



Cabinet Antoine Haddad

Comptabilité et Expertise

مكتب أنطوان حداد
محاسبة وتدقيق

SERVICE SOCIAL
POUR LE BIEN ETRE DE L'ENFANT
LIBAN
REPORT AND FINANCIAL STATEMENTS
For the year ended 30, June, 2019



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INDEPENDANT AUDITOR'S REPORT
TO THE PRESIDENT AND MEMBERS OF THE GENERAL ASSEMBLY
OF
SERVICE SOCIAL POUR LE BIEN ETRE DE L'ENFANT LIBAN
SESOBEL

The "Association"

Opinion

We have audited the accompanying financial statements of SESOBEL (the "Association"), which comprise the statement of financial position as at June 30, 2019, 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 notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements present fairly, in all material respects the financial position of SESOBEL as at June 30, 2019, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

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 Association in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the Code of Ethics of the Lebanese Association of Certified Public Accountants that are relevant to our audit of the financial statements, 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.

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

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, Management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Association's financial reporting process


Antoine J. HADDAD
Expert Comptable Assermenté
L.A.C.P.A. No. 919

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives 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 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 Association's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.

- 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 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.

Zouk Mosbeh, Lebanon 8 November 2019

Independent Auditor



Antoine J. HADDAD
L.A.C.P.A. N°.919

SESOBEL - Financial Position as at 30.06.19 (in KLBP)

Assets	30.06.19	30.06.18	Liabilities	30.06.19	30.06.18
Net book value of Intangible fixed assets	9 856	16 266	Investment subsidies	11 441 817	10 969 252
Net book value of tangible fixed assets	3 073 961	3 250 235	General reserve	738 500	738 500
Construction in progress	7 197 070	6 592 941	Brought Forward results	-746 557	-1 154 233
Deposits	15 964	12 664	Result of the period	-599 982	407 676
Total Fixed Assets	10 296 851	9 872 106	Equity	10 833 778	10 961 195
Inventory	1 009 879	1 170 894	Provision for end of service indemnities	1 355 440	1 458 671
Total Goods in Stock	1 009 879	1 170 894	Provision for doubtful debts	1 648	0
Debtors (customers)	44 855	85 786	Borrowings	458 197	545 928
Debtors: External Services	2 493 344	2 800 265	Bills payable N.F.S.S.	9 896	38 432
Other receivable	236 915	253 532	Long Term Liabilities	1 825 181	2 043 031
Grant Projects	289 355	275 457	N.F.S.S.	38 152	38 464
Donations receivable	399 962	33 993	Taxes due	23 444	20 672
Total Receivables	3 464 431	3 449 033	Payables	2 167 376	2 081 811
Prepaid charges	227 384	251 836	Schooling & hospitalisation payable	23 427	29 088
Deferred charges	4 161	18 356	Equipments -Projects	1 735 071	1 629 398
Cash & Banks	2 837 833	2 429 759	Constructions - Projects	972 508	250 261
Total Current Assets	7 543 688	7 319 878	Deferred income	114 394	7 228
Total Assets	17 840 539	17 191 984	Accrued expenses	107 208	130 836
			Current Liabilities	5 181 580	4 187 758
			Total Equity & Liabilities	17 840 539	17 191 984

SESOBEL - Income Statement as at 30.06.19 (in KLBP)

	30.06.19	30.06.18
Sales	2 252 049	2 043 292
Donations	3 205 751	3 984 349
Other Income	3 536 894	3 904 819
Write back of amortization provision	267 267	230 214
Write back of end of service provision	25 163	52 650
<i>Operating Income</i>	9 287 124	10 215 324
Less :		
Purchases	954 009	779 275
Inventory Variation	161 015	93 386
Operating Expenses	6 220 567	6 061 615
Medical fees on services rendered	1 913 220	2 225 944
Donations in kind / Emergency aids	83 959	129 789
Amortization and provision expenses	559 593	407 575
Self-Financing charges	173 043	183 948
<i>Operating charges</i>	10 065 406	9 881 532
Operations Results	-778 282	333 792
Financial income	116 575	120 806
Financial charges	-96 064	-69 962
Financial results	20 510	50 844
Net operational results	-757 772	384 636
Non operating results	157 790	23 040
Net Result	-599 982	407 676