

Balance sheet

chamber of diving and water sports

For Financial Year

Ended June 30, 2021

Chartered accountants office & partners

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Auditor's Report

To: chairmen's of chamber of diving and water sports

Report on the Financial Statements

We have audited the accompanying financial statements of Chamber of Diving and Water Sports, which comprise the balance sheet as at June 30, 2021, the income statement and statement of cash flows for the year then ended, and a summary of the significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

These financial statements are the responsibility of the company's managements. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Egyptian accounting standards and in light of the prevailing Egyptian laws. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatements, 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 statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on auditing and in light of the prevailing Egyptian laws. Those standards require that we plan and preform the audit to obtain reasonable assurance whether the financial statements are free of material misstatements.

An audit involves preforming 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 errors. 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 obtained is sufficient and appropriate and provide a reasonable basis for our opinion on the financial statements.

فكرى عبد الكريم وشفيق غالى ومجدى نسيم

محاسبون قانونيون

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Chamber of diving and water sports as at June 30, 2019, and of its financial performance and its cash flows for the financial year then ended in accordance with the Egyptian Accounting Standards and in the light of the prevailing Egyptian laws and regulations.

Report on the legal and other Regulation Requirements

The chamber of diving and water sports maintains proper books of accounts, which include all that is required by law and by the statutes of the chamber. The financial statements are in agreement with the chamber's books of accounts.

Cairo, , 2021

Chartered accountants office & partners

Mohamed fekry abd el Kareem and partners

chamber of diving and water sports
Balance sheet
At June 30, 2021

Description	Note	page no.	June 30, 2021	June 30, 2020
<u>Assets</u>				
<u>Non-current assets</u>				
Fixed assets, net	(9)	(15)	417 734	514 759
<u>Total non-current assets</u>			417 734	514 759
<u>current assets</u>				
Accounts receivable	(4)	(10)	915 852	555 175
Inventory accessories			13 417	38 910
Cash on hand and at bank	(5)	(11)	8 423 750	9 049 905
<u>Total current assets</u>			9 353 019	9 643 990
<u>Total assets</u>			9 770 754	10 158 749
<u>Equity</u>				
Legal reserve			1 560 545	1 515 055
<u>Net surplus (deficit) for retained</u>			(234 461)	61 724
<u>Net surplus (deficit) for the year</u>			5 591 390	5 529 667
<u>Total equity</u>			6 917 475	7 106 445
<u>Non - current liabilities</u>				
Provision for end of service benefits			582 392	588 201
Provision of implementation of international standards			506 616	506 616
<u>Total non-current liabilities</u>			1 089 008	1 094 817
<u>Current liabilities</u>				
Other current liabilities	(6)	(12)	1 764 270	1 957 486
<u>Total current liabilities</u>			1 764 270	1 957 486
<u>Total equity and liabilities</u>			9 770 753	10 158 749

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, 2021

Description	Note	page no.	From July 1, 2020 To June 30, 2021	From July 1, 2019 To June 30, 2020
<u>Revenues</u>				
collected membership fees for the year			345 100	385 200
collected membership fees for the Previous year			207 000	321 600
Member Services revenues			1 661 325	1 907 940
Revenue for services			1 988 550	2 460 400
Registration fees for the first time			700 000	1 000 000
Revenues of implementation of international standards			2 045 114	1 900 517
Other revenues			40 490	106 750
<u>Total revenues</u>			6 987 579	8 082 407
<u>Add - Other revenues</u>				
Credit interest			595 780	1 041 299
Foreign exchange differences			0	0
<u>Total revenues</u>			7 583 359	9 123 707

Chamber of diving and water sports
Revenues and Expenses statement
For the Year Ended June 30, 2021

Description	Note	page no.	From July 1, 2020 To June 30, 2021	From July 1, 2019 To June 30, 2020
<u>Less - total revenues</u>				
<u>Expenses</u>				
General and administrative expenses	(7)	(13)	4 317 999	4 982 651
Expenses of previous years			11 860	0
Implementation of international standards expenses			3 002 079	3 461 595
International exhibitions expenses			0	61 222
<u>Total Expenses</u>			7 331 938	8 505 468
<u>Add - Other expenses</u>				
Depreciation of Fixed assets	(9)	(15)	161 620	176 383
Foreign exchange differences			72 302	33 891
<u>Total Expenses</u>			7 565 860	8 715 743
<u>Net profit</u>			17 499	407 964
<u>Distribution as :</u>				
30% Share of egyption fedration	(8)	(14)	136 470	184 680
10% Share of egyption fedration			70 000	100 000
10 % Legal reserve	(8)	(14)	45 490	61 560
<u>Net surplus (deficit) for the year</u>			(234 461)	61724
			17 499	407 964

