



Control de Cuidado a Crianca - Casa Vida

General Audit Report

31 DECEMBER 2024



Pinnacle
Accounting and Business Advisory

**INDEPENDENT AUDITOR'S REPORT
TO THE BOARD
Control de Cuidado a Crianca - Casa Vida**

Opinion

We have audited the financial report of Control de Cuidado a Crianca - Casa Vida ("the Foundation"), which comprises the statement of financial position as at 31 December 2024, the statement of activities for the year then ended, statement of cash flows, and notes to the financial statements, including a summary of significant accounting policies and managements' assertion statement.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Foundation as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with The International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Foundation in accordance with the ethical requirements of the International Ethics Standards Board for Accountants - The International Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Emphasis of matter – basis of accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the Foundation to meet the requirements of the applicable legislation. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the financial report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the applicable legislation and for such internal control as management determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 the International Standards of Auditing 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 based on the basis of this financial report.

Dili, 30 April 2025

A handwritten signature in black ink, consisting of a stylized 'P' followed by a horizontal line and a small '2'.

Paul Menezes Tang, CPA (Australia)
Partner

CASA VIDA
STATEMENT OF ACTIVITY
FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in US Dollars, unless otherwise stated)

	Notes	Jan 2024-Dec 2024
CASH RECEIPT		
Donation	3	219,033.61
Total revenue		219,033.61
EXPENSES		
Programme expense	4	97,880.85
Personnel expense	5	75,009.28
Operating expense	6	30,144.21
Total expenses		203,034.34
CHANGES IN NET ASSETS		15,999.27

CASA VIDA
STATEMENT OF EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2024

(Expressed in US Dollars, unless otherwise stated)

		2024
1	PERSONNEL COSTS (SALARIES)	
1.1	Leadership	
1.1.1	Executive Director	6,019.19
1.1.3	Social Worker/Consultant	4,158.00
1.1.4	Social Work Coordinator	2,348.48
1.1.5	Finance Manager	7,800.00
	Sub-total 1.1	20,325.67
1.2	Administration Personnels	
1.2.1	Finance/Fundraising Officer	2,760.43
1.2.3	Supply Officer/Logistic	2,239.05
1.2.5	Driver	1,193.87
1.2.6	Driver	2,196.48
1.2.7	Security Training Center	638.77
1.2.8	Security for Shelter	1,925.84
1.2.9	Consultant Communication	1,212.26
	Sub-total 1.2	12,166.70
1.3	Counselling & Social Work	
1.3.1	Psychologist	5,544.00
1.3.2	Social Worker	2,407.68
1.3.3	Social Worker	2,608.32
1.3.4	Social Worker	2,739.29
1.3.5	Nursse	1,356.67
1.3.6	Midwife	1,356.67
	Sub-total 1.3	16,012.63
1.4	Shelter	
1.4.3	Shelter Coordinator	2,639.52
1.4.4	Carer day	2,047.32
1.4.5	Carer day	2,269.74
1.4.6	Carer night	2,269.74
1.4.7	Carer night	2,167.06
1.4.8	Carer night	2,033.12
1.4.9	Maintenance	1,013.76
	Sub-total 1.4	14,440.26
1.5	Program - Life Skills Personel	
1.5.1	Life skill Coodinator	2,639.52
1.5.2	Sewing Trainner	2,059.20
1.5.3	Computer Teacher & Secretary	1,716.00
	Sub-total 1.5	6,414.72
1.6	Social Security	5,649.30
	Sub-total 1	75,009.28

CASA VIDA
STATEMENT OF EXPENDITURE (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in US Dollars, unless otherwise stated)

