



**DISCOVERING YOUTH ASSOCIATION**

**Association no. 17002**

**c/o Auhammad Arshad – Ali, Royal Road, Camp Diabie**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2024**



# DISCOVERING YOUTH ASSOCIATION

Association Reg. no. 17002

A: c/o Auhammad Arshad – Ali,  
Royal Road, Camp Diable.

T: 5505 5155  
E: treasurer@disyouth.org

## INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

	2024		2023	
	Rs	Rs	Rs	Rs
<b><u>INCOME:</u></b>				
Donation	47,598.00		12,975.00	
Fundraising	61,620.00		0.00	
Membership And Entrance Fees	65,600.00		72,100.00	
Sales of Garments	0.00		22,385.00	
AJ Rodrigues	646,310.00		0.00	
AJ Contribution	21,350.00		56,075.00	
GRP Contribution	22,450.00		0.00	
Award Ceremony Contribution	0.00		61,260.00	
Refunds	62,800.00		0.00	
Other Income	10,000.00		0.00	
<b>NET RECEIPTS</b>		<b>937,728.00</b>		<b>224,795.00</b>
<b><u>EXPENSES:</u></b>				
<b>The Duke of Edinburgh's International Award</b>		<b>868,042.13</b>		<b>173,842.75</b>
Adventurous Journeys	35,510.08		97,223.40	
AJ Rodrigues	690,450.00		0.00	
Award Ceremony	76,905.00		72,210.45	
Gold Residential Project	20,159.05		0.00	
Award Staff Trainings	0.00		0.00	
Other Award Delivery Expenses	45,018.00		4,408.90	
<b>Promotional Materials</b>		<b>9,191.25</b>		<b>18,425.00</b>
Purchase of garments	0.00		18,425.00	
Rebranding and 5-year celebration expenses	9,191.25		0.00	
<b>Administrative Expenses</b>		<b>27,971.10</b>		<b>24,623.64</b>
Meetings inc AGM	16,306.10			
Administrative Expenses including website and Microsoft	8,568.00		18,198.19	
Postage	0.00		1,504.00	
Bank charges & Tax	1,047.00		1,607.00	
Fundraising activities	0.00		0.00	
Staff/volunteer trainings and welfare	2,050.00		3,314.45	
<b>Refunds</b>		<b>18,000.00</b>		<b>0.00</b>
Refunds	18,000.00			
<b>Gatherings</b>		<b>1,970.00</b>		<b>0.00</b>
EOY and other gatherings	1,970.00			
<b>NET PAYMENTS</b>		<b>925,174.48</b>		<b>216,891.39</b>
<b>SURPLUS FOR THE YEAR</b>		<b>12,553.52</b>		<b>7,903.61</b>

**DISCOVERING YOUTH ASSOCIATION**

Association Reg. no. 17002

A: c/o Auhammad Arshad – Ali,  
Royal Road, Camp Diable.T: 5505 5155  
E: treasurer@disyouth.org**STATEMENT OF ASSETS AND LIABILITIES AS AT 31 DECEMBER 2024**

		2024	2023
		Rs	Rs
<b>Assets</b>			
	Bank (MCB – Current Account – 000449664511)	35,440.24	23,286.49
	Cash	2,650.57	2,250.80
	<b>Total Assets</b>	<b>38,090.81</b>	<b>25,537.29</b>
<b>Liabilities</b>			
	Accumulated Fund	25,537.29	17,633.68
	Surplus for the year 2024	12,553.52	7,903.61
	<b>Total Liabilities</b>	<b>38,090.81</b>	<b>25,537.29</b>

**DECLARATION OF MANAGING COMMITTEE**

*We declare that the above statements have been approved by the Managing Committee on 10<sup>th</sup> January 2025.*

Auhammad Arshad – Ali  
President 2024Rughoonauth Luvlesh Rahul Vickchit  
Treasurer 2024**DECLARATION OF SECRETARY**

I declare that the above statements have been approved by the Annual General Meeting held on 1 February 2025.

Discovering Youth Association  
Date: 1 February 2025Flèche Louis Desiré Josué  
Secretary



## AUDIT ANALYSIS

### Audit Risk:

Audit risk is the risk that the auditor may provide an incorrect opinion on the financial statements despite material misstatements. This includes inherent risk, control risk, and detection risk.

- **Inherent Risk:** There is moderate inherent risk in this case due to the complexity of handling member contributions (Rs 646,310 for the Rodrigues Adventurous Journey) and ensuring funds are used for the specific purpose. Since member contributions are a key source of revenue, it increases the risk of misclassification or misuse.
- **Control Risk:** The internal control structure is strong, with dual signatories for approving transactions and bank transfers used for most receipts and payments. The dual approval mechanism helps reduce the risk of unauthorised transactions. Given these controls, we can conclude that control risk is low.
- **Detection Risk:** Detection risk is the risk that auditors will not detect a material misstatement. Since most of the transactions are supported by bank transfers, there is a lower risk of detection failure because audit evidence is clear and verifiable.

### Materiality:

Materiality is defined in ISA 320 (Materiality in Planning and Performing an Audit), where it states that the materiality threshold should be based on the financial statements as a whole and determined based on what would affect the decision-making of users.

ISA 320, A.7 suggests using 1% of a relevant financial base (e.g., total receipts or total expenses) to determine materiality for a not-for-profit entity. The rationale behind choosing a percentage within this range is that it reflects the importance of errors relative to the financial statements' size and would influence the decisions of users of the financial statements (e.g., donors, members).