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, 2021

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Description	Note	page no.	From July 1, 2020 To June 30, 2021		From July 1, 2019 To June 30, 2020	
			Partial	Total	Partial	Total
<u>Cash flows from operating activities</u>						
Collected membership fees for the year			247 900		385 200	
Collected membership fees for the Previous year			207 000		321 600	
Revenue for services			1607 250		2110 400	
Member Services revenues			1661 325		1907 940	
Registration fees for the first time			700 000		1000 000	
Revenues of implementation of international standards			1880 883		1712 360	
Other revenues			40 490		106 750	
Other receipts			0		23 664	
Collected membership fees advance			336 745		642 731	
Support the Tourism Fund for training programs for workers in the sector			0		69 534	
United Nations support for the implementation of the Green Fins program			151 030		304 810	
Exhibitions Revitalization Authority			0		736 130	
<u>Total Cash flows from operating activities</u>				6832 623		9321 119

chamber of diving and water sports
Cash flow statement
For the Year Ended June 30, 2021

Description	Note	page no.	From July 1, 2020 To June 30, 2021		From July 1, 2019 To June 30, 2020	
			Partial	Total	Partial	Total
<u>Cash out flows from operating activities</u>						
General and administrative expenses			4267 289		4709 009	
Egyptian federation of chambers of tourism			195 540		346 640	
Accrued expenses			33 047		79 118	
Payment of insurances and taxes			160 934		190 143	
Support the Tourism Fund for training programs for workers in the sector			125 867		213 175	
Expenses of previous years			11 860		0	
United Nations support for the implementation of the Green Fins program			121 093		381 234	
Implementation of international standards expenses			3002 079		3372 716	
International exhibitions expenses			0		173 281	
<u>Cash out flows from operating activities</u>				(7917 709)		(9465 316)
<u>Net Cash flows from operating activities</u>				(1085 086)		(144 197)

chamber of diving and water sports
Cash flow statement
For the Year Ended June 30, 2021

description	Note	page no.	From July 1, 2020 To June 30, 2021		From July 1, 2019 To June 30, 2020	
			Partial	Total	Partial	Total
<u>Cash flows from investing activities</u>						
Credit interest			595 780		1041 299	
Disposals of fixed assets			—		—	
<u>Total Cash flows from investing activities</u>				595 780		1041 299
<u>Cash out flows from investing activities</u>						
Payment for purchase of fixed assets			64 546		108 942	
<u>Total Cash out flows from investing activities</u>				(64 546)		(108 942)
<u>Net Cash flows from investing activities</u>				531 234		932 357
<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				(553 852)		788 160
Cash and cash equivalent at beginning of the year				9049 905		8321 381
Foreign exchange differences				(72 302)		(59 636)
Cash and cash equivalent at end of the year	(5)	(11)		8423 750		9049 905

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 2021

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 – ElDokki – ElGiza.
- 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, 2021**4.Accounts receivable**

Description	Value
Insurance for others (4/1)	49 700
United Nations support for the implementation of the Green Fins program	46 487
Support the Tourism Fund for training programs for workers in the sector	269 509
medical Insurance	67 796
Portfolio note receivable	86 225
revenues receivable (fawry)	84 690
Payroll tax (staff)	311 445
Total	915 852

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 new	20 000
Total	49 700

5.Cash on hand and at bank

Description	Value
ALAHLI BANK OF KUWAIT , Egyptian pound (5/1)	269 554
ALAHLI BANK OF KUWAIT (euro)	267 479
ALAHLI BANK OF KUWAIT (Sterling)	3 771
Deposits with the Bank ALAHLI BANK OF KUWAIT (Egg)	5778 378
Arab African Bank, Egyptian pound	1477 151
Arab African Bank, (euro)	599 929
Cash on hand (Red Sea)	4 965
Cash on hand (South of siani)	22 523
Total	8 423 750