		2024
2	OPERATIONAL COSTS	
2.1.1	Fuel (clients, office, reintegration)	6,947.61
2.1.2	Car Maintenance	5,167.75
2.1.3	Electricity Office	1,750.00
2.1.4	Electricity Shelters	1,830.00
2.1.5	Electricity for Training center	400.00
2.1.6	Drinking Water for Shelter, Training Center & Office	578.10
2.1.7	Gas for Shelter	1,842.40
2.1.8	Telephone freecall & Pulsa	1,101.00
2.1.9	Office Supplies	2,104.85
2.1.10	Internet	940.00
2.1.11	Bank Charges	681.05
2.1.12	Audit Fees	1,800.00
2.1.13	Maintenance (Office, Shelter and Training Centre, Cc	5,001.45
Sub-total 2		30,144.21
3	PROGRAM COSTS	
3.1	Program 1 - Shelter	
3.1.1	Accommodation Shelters	18,000.00
3.1.2	Accommodation - Training Center	6,000.00
3.1.3	Office Venue Rent (Casa Vida)	15,400.00
3.1.6	Food for Shelter	26,907.61
3.1.7	Personnel Hygiene Girls(6-20 years old)	1,343.00
3.1.8	Personnel Hygiene Baby(0-5 years old)	938.85
3.1.9	Cleaning Product(Shelter, Office and Training Center)	1,618.30
3.1.10	Clothes and Shoes for Children(during one years)	2,306.25
3.1.12	School Fees	69.00
3.1.13	Uniforms	536.00
3.1.14	School Materials (35 Children x \$38)	764.00
3.1.15	Transference School	-
3.1.16	School Administration	613.00
3.1.16	Medicine	1,079.60
3.1.17	Training Materials for Handicraft	1,586.30
3.1.18	Training Materials for Vocational Training - Cooking &	2,958.25
3.1.19	Training Materials for Vocational Training - Hairdress	1,145.50
3.1.20	Supply Materials for clinic	592.10
3.1.21	Materials for training & advertising sponsor material	1,402.95
3.1.22	Transport(including fuel for the car, rent car) Per diem	1,469.00
Sub-total 3.1		84,729.71

CASA VIDA
STATEMENT OF EXPENDITURE (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2024
(Expressed in US Dollars, unless otherwise stated)

		<u>2024</u>
3	PROGRAM COSTS (CONTINUED)	
3.2	Program 2 - Reintegration Prevention	
3.2.1	Food Per diem for Follow up, Assessment Visit, Rein	1,850.00
3.2.2	Food for Client to Reintregation and Family Visit	332.75
3.2.3	Accomodation during the assessment visit, Reintegra	1,540.48
3.2.4	Prevention campain (mkt)	4,634.00
3.2.5	Awareness Comunnity/School(Two trips per month)	689.00
3.2.6	Petty Cash	-
	Sub-total 3.2	9,046.23
3.3	Other Programme	
3.3.1	Car for Reintergration	-
3.3.2	Refund/Rest Money	-
3.3.3	Other Expenses	2,319.71
3.3.4	Event for Casavida	61.70
3.3.5	Tax Salary	1,723.50
	Sub-total 3.3	4,104.91
	Sub-total 3	97,880.85
	TOTAL EXPENDITURE	203,034.34

CASA VIDA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2024

1. GENERAL INFORMATION

Casa Vida ("the Foundation") was founded in 2008 to provide child victim of abuse a safe place where they can find care for their physical, mental, social and spiritual needs. The Foundation is based in Dili and as of 31 December 2024, the Director of the Foundation is Ms Aliza Pereira.

The Foundation have supported women and children across of Timor-Leste from 14 different municipalities; sheltered and served more than 300 children, providing short term and long-term assistance including 45 young pregnant girls, through its doors.

The mission of the Foundation is to provide child victims of sexual abuse a place of security where they can receive care for their physical, mental, social and spiritual needs; facilitating their return in complete health/wellness, to families and communities with a restored self-confidence and self-esteem.

In 2024 the Foundation was funded by some donors such as follows:

- Ministério da Solidariedade Social ("MSSI")
- Social Investors ("DIMES")
- Polish Aid
- Irish Aid
- Victory Family Centre ("VFC")
- Yooralla

This Foundation's special purpose financial statements have been prepared for donor in accordance with International Financial Reporting Standards ("IFRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below. The financial statements are presented in United States Dollars ("USD" or "US\$").

