
INDEPENDENT AUDIT

Centro de Cuidado a Criança

(Casa Vida)

Audit Report

Report on the audit of the financial report — Statement of Financial Position and related financial statements.

Entity: Not-for-profit association — care and protection of child victims of abuse

Registered location: Dili, Timor-Leste

Reporting framework: Special purpose financial statements — IFRS (Taxes and Duties Act 2008)

Period: Year ended 31 December 2025

Special purpose · Prepared under the IFRS framework

Pinnacle Accounting & Business Advisory

Suite 343, Level 3, Timor Plaza, Dili, Timor-Leste

info@pinnacledili.com


Pinnacle
Accounting and Business Advisory

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Association information & contents

Association particulars

Entity	Centro de Cuidado a Criança — Casa Vida ("the Association")
Nature	Not-for-profit association — care and protection of child victims of abuse
Established	2008
Director	Ms Aliza Pereira
Registered location	Dili, Timor-Leste
Reporting period	Year ended 31 December 2025
Presentation currency	United States Dollars (USD / US\$)
Reporting framework	Special purpose financial statements — IFRS, prepared to meet the Taxes and Duties Act 2008
Independent auditor	Pinnacle Accounting & Business Advisory — Paul Menezes Tang, CPA (Australia), Partner

About the Association

Centro de Cuidado a Criança — Casa Vida was founded in 2008 to provide child victims of abuse a safe place where they can find care for their physical, mental, social and spiritual needs. The Association has supported women and children across Timor-Leste from 14 different municipalities, and has sheltered and served more than 300 children — including 45 young girls — providing both short-term and long-term assistance.

Contents

Independent Auditor's Report	3
Management Representation Letter	5
Statement of Financial Position	7
Statement of Activity	8
Statement of Expenditure	9
Statement of Cash Flows	12
Notes to the Financial Statements	13
Summary of Audit Findings	18

Basis of preparation. These are special purpose financial statements prepared on the accrual and going concern basis, under historical cost, in accordance with International Financial Reporting Standards (IFRS) to meet the requirements of the Timor-Leste Taxes and Duties Act 2008. They may not be suitable for any other purpose.

INDEPENDENT AUDITOR'S REPORT

To the Board — Centro de Cuidado a Criança — Casa Vida

Opinion

We have audited the financial report of Centro de Cuidado a Criança — Casa Vida ("the Association"), which comprises the statement of financial position as at 31 December 2025, 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 management's assertion statement.

In our opinion, the accompanying financial report presents fairly, in all material respects, the financial position of the Association as at 31 December 2025, 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 Association 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 Association 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 the Association'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 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To the Board — Centro de Cuidado a Criança — Casa Vida

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 on the basis of this financial report.



Paul Menezes Tang, CPA (Australia)

Partner — For and on behalf of Pinnacle Accounting & Business Advisory

Dili, 31 July 2026

MANAGEMENT REPRESENTATION LETTER

Centro de Cuidado a Criança — Casa Vida · year ended 31 December 2025

This representation letter is provided in connection with your audit of the financial report of Centro de Cuidado a Criança — Casa Vida for the period of 2025 for the purpose of expressing an opinion as to whether the financial report gives a true and fair view in accordance with International Financial Reporting Standards.

We confirm that, to the best of our knowledge and belief, having made such enquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial report

- We have fulfilled our responsibilities, as set out in the terms of the specific audit engagement dated 31 December 2025, for the preparation of the financial report in accordance with International Financial Reporting Standards; in particular, the financial report gives a true and fair view in accordance therewith.
- The methods, the data, and the significant assumptions used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.
- All events subsequent to the date of the financial report and for which International Financial Reporting Standards require adjustment or disclosure have been adjusted or disclosed.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial report as a whole. A list of the uncorrected misstatements is attached to the representation letter.