- **Total Receipts (Rs 937,728.00):** Since the receipts represent the total inflow of funds, which is the primary financial activity for the association, 1% of receipts (Rs 9,400) rounded off to the nearest 2 SF is chosen. This is the threshold above which errors would affect financial decision-making.
- **Surplus (Rs 12,553.52):** As an alternative measure, materiality could also be based on surplus, which reflects the net income for the year. Using 1% of surplus (Rs 126) does not seem appropriate since the surplus is significantly smaller than income.
- We did not consider using Payments as a benchmark since Receipts are marginally higher than Payments.

Using 1% of Total Receipts as a benchmark aligns with typical audit practices since errors in net income might have a more direct impact on users' perception of the association's performance.

*Since total receipts are the most significant financial figure, materiality is based on **Rs 9,400**.*

### Performance Materiality (PM):

Performance materiality refers to the amount set below the overall materiality threshold to reduce the risk of undetected material misstatements. ISA 320 suggests that performance materiality typically ranges from 50% to 75% of overall materiality.

Given the relatively straightforward nature of the transactions and strong internal controls (bank transfers, dual signatories), we choose 70% of the overall materiality, which is common practice for well-controlled entities.

$PM = Rs\ 9,400 \times 70\% = Rs\ 6,600$  (to 2 SF).



## DISCOVERING YOUTH ASSOCIATION

Association Reg. no. 17002

A: c/o Auhammad Arshad – Ali,  
Royal Road, Camp Diable.

T: 5505 5155  
E: treasurer@disyouth.org

This allows for an additional layer of scrutiny in the audit process, as misstatements up to Rs 6,600 will be reviewed and possibly corrected before they could be deemed immaterial.

### Acceptable Misstatement (AMPT):

AMPT represents the maximum amount by which the financial statements can be misstated without changing our opinion. ISA 450 suggests that AMPT is generally 5% of performance materiality.

In this case:  $AMPT = Rs\ 6,600 \times 5\% = Rs\ 330$  (to 2 SF).

Anything above this threshold would be flagged as material and likely require an adjustment of the final accounts.

### Internal Controls:

The internal controls in place are strong and include:

- **Dual Signatories:** For payments, two signatories (President and Assistant Treasurer) are required for approval. This reduces the risk of fraud or unauthorized transactions, ensuring that both financial outflows are properly authorised.
- **Bank Transfers:** Most income (including member contributions) and the significant payments (e.g., to Sael Vacances for the Rodrigues Adventurous Journey) are made through bank transfers. This provides a reliable paper trail and makes transactions easily verifiable. Given the ease of tracing these transactions, we are confident that the receipts and payments figures can be relied upon.

### Conclusion:

**Audit Risk:** Moderate, as internal controls (dual signatories, bank transfers) reduce risk, but inherent risks around member contributions and restricted funds still exist.

**Materiality:** Rs 9,400 (1% of total receipts) is chosen as the materiality threshold based on ISA 320 and the significance of receipts for the association.

**Performance Materiality:** Rs 6,600 (70% of materiality) reflects the need to be more cautious in identifying misstatements that may not be immediately obvious.

**AMPT:** Rs 330 (5% of PM) helps determine the smallest errors that are still significant.

These figures ensure that the audit focuses on material areas and aligns with ISA guidelines for determining thresholds for audit procedures.

S. Mandary

Auditor

10<sup>th</sup> January 2025



## DISCOVERING YOUTH ASSOCIATION

Association Reg. no. 17002

A: c/o Auhammad Arshad – Ali,  
Royal Road, Camp Diable.

T: 5505 5155  
E: treasurer@disyouth.org

### INDEPENDENT AUDITOR'S REPORT

#### To the Members of Discovering Youth Association

#### Report on the Financial Statements

We have audited the financial statements of the Discovering Youth Association (the "Association"), which comprise the Income Statement for the year ended 31 December 2024 and Statement of Assets and Liabilities as at 31 December 2024.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial statements based on our audit conducted to obtain reasonable assurance about whether the financial statements are free from material misstatements.

We conducted our audit in accordance with International Standards on Auditing (ISA) and have performed procedures to obtain audit evidence about the amounts in the financial statements as per the materiality benchmark selected.

#### Materiality

In determining the audit procedures, we have considered the materiality level set for the audit. Based on our assessment,

- **Materiality** for the financial statements was set at **Rs 9,400** (1% of total receipts).
- **Performance Materiality** was set at **Rs 6,600** (70% of materiality).
- **Acceptable Misstatement (AMPT)** was determined to be **Rs 330** (5% of performance materiality).

#### Internal Control Review

We reviewed the internal controls, focusing on the dual signatories for transaction approvals and the use of bank transfers for most receipts and payments. These robust controls help ensure the accuracy and reliability of financial transactions and effectively minimise the risk of material misstatements.

#### Audit Findings

During the course of our audit, we tested the financial transactions based on the assessed materiality. We found that the financial statements are free from material misstatements, and no inconsistencies that would be considered material to the financial statements were detected.

Specifically, the Receipts and Payments for the Adventurous Journey in Rodrigues were verified and supported by accurate and sufficient audit evidence.

#### Conclusion

In our opinion, the financial statements present fairly, in all material respects, the Receipts and Payments of the Discovering Youth Association for the year ended 31 December 2024 in accordance with the applicable accounting framework and in compliance with relevant regulations for non-profit making organisations in Mauritius.

We have no recommendations for changes to the financial statements based on our audit procedures.

S. Mandary  
Auditor

19 January 2025