926	2146 693

The accompanying notes form an integral part of these financial statements and are to be

Chief Accountant

Treasurer

Chairman of Board of Directors

chamber of diving and water sports
Cash flow statement
For the Year Ended June 30, 2019

L . E

Description	Note	page no.	From July 1, 2018 To June 30, 2019		From July 1, 2017 To June 30, 2018	
			Partial	Total	Partial	Total
<u>Cash flows from operating activities</u>						
Collected membership fees for the year			346 800		370 800	
Collected membership fees for the Previous year			409 200		348 900	
Revenue for services			1947 500		1439 400	
Member Services revenues			2119 560		1212 615	
Registration fees for the first time			1035 000		752 000	
Revenues of implementation of international standards			1846 915		1260 533	
Other revenues			336 200		1 647	
Other receipts			70 000		0	
Collected membership fees advance			538 157		0	
Support the Tourism Fund for training programs for workers in the sector			88 400		0	
<u>Total Cash flows from operating activities</u>				8737 732		5385 895

chamber of diving and water sports
Cash flow statement
For the Year Ended June 30, 2019

description	Note	page no.	From July 1, 2018 To June 30, 2019		From July 1, 2017 To June 30, 2018	
			Partial	Total	Partial	Total
<u>Cash flows from investing activities</u>						
Credit interest			507 338		440 722	
Disposals of fixed assets			—		—	
			507 338		440 722	
<u>Total Cash flows from investing activities</u>				507 338		440 722
<u>Cash out flows from investing activities</u>						
Payment for purchase of fixed assets			551 527		15 319	
<u>Total Cash out flows from investing activities</u>				(551 527)		(171 657)
<u>Net Cash flows from investing activities</u>				(44 188)		269 065
<u>Cash flows from financing activities</u>						
—			—			
<u>Total Cash flows from financing activities</u>				—		
<u>Cash out flows from financing activities</u>						
—			—			
<u>Total Cash out flows from financing activities</u>				—		
<u>Net Cash flows from financing activities</u>				—		
Net change in cash and cash equivalents				1845 618		1236 102
Cash and cash equivalent at beginning of the year				6605 449		5240 287
Foreign exchange differences				(129 686)		129 060
Cash and cash equivalent at end of the year	(5)	(11)		8321 381		6605 449

The accompanying notes form an integral part of these financial statements and are to be read therewith.

Chief Accountant

Treasurer

Chairman of Board of Directors

Notes for the financial statements at 30 June 2019

1- About the Chamber of Diving and Water Sports:

- The chamber of diving and water sports has been established by the Ministerial Decree 266 for year 2007.
- CDWS is concerned about the dive and water sports operations and safari yachts interests.
- CDWS represents her members in front of public authorities, national and international organizations in order to improve and develop the diving and water sports industry.
- CDWS members pay the annual membership fee to the chamber as per the board of directors' decision. These memberships' fees are the main financial fund of CDWS used to achieve its goals.
- CDWS main office address is located at 8 ElSaad ElAly Street – EIDokki – EIGiza.
- As per the Ministry of Tourism decree # 532 for year 2007 , the chamber of diving and water sports has two branch offices , one is in South Sinai governorate in Sharm Elsheikh and the other is in Red Sea governorate in Hurghada.

2- CDWS funds:

- **CDWS financial resources come from the annual membership decided by the board of directors and paid by CDWS members, to achieve the goals set by the chamber to improve the diving industry.**

3- The most applicable accounting policies:

a) Foreign currency valuation :

- CDWS accounts are in Egyptian pound. When transactions are made in foreign currency, it is recorded in CDWS enrollments as per the exchange rate at the Time of the transaction. At the balance sheet date, the assets and liabilities monetary foreign currency are evaluated according to exchange rates published at that date and the revaluation result - whether debit or credit – is included in revenue and expenditure account.

-

b) Fixed assets and depreciation:

The fixed assets are recorded at their historical cost. These assets are depreciated as per the straight-line method and according to the following rates:

- Buildings	"2%".
- Offices Furniture	"25%".
- Devices and equipments	"30%".
- PC's	"50%".
- Fixtures	"25%".
- Cars,	"20%".

- An annual auction for the fixed assets is held yearly and through a committee formed by the Secretary General decree.
- The financial statements have been amended as per the Egyptian accounting standards issued during 2015 and ready to use during 2016.