MANAGEMENT REPRESENTATION LETTER (CONTINUED)

Centro de Cuidado a Criança — Casa Vida · year ended 31 December 2025

We have provided you with

- Access to all information of which we are aware that is relevant to the preparation of the financial report, such as records, documentation and other matters;
- Additional information that you have requested from us for the purpose of the audit; and
- Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- All transactions have been recorded in the accounting records and are reflected in the financial report.
- We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- We have disclosed to you the results of our assessment of the risk that the financial report may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves management; employees who have significant roles in internal control; or others where the fraud could have a material effect on the financial report.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial report communicated by employees, former employees, analysts, regulators or others.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial report.
- We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial report, and accounted for and disclosed them in accordance with IFRS.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Yours sincerely,



Director

For and on behalf of Centro de Cuidado a Criança — Casa Vida

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Statement of Financial Position — as at 31 December 2025

(Expressed in US Dollars, unless otherwise stated)

	NOTE	2025	2024
ASSETS			
Cash and cash equivalents	3	14,981.64	23,700.12
Fixed assets	4	—	—
Total assets		14,981.64	23,700.12
LIABILITIES			
Accrued expense		782.23	580.85
Total liabilities		782.23	580.85
Net assets		14,199.41	23,119.27

The accompanying notes form part of these financial statements.

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Statement of Activity — for the year ended 31 December 2025

(Expressed in US Dollars, unless otherwise stated)

	NOTE	2025	2024
CASH RECEIPT			
Donation	5	239,018.63	219,033.61
Total revenue		239,018.63	219,033.61
EXPENSES			
Programme expense	6	117,857.53	86,519.85
Personnel expense	7	78,777.50	75,009.28
Operating expense	8	25,738.46	30,144.21
Depreciation expense	4	25,565.00	11,361.00
Total expenses		247,938.49	203,034.34
Changes in net assets		(8,919.86)	15,999.27

The accompanying notes form part of these financial statements.

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Statement of Expenditure — for the year ended 31 December 2025

(Expressed in US Dollars, unless otherwise stated)

	2025	2024
1 PERSONNEL COSTS (SALARIES)		
1.1 Leadership		
1.1.1 Executive Director	8,028.80	6,019.19
1.1.3 Social Worker / Consultant	4,158.00	4,158.00
1.1.4 Social Work Coordinator	3,432.00	2,348.48
1.1.5 Finance Manager	11,700.00	7,800.00
Sub-total 1.1	27,318.80	20,325.67
1.2 Administration personnel		
1.2.1 Finance / Fundraising Officer	3,120.00	2,760.43
1.2.2 Supply Officer / Logistic	2,246.40	2,239.05
1.2.3 Driver	2,196.48	1,193.87
1.2.4 Driver	1,260.00	2,196.48
1.2.5 Security Training Center	–	638.77
1.2.6 Security for Shelter	1,747.20	1,925.84
1.2.7 Consultant Communication	1,350.00	1,212.26
Sub-total 1.2	11,920.08	12,166.70
1.3 Counselling & social work		
1.3.1 Psychologist	5,526.90	5,544.00
1.3.2 Social Worker	2,608.32	2,407.68
1.3.3 Social Worker	2,608.32	2,608.32
1.3.4 Social Worker	2,608.32	2,739.29
1.3.5 Nurse	2,340.90	1,356.67
1.3.6 Midwife	1,304.10	1,356.67
1.3.7 Intern 1 — Psychologist	594.00	–
1.3.8 Intern 2 — Psychologist	594.00	–
Sub-total 1.3	18,184.86	16,012.63
1.4 Shelter		
1.4.3 Shelter Coordinator	2,639.52	2,639.52
1.4.4 Carer day	2,059.20	2,047.32
1.4.5 Carer day	2,059.20	2,269.74
1.4.6 Carer night	2,059.20	2,269.74
1.4.7 Carer night	2,001.60	2,167.06
1.4.8 Carer night	–	2,033.12
1.4.9 Maintenance	135.36	1,013.76
Sub-total 1.4	10,954.08	14,440.26
1.5 Programme — life skills personnel		
1.5.1 Life Skills Coordinator	2,639.00	2,639.52
1.5.2 Sewing Trainer	2,059.20	2,059.20
1.5.3 Computer Teacher & Secretary	1,618.38	1,716.00
Sub-total 1.5	6,316.58	6,414.72
1.6 Social security	4,083.10	5,649.30
Sub-total 1 — Personnel costs	78,777.50	75,009.28