2. MATERIAL ACCOUNTING POLICY INFORMATION

The board of the Foundation have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purposes financial statements that have been prepared in order to meet the requirements of the Taxes and Duties Act 2008

The financial statements have been prepared in accordance with the significant accounting policies disclosed below which the directors of the Foundation have determined are appropriate to meet the needs of the Taxes and Duties Act 2008. Such accounting policies are consistent with the previous period unless stated otherwise.

The following specific accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of these financial statements.

2.1 Basis of preparation

The financial statements have been prepared by applying the accrual basis and going concern basis of accounting. They are based on historical costs and do not take into account changing money values or, except where specifically stated, current valuations of non-current assets.

CASA VIDA
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2023

2. MATERIAL ACCOUNTING POLICY INFORMATION (CONTINUED)

2.2 Cash

In the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

2.3 Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less any provision for impairment.

2.4 Revenue

The revenue is recognised based on the cash transferred from the donations. There is no performance obligation regarding to the revenue recognition.

2.5 Expense

Expenses are recognised as incurred on an accrual basis.

2.6 Payables

Payables are obligations to pay for goods or services from suppliers. Payables are classified as short-term liabilities if payment is due within one year or less. If not, they are presented as long-term liabilities.

2.7 Significant accounting estimates and judgements

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability.

CASA VIDA**NOTES TO THE FINANCIAL STATEMENTS****31 DECEMBER 2024**

(Expressed in US Dollars, unless otherwise stated)

3. DONATION

	2024
DIMES	72,600.00
MSSI	52,389.80
Private donation	42,791.00
Polish Aid	19,781.80
Yoralla	18,158.53
VFC	4,473.00
Irish Aid	4,439.48
Enterprise donation	4,400.00
	219,033.61

4. PROGRAMME EXPENSE

	2024
Programme 1 - Shelter	84,729.71
Programme 2 - Reintegration prevention	9,046.23
Other programme	4,104.91
	97,880.85

5. PERSONNEL EXPENSE

	2024
Salary and other personnel expense	69,359.98
Social security contribution	5,649.30
	75,009.28

6. OPERATING EXPENSE

	2024
Fuel (clients, office, reintegration)	6,947.61
Car Maintenance	5,167.75
Electricity Office	1,750
Electricity Shelters	1,830.00
Electricity for Training center	400.00
Drinking Water for Shelter, Training Center & Office	578.10
Gas for Shelter	1,842.40
Telephone freecall & Pulsa	1,101.00
Office Supplies	2,104.85
Internet	940.00
Bank Charges	681.05
Audit Fees	1,800.00
Maintenance (Office, Shelter and Training Centre, Computer)	5,001
	30,144.21

**CASA VIDA
SUMMARY OF AUDIT FINDINGS
31 DECEMBER 2024**

Finding #1: Payroll Miscalculation

Priority: medium

According to our review, we notice there are some issues regarding the payroll calculation as follows:

a. Undeclared director's salary adjustment wages tax period May and June 2024

Based on our checking, we noted that there was salary increment of Alzira Pereira in May and June 2024 due to her assignment to director position, which adjustment was paid in July 2024. However the wages tax July 2024 did not include the May and June 2024 tax, which resulted to understatement of wages tax amounting to \$16.6.

b. Miscalculation on the director's December 2024 tax

Based on our salary recalculation, we notice there is an understated December 2024 wages tax of the director amounting to \$8.30. This is due to the miscalculation of the 13th month salary of wages tax.

c. Miscalculation on the Finance Manager's salary

According to our review to the Finance Manager's working contract, we notice that the payroll was set to obtain \$600 net monthly salary, by adding \$60 as the wages tax incentive which gross salary become \$660.

This approach is considered incorrect as the wages tax calculation was based on the net amount, which according to the Timor-Leste tax law should be based on a gross amount.

In year 2024, there is \$80 understated salary expense for Finance Manager.