Note for the financial statements at June 30, 2019**4.Accounts receivable**

Description	Value
Insurance for others (4/1)	61 560
Health insurance (staff)	117 145
Portfolio note receivable	18 000
Cheques under collection	24 000
Payroll tax (Lecturers)	21 465
Payroll tax (staff)	135 622
Total	377 792

4/1) Insurance for others

Description	Value
Rent Insurance (south of siani)branch new	15 500
Rent Insurance (south of siani) branch	11 200
Rent Insurance (south of siani)branch new	3 000
Rent Insurance (red sea) branch	11 860
Rent Insurance (red sea) branch new	20 000
Total	61 560

5. Cash on hand and at bank

Description	Value
ALAHLI BANK OF KUWAIT (Egp) (5/1)	1117 751
ALAHLI BANK OF KUWAIT (euro)	527 830
Deposits with the Bank ALAHLI BANK OF KUWAIT (Egp)	6658 718
Cash on hand (south of siani)	0
Cash on hand (red sea)	17 083
Total	8 321 381

5/1) Bank reconciliation(ALAHLI BANK OF KUWAIT - Egp)

Description	Main center (Egp)
Book value in 30/6/2019	1117 751
Note payable	360 166
Bank book in 30/6/2019	1477 916

6. Other current liabilities

Description	Value
Egyptian federation of chambers of tourism	65 399
Support the Tourism Fund for training programs for workers in the sector	69 534
Collected membership fees advance	538 157
Accrued expenses (6/1)	110 822
Social insurance organization	50 135
Insurance from others	6 750
Payroll tax	234 152
Other creditors	88 879
Tax authority - Withholding tax	15 587
Total	1179 415

6/1) Accrued expenses

Description	Value	
Professional fees	25 300	Main center
Rentals	28 000	South of siani
Mobile phone invoice of June accrued	6 603	Main center
electric invoice of June accrued	2 215	South of siani
Expenses for the renovation and development of the Chamber's website	38 000	Main center
Expenses for installation of beets	7 000	Main center
Water and maintenance fees	3 704	South of siani
Total	110 822	

7.General and administrative expenses

Description	Main center	South of siani	Red Sea	Total
Salaries	946 668	463 785	421 332	1831 785
Accommodation allowance	118 000	66 000	72 100	256 100
Internal transitions	29 650	36 142	40 173	105 965
share of chamber of social insurance	51 200	70 843	69 213	191 256
Rent expense	0	106 200	62 100	168 300
Benefits staff	0	0	5 000	5 000
Prints	0	2 804	3 622	6 426
Office supplies	80	19 958	5 768	25 806
Inks and PC accessories	518	3 095	12 485	16 098
Telephone and fax expenses	52 662	15 521	32 329	100 511
Mail and Shipping expenses	2 642	3 985	2 683	9 310
Water and electric expenses	0	34 717	8 989	43 706
Maintenance expenses	600	8 210	16 511	25 321
Buffet and cleanliness expenses	0	13 774	21 874	35 648
Hospitality expenses	0	0	0	0
Banking fees	9 520	0	0	9 520
Subscription	0	0	0	0
Perks and gifts	0	0	0	0
Subscription	4 145	0	0	4 145
Miscellaneous expenses	23	0	300	323
Car expenses	9 914	11 128	0	21 042
Miscellaneous expenses	2 714	4 900	15 780	23 394
Boards of Directors and the General Assembly expenses	291 405	0	62 017	353 422
Internal errand	0	0	29 240	29 240
Expenses and attorneys' fees issues	83 600	0	0	83 600
Developing and Updating the Electronic Website	6 013	3 694	1 050	10 757
Professional fees	25 300	0	0	25 300
Public relations	0	450	0	450
Expenses for human resources development	111 712	19 460	73 482	204 654
Environmental projects	23 453	106 767	0	130 220
Developing and updating the Chamber's website	38 000	0	0	38 000
Health insurance (staff)	77 360	37 019	0	114 379
Total	1885 180	1028 452	956 048	3869 679

8.Collected membership

value	Description	South of siani	Red Sea	Value
1200	Collected membership fees	285	314	756 000
%100	Total collected year membership fees and previous years			756 000
%10	Legal reserve			75 600
%30	Share of egyption fedration of chamber of tourism (membership)			226 800
%10	Share of egyption fedration of chamber of tourism (Registration fees for the first time)			103 500

chamber of diving and water sports
Depreciation of Fixed assets
For the Year Ended June 30, 2019
Note no(9)

Description	Cost in 01/07/2018	Additions	Disposals through year	Total book value	Accumulated depreciation in 01/07/2018	Depreciation	Accumulated depreciation in 30/06/2019	Net book value
Equipment and decorations	40 907	8 873	(0)	49 780	33 858	5 325	39 183	10 597
Equipment and decorations(subsidize)	19 584	0	(0)	19 584	19 572	0	19 572	12
Furniture	211 632	90 370	(0)	302 002	211 555	6 315	217 870	84 131
Office equipment (subsidize)	39 159	0	(0)	39 159	39 159	0	39 159	0
Equipment	171 244	79 900	(0)	251 144	161 644	11 122	172 767	78 377
Equipment (subsidize)	188 532	0	(0)	188 532	188 506	0	188 506	26
Computers	350 977	372 384	(0)	723 361	196 772	124 792	321 563	401 798
Cars	116 000	0	(0)	116 000	79 750	29 000	108 750	7 250
Computers (subsidize)	132 181	0	(0)	132 181	132 123	0	132 123	58
Total	1270 215	551 527	(0)	1821 742	1062 939	176 554	1239 494	582 249