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Statement of Expenditure (continued) — for the year ended 31 December 2025

(Expressed in US Dollars, unless otherwise stated)

	2025	2024
2 OPERATIONAL COSTS		
2.1.1 Fuel (clients, office, reintegration)	5,450.81	6,947.61
2.1.2 Car Maintenance	4,144.50	5,167.75
2.1.3 Electricity — Office	1,350.00	1,750.00
2.1.4 Electricity — Shelters	2,440.00	1,830.00
2.1.5 Electricity — Training Center	600.00	400.00
2.1.6 Drinking Water — Shelter, Training Center & Office	796.00	578.10
2.1.7 Gas for Shelter	1,748.40	1,842.40
2.1.8 Telephone freecall & Pulsa	993.57	1,101.00
2.1.9 Office Supplies	1,564.10	2,104.85
2.1.10 Internet	920.00	940.00
2.1.11 Bank Charges	359.58	681.05
2.1.12 Audit Fees	1,800.00	1,800.00
2.1.13 Maintenance (Office, Shelter & Training Centre, Computer)	3,571.50	5,001.45
Sub-total 2 — Operational costs	25,738.46	30,144.21
3 PROGRAMME COSTS		
3.1 Programme 1 — Shelter		
3.1.1 Accommodation — Shelters	18,000.00	18,000.00
3.1.2 Accommodation — Training Center	8,000.00	6,000.00
3.1.3 Office Venue Rent (Casa Vida)	11,000.00	15,400.00
3.1.6 Food for Shelter	39,835.07	26,907.61
3.1.7 Personal Hygiene — Girls (6–20 years old)	356.65	1,343.00
3.1.8 Personal Hygiene — Baby (0–5 years old)	1,737.90	938.85
3.1.9 Cleaning Product (Shelter, Office & Training Center)	879.80	1,618.30
3.1.10 Clothes and Shoes for Children (during one year)	2,819.30	2,306.25
3.1.11 Enrolment fees	365.00	69.00
3.1.12 Uniforms	15.00	536.00
3.1.13 School Materials (35 children × \$38)	2,747.50	764.00
3.1.14 Transference School	245.00	–
3.1.15 School Administration	32.00	613.00
3.1.16 Medicine	1,720.00	1,079.60
3.1.17 Training Materials for Handicraft	1,201.95	1,586.30
3.1.18 Training Materials — Vocational (Cooking & Bakery)	1,943.61	2,958.25
3.1.19 Training Materials — Vocational (Hairdressing)	768.05	1,145.50
3.1.20 Supply Materials for clinic	–	592.10
3.1.21 Materials for training & advertising / sponsor materials	3,501.30	1,402.95
3.1.22 Transport / per diem / food — Poland Programme	2,710.00	1,469.00
3.1.23 Transport / per diem / food — Poland Programme	3,329.00	–
Sub-total 3.1	101,207.13	84,729.71

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Statement of Expenditure (continued) — for the year ended 31 December 2025

(Expressed in US Dollars, unless otherwise stated)

	2025	2024
3	PROGRAMME COSTS (CONTINUED)	
3.2	Programme 2 — Reintegration & prevention	
3.2.1	Food / per diem — follow-up, assessment, reintegration, legal (3 staff)	1,850.00 1,613.00
3.2.2	Food for client — reintegration & family visit	153.25 332.75
3.2.3	Accommodation during assessment, reintegration & legal process	1,540.48 2,380.00
3.2.4	Prevention campaign (marketing)	3,528.00 4,634.00
3.2.5	Awareness — community / school (two trips per month)	2,835.00 689.00
3.2.6	Fundraising Materials	1,566.50 –
	Sub-total 3.2	12,075.75 9,046.23
3.3	Other programme	
3.3.1	Car for Reintegration	– –
3.3.2	Refund / Rest Money	– –
3.3.3	Other Expenses	21,491.50 2,319.71
3.3.4	Compensation	2,000.80 –
3.3.4	Event for Casa Vida	– 61.70
3.3.5	Tax Salary	6,647.35 1,723.50
	Sub-total 3.3	30,139.65 4,104.91
	Sub-total 3 — Programme costs	143,422.53 97,880.85
	Total expenditure	247,938.49 203,034.34

Note: the total expenditure above is analysed by programme, personnel and operating category (with the fixed-asset purchase capitalised) in the Statement of Activity and Notes 6–8.