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

Description	Main center (Egg)
Book value in 30/6/2021	269 554
Note payable	53 491
Bank book in 30/6/2021	323 045

6. Other current liabilities

Description	Value
Egyptian federation of chambers of tourism	14 369
Exhibitions Revitalization Authority	695 892
Collected membership fees advance	50 400
Revenue in exchange for services provided	184 900
Income from the application of international standards Introduction	101 445
Synergistic contribution to the fight against disasters and epidemics	44 478
Accrued expenses (6/1)	94 539
Social insurance organization	80 701
Insurance from others	6 750
Payroll tax	409 322
Other creditors	73 766
Tax authority - Withholding tax	7 708
Total	1764 270

6/1) Accrued expenses

Description	Value	
Professional fees	60 000	Main center
Rentals	28 000	South of siani
electric invoice of June accrued	2 835	South of siani
Water and maintenance fees	3 704	South of siani
Total	94 539	

7.General and administrative expenses

Description	Main center	South of siani	Red Sea	Total
Salaries	962 603	502 148	758 884	2223 635
Accommodation allowance	91 140	60 000	69 300	220 440
Internal transitions	44 560	40 640	59 663	144 863
share of chamber of social insurance	81 090	77 012	109 101	267 202
Rent expense	0	93 150	65 900	159 050
Prints	2 508	0	0	2 508
Office supplies	120	4 942	3 310	8 372
Inks and PC accessories	1 230	0	4 424	5 654
Telephone and fax expenses	79 937	10 659	5 343	95 939
Mail and Shipping expenses	2 503	1 961	2 396	6 860
Water and electric expenses	0	33 940	10 965	44 905
Maintenance expenses	1 150	5 347	6 495	12 992
Buffet and cleanliness expenses	0	11 439	23 199	34 638
Banking fees	9 097	0	0	9 097
Subscription	0	0	0	0
Miscellaneous expenses	5	0	100	105
Car expenses	22 651	6 325	0	28 976
Miscellaneous expenses	3 888	1 945	0	5 833
Boards of Directors and the General Assembly expenses	6 311	0	0	6 311
Member Services expenses	25 493	16 587	11 500	53 580
Internal errand	62 888	0	0	62 888
Expenses and attorneys' fees issues	8 359	0	0	8 359
Professional fees	0	0	0	0
Expenses for human resources development	0	0	0	0
Environmental projects	210 475	7 078	0	217 553
Developing and updating the Chamber's website	306 560	2 700	160 117	469 377
Health insurance (staff)	63 847	0	0	63 847
Total	2133 767	889 966	1294 267	4317 999

8.Collected membership

value	Description	South of siani	Red Sea	Value
1200	Collected membership fees	167	212	454 900
%100	Total collected year membership fees and previous years			454 900
%10	Legal reserve			45 490
%30	Share of egyption fedration of chamber of tourism (membership)			136 470
%10	Share of egyption fedration of chamber of tourism (Registration fees for the first time)			70 000

chamber of diving and water sports
Depreciation of Fixed assets
For the Year Ended June 30, 2021

Note no(9)

Description	Cost in 01/07/2020	Additions	Disposals through year	Total book value	Accumulated depreciation in 01/07/2020	Depreciation	Accumulated depreciation in 30/06/2021	Net book value
Equipment and decorations	49 780	0	(0)	49 780	43 888	3 668	47 556	2 224
Equipment and decorations(subsidize)	19 584	0	(0)	19 584	19 572	0	19 572	12
Furniture	310 210	3 333	(0)	313 543	225 057	27 973	253 030	60 512
Office equipment (subsidize)	39 159	0	(0)	39 159	39 159	0	39 159	0
Equipment	251 144	24 624	(0)	275 768	180 606	24 733	205 339	70 429
Equipment (subsidize)	188 532	0	(0)	188 532	188 506	0	188 506	26
Computers	824 095	36 589	(0)	860 684	470 966	105 245	576 211	284 473
Cars	116 000	0	(0)	116 000	115 999	0	115 999	1
Computers (subsidize)	132 181	0	(0)	132 181	132 123	0	132 123	58
Total	1930 684	64 546	(0)	1995 230	1415 877	161 620	1577 497	417 734