**CASA VIDA
SUMMARY OF AUDIT FINDINGS
31 DECEMBER 2024**

Finding #1: Payroll Miscalculation (Continued)

Auditor's recommendation:

a. Undeclared director's salary adjustment wages tax period May and June 2024

The proper calculation would be as follows:

Alzira Pereira

May-24	Gross paid in May 2024	Gross paid in Jul 2024	Wages Tax
Current Calculation	275.00	308.00	-
Proper Calculation	275.00	308.00	8.30
Variance	-	-	(8.30)

Alzira Pereira

Jun-24	Gross paid in Jun 2024	Gross paid in Jul 2024	Wages Tax
Current Calculation	275.00	308.00	-
Proper Calculation	275.00	308.00	8.30
Variance	-	-	(8.30)

b. Miscalculation on the director's 13th month salary wages tax

According to the Tax Law, any payroll disbursement within the month in total for Timorese staff is subject to 10% wages tax with \$500 tax exemption. The proper calculation would be as follows:

Alzira Pereira

Dec-24	Gross Salary	13th month salary	Wages Tax	SS Deduction	Net Salary
Current Calculation	583.00	480.32	48.03	42.53	972.76
Proper Calculation	583.00	480.32	56.33	42.53	964.46
Variance	-	-	(8.30)	(0.00)	8.30

c. Miscalculation on the Finance Manager's salary

For this case, if Casa Vida aimed to set \$600 net salary, hence the proper calculation and variance will be as follows:

2024	Gross Salary	SS Deduction	Wages Tax	Net Salary	4.8% SS Employer Portion	Expense Booked	SS Payment	Tax Payment
Current Calculation	660.00	-	60.00	600.00	-	660.00	-	60.00
Proper Calculation	666.67	-	66.67	600.00	-	666.67	-	66.67
Variance per month	(6.67)	-	(6.67)	-	-	(6.67)	-	(6.67)
Total Overstatement & Overpayment/ (Understatement & Underpayment) for 2024				-		(80)	-	(80)

**CASA VIDA
SUMMARY OF AUDIT FINDINGS
31 DECEMBER 2024**

Finding #1: Payroll Miscalculation (Continued)

Client's comment:

We acknowledge the payroll calculation issues found during the audit, including the undeclared tax, 13th month miscalculation, and Finance Manager's salary variance.

We are taking this seriously and have added payroll correction as a priority on our financial improvement list. All necessary adjustments will be made, and we will ensure this does not happen again in the future.

CASA VIDA
SUMMARY OF AUDIT FINDINGS
28 FEBRUARY 2025

Finding #2: Social Security Belated Payment

Priority: low

According to our review, there are some belated payments of social security contribution. During 2024, there are still some payments and expenses booked for the social security for the period of October to December 2023, and as of 31 December 2024 the social security contribution of October to December 2024 were recorded and paid in 2025.

Auditor's recommendation:

Regarding the social security contribution, according to RDTL Decree No.12/2016, it is stated that employers are required to submit the Monthly Remuneration Statement (DR) on 10th of the following month and the payment to be made on 10th-20th of the following month.

Hence whenever possible the payment of social security to be made monthly as it might impact to the employee social benefit to be claimed (e.g.: the employee who takes maternity leave) and also it should align with the monthly budget card.

Client's comment:

We would like to clarify that the delay in social security payments is not due to negligence or unwillingness to comply, but rather due to systemic challenges in the current process in Timor-Leste. Specifically, the Social Security Office often experiences delays in issuing the official Social Security invoices (DR forms) to employers. As Casa Vida is required to wait for these invoices before making payment, this process unfortunately causes unavoidable delays in remitting contributions, particularly at the end of the year.

As a result, the social security contributions for October–December 2024 were only paid in early 2025 once the official documentation was made available to us.

To address this issue:

- Casa Vida is committed to continuing timely submission of employee data to the Social Security Office.
- We will explore ways to proactively follow up with the Social Security Office to obtain documents earlier, where possible.
- We will also implement a monitoring checklist to track monthly submissions and payments in an effort to meet deadlines more consistently.