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Statement of Cash Flows — for the year ended 31 December 2025

(Expressed in US Dollars, unless otherwise stated)

	2025	2024
OPERATING ACTIVITIES		
Receipt from grant and donation	239,018.63	219,033.61
Payment to suppliers for programme	(117,857.53)	(86,519.85)
Payment for payroll	(78,576.12)	(75,009.28)
Payment to suppliers for operational	(25,738.46)	(30,144.21)
Net cash generated from operating activities	16,846.52	27,360.27
INVESTING ACTIVITIES		
Purchase of fixed assets	(25,565.00)	(11,361.00)
Net cash used for investing activities	(25,565.00)	(11,361.00)
FINANCING ACTIVITIES		
Net cash used for financing activities	–	–
Total net cash generated / (used) during the year	(8,718.48)	15,999.27
Beginning balance of cash & cash equivalents	23,700.12	7,700.85
Ending balance of cash & cash equivalents	14,981.64	23,700.12

Presented in summary form. The accompanying notes form part of these financial statements.

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Notes to the financial statements — 31 December 2025

1. General information

Centro de Cuidado a Criança — Casa Vida (“the Association”) was founded in 2008 to provide child victims of abuse a safe place where they can find care for their physical, mental, social and spiritual needs. The Association is based in Dili and, as of 31 December 2025, the Director of the Association is Ms Aliza Pereira.

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

The mission of the Association 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 2024–2025 the Association was funded by donors such as follows:

- Ministério da Solidariedade Social (“MSSI”)
- Social Investors (“DIMES”)
- Australian Direct Aid Program (“DAP”)
- Polish Aid
- Para Marcia, Ltd. (“Para Marcia”)
- Irish Aid
- Victory Family Centre (“VFC”)
- Yooralla

This Association’s special purpose financial statements have been prepared for donors 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, and are presented in United States Dollars (“USD” or “US\$”).

2. Material accounting policy information

The board of the Association have prepared the financial statements on the basis that the entity is a non-reporting entity because there are no users dependent on general purpose financial statements. The financial statements are therefore special purpose financial statements 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 Association 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 otherwise stated.

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.

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Notes to the financial statements — 31 December 2025

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

Revenue is recognised based on the cash transferred from donations. There is no performance obligation with regard 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 Association'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.

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Notes to the financial statements — 31 December 2025

(Expressed in US Dollars, unless otherwise stated)

3. Cash and cash equivalents

	2025	2024
Cash on hand	200.00	200.00
Cash in bank — Australia and New Zealand Banking Corporation ("ANZ")	14,781.64	23,500.12
Total cash and cash equivalents	14,981.64	23,700.12

4. Property and equipment

a) Cost

	BUILDING	MOTOR VEHICLE	FURNITURE, FIXTURES & EQUIPMENT	TOTAL
Beginning balance 1 Jan 2025	250,000.00	112,100.00	132,835.00	494,935.00
Addition	—	20,400.00	5,165.00	25,565.00
Disposal	—	—	—	—
Adjustment	—	—	—	—
Ending balance 31 Dec 2025	250,000.00	132,500.00	138,000.00	520,500.00
Beginning balance 1 Jan 2024	250,000.00	110,685.00	122,889.00	483,574.00
Addition	—	1,415.00	9,946.00	11,361.00
Disposal / Adjustment	—	—	—	—
Ending balance 31 Dec 2024	250,000.00	112,100.00	132,835.00	494,935.00

b) Accumulated depreciation

	BUILDING	MOTOR VEHICLE	FURNITURE, FIXTURES & EQUIPMENT	TOTAL
Beginning balance 1 Jan 2025	(250,000.00)	(112,100.00)	(132,835.00)	(494,935.00)
Addition	—	(20,400.00)	(5,165.00)	(25,565.00)
Disposal / Adjustment	—	—	—	—
Ending balance 31 Dec 2025	(250,000.00)	(132,500.00)	(138,000.00)	(520,500.00)
Beginning balance 1 Jan 2024	(250,000.00)	(110,685.00)	(122,889.00)	(483,574.00)
Addition	—	(1,415.00)	(9,946.00)	(11,361.00)
Disposal / Adjustment	—	—	—	—
Ending balance 31 Dec 2024	(250,000.00)	(112,100.00)	(132,835.00)	(494,935.00)

c) Carrying amount

	BUILDING	MOTOR VEHICLE	FURNITURE, FIXTURES & EQUIPMENT	TOTAL
Ending balance 31 Dec 2025	—	—	—	—
Ending balance 31 Dec 2024	—	—	—	—

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Notes to the financial statements — 31 December 2025

(Expressed in US Dollars, unless otherwise stated)

5. Donation

	2025	2024
MSSI	61,589.00	52,389.80
DIMES	57,590.00	72,600.00
DAP	30,785.00	–
Private donation	24,191.11	42,791.00
Polish Aid	23,088.08	19,781.80
Para Marcia	20,554.10	–
Yoralla	7,042.28	18,158.53
VFC	–	4,473.00
Irish Aid	8,702.56	4,439.48
Enterprise donation	5,476.50	4,400.00
Total donation	239,018.63	219,033.61

6. Programme expense

	2025	2024
Programme 1 — Shelter	101,207.13	84,729.71
Programme 2 — Reintegration prevention	12,075.75	9,046.23
Other programme	30,139.65	4,104.91
<i>Less: fixed asset purchase</i>	<i>(25,565.00)</i>	<i>(11,361.00)</i>
Total programme expense	117,857.53	86,519.85

Presentation of fixed asset purchases. In the Association's books — and in its financial reports to donors — purchases of fixed assets are recorded as programme expenditure within the individual programme budget lines from which they were funded. As these purchases are spread across a number of different expense codes, they have not been reclassified item by item; instead, the total cost of fixed assets acquired during the year is deducted from programme expense in a single line, "Less: fixed asset purchase", and capitalised as property and equipment (Note 4). The capitalised amounts (US\$25,565.00 in 2025; US\$11,361.00 in 2024) are then charged to the Statement of Activity as depreciation expense in accordance with the Association's depreciation policy. This presentation has no effect on total expenses or on the change in net assets for the year, and keeps the programme expenditure lines consistent with the Association's reporting to donors.

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Notes to the financial statements — 31 December 2025

*(Expressed in US Dollars, unless otherwise stated)***7. Personnel expense**

	2025	2024
Salary and other personnel expense	74,694.40	69,359.98
Social security contribution	4,083.10	5,649.30
Total personnel expense	78,777.50	75,009.28

8. Operating expense

	2025	2024
Fuel (clients, office, reintegration)	5,450.81	6,947.61
Car Maintenance	4,144.50	5,167.75
Electricity — Office	1,350.00	1,750.00
Electricity — Shelters	2,440.00	1,830.00
Electricity — Training Center	600.00	400.00
Drinking Water — Shelter, Training Center & Office	796.00	578.10
Gas for Shelter	1,748.40	1,842.40
Telephone freecall & Palsa	993.57	1,101.00
Office Supplies	1,564.10	2,104.85
Internet	920.00	940.00
Bank Charges	359.58	681.05
Audit Fees	1,800.00	1,800.00
Maintenance (Office, Shelter & Training Centre, Computer)	3,571.50	5,001.45
Total operating expense	25,738.46	30,144.21

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Summary of audit findings — 31 December 2025

(Expressed in US Dollars, unless otherwise stated)

Finding #1 — Payroll miscalculation

PRIORITY: MEDIUM

According to our review, we notice the payroll calculation for the director's December 2025 tax was still incorrect. Based on our salary recalculation, there is an understated December 2025 wages tax of the director amounting to \$50. This is due to the miscalculation of the 13th month salary wages tax.

Auditor's recommendation

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

Dec-25	Gross Salary	13th Month Salary	Wages Tax	SS Deduction	Net Salary
Current calculation	660.00	660.00	32.00	52.80	1,235.20
Proper calculation	660.00	660.00	82.00	52.80	1,185.20
Variance	—	—	(50.00)	—	50.00

Client's comment:

Management Response — Finding #1: Payroll Miscalculation

Casa Vida acknowledges the audit finding regarding the December 2025 Wage Income Tax calculation for the Executive Director.

The error occurred because the 13th-month salary was calculated separately from the regular December salary, resulting in the \$500 tax-free threshold being applied twice. As a result, the Wage Income Tax deducted was \$32 instead of the correct amount of \$82, resulting in an understatement of \$50.

For December 2025, the correct calculation is:

Regular salary	\$660
13th-month salary	\$660
Total gross wages	\$1,320
Less tax-free threshold	\$500
Taxable amount	\$820
Wage Income Tax @ 10%	\$82

Therefore, Casa Vida agrees with the auditor's adjustment of \$50.

Corrective Action: The issue was not identified during the original payroll review. Finance has reviewed the calculation and will ensure that, going forward, Wage Income Tax is calculated based on the total taxable wages paid to each employee during the month, including any 13th-month salary or other taxable payments. Finance will also review payroll calculations before finalizing monthly payroll and tax submissions to help prevent similar errors in the future.

Responsible: Finance Manager

Status: Corrective action implemented for future payroll calculations.

CENTRO DE CUIDADO A CRIANÇA — CASA VIDA

Summary of audit findings — 31 December 2025

(Expressed in US Dollars, unless otherwise stated)

Finding #2 — No accounting software applied**PRIORITY: MEDIUM**

According to our observation, Casa Vida maintains their bookkeeping manually in a Microsoft Excel file only, which means no accounting software is applied. By maintaining the accounting system manually, Casa Vida may be exposed to the following risks:

1. Prone to human error and inaccuracy;
2. Difficulty tracking changes;
3. Lack of real-time insight;
4. Limited reporting capabilities.

Auditor's recommendation

Casa Vida needs to apply proper accounting software (e.g. QuickBooks, Xero, MYOB, etc.) in order to enhance the quality of bookkeeping and reporting, and to cover the risks noted above. A proper accounting system may minimise audit risks, help track inputs and provide real-time output, and make it more convenient to generate reports for stakeholders. As the funding of Casa Vida is mostly from donors, the accountability of the entity's accounting system should be a priority to be evaluated.

Client's comment:**Management Response — Finding #2: No Accounting Software Applied**

Casa Vida acknowledges the audit finding regarding the use of Microsoft Excel for bookkeeping during the period under review.

Casa Vida previously used MYOB as its accounting software. However, over time, the accounting records in MYOB became outdated and certain balances from previous years could no longer be properly reconciled with the supporting records. As a result, the MYOB system was no longer considered reliable for maintaining accurate and up-to-date accounting records.

As an interim measure, Finance used Microsoft Excel to maintain and monitor the financial records while reviewing and reconciling the existing balances. This was intended as a temporary solution while Casa Vida worked on improving its accounting procedures and updating its Finance Manual.

Casa Vida has also been reviewing and revising its Finance Manual and financial procedures to strengthen financial controls, documentation, reporting, and reconciliation processes.

Corrective Action: Casa Vida recognizes the importance of using appropriate accounting software to improve the accuracy, consistency, traceability, and reporting of its financial records.

During 2026, Casa Vida plans to implement a new accounting system, with QuickBooks or Xero being considered as the preferred accounting software. The selected system will be properly set up and maintained with regular bank reconciliations and appropriate supporting documentation.

Finance will also ensure that the accounting records are regularly reviewed and reconciled, and that staff responsible for financial transactions are familiar with the accounting system and procedures.

The use of Excel will therefore be considered an interim bookkeeping measure, while Casa Vida transitions to a proper accounting software system.

Responsible: Finance Manager

Status: In progress — accounting software implementation planned for 2026.