

ASSOCIATED HANOVER CHARITIES LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2024

ASSOCIATED HANOVER CHARITIES LIMITED

FINANCIAL STATEMENTS

31 DECEMBER 2024

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INDEPENDENT AUDITORS' REPORT

To the Members of
Associated Hanover Charities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Associated Hanover Charities Limited (the charity), set out on pages 4 to 22, which comprise the statement of financial position as at 31 December 2024, and the statements of profit or loss and other comprehensive income, changes in fund balances, and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the charity as at 31 December 2024, and of its financial performance, changes in fund balances and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the Industrial and Provident Societies Act.

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the charity in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

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 preparation of financial statements that give a true and fair view in accordance with IFRS and the Industrial and Provident Societies Act, 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 charity'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 charity or to cease operations, or has no realistic alternative but to do so.

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

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Associated Hanover Charities Limited

Auditors' 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 auditors' 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 scepticism 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 charity'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 charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the charity 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 presents a true and fair view.

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.

INDEPENDENT AUDITORS' REPORT (CONT'D)

To the Members of
Associated Hanover Charities Limited

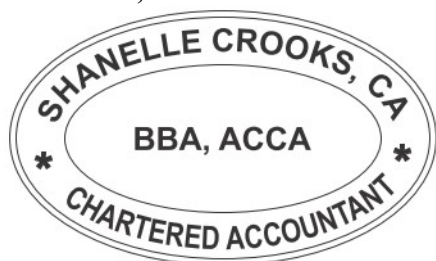
Report on additional matters as required by the Industrial and Provident Societies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as it appears from our examination of those records, and the financial statements, which agree therewith, give the information required by the Industrial and Provident Societies Act, in the manner required.



.....
Shanelle Crooks, CA, ACCA
Chartered Accountant
Montego Bay
Jamaica
March 31, 2025.



ASSOCIATED HANOVER CHARITIES LIMITED
STATEMENT OF RECEIPTS AND PAYMENTS
YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> <u>\$</u>	<u>2023</u> <u>\$</u>
RECEIPTS	6	142,423,210	93,354,709
Other income	7	<u>3,172,479</u>	<u>535,616</u>
		145,595,689	93,890,325
Administrative and other expenses	9	<u>(148,692,816)</u>	<u>(93,513,838)</u>
(DEFICIT) / SURPLUS		<u>(3,097,127)</u>	<u>376,487</u>
Finance cost	10	<u>(189,008)</u>	<u>(81,607)</u>
NET (DEFICIT) / SURPLUS FOR THE YEAR		<u><u>(3,286,135)</u></u>	<u><u>294,880</u></u>

ASSOCIATED HANOVER CHARITIES LIMITED

STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> £	<u>2023</u> £
<u>ASSETS</u>			
<u>CURRENT ASSETS:</u>			
Cash and cash equivalents	11	<u>2,337,902</u>	<u>5,669,765</u>
		<u>2,337,902</u>	<u>5,669,765</u>
 <u>EQUITY AND LIABILITIES</u>			
<u>EQUITY:</u>			
Accumulated Surplus		<u>2,337,902</u>	<u>5,669,765</u>

Approved for issue by the Board of Directors on 31 March 2025 and signed on its behalf by:



Katrin Casserly - Director



Karen Sangster-Grant - Director

ASSOCIATED HANOVER CHARITIES LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED 31 DECEMBER 2024

	<u>Note</u>	<u>2024</u> <u>\$</u>	<u>2023</u> <u>\$</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
(Deficit) / Surplus		(3,286,135)	294,880
Items not affecting cash resources:			
Interest income	7	(12,229)	(9,424)
Cash provided by/(used in) operating activities		(3,298,364)	285,456
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	7	<u>12,229</u>	<u>9,424</u>
Cash provided by investing activities		<u>12,229</u>	<u>9,424</u>
CASH FLOWS FROM FINANCING ACTIVITIES:			
Adjustments to capital		<u>(45,728)</u>	<u>52,038</u>
Cash provided by financing activities		<u>(45,728)</u>	<u>52,038</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		(3,331,863)	346,918
Cash and cash equivalents at beginning of year		<u>5,669,765</u>	<u>5,322,847</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	11	<u><u>2,337,902</u></u>	<u><u>5,669,765</u></u>

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

1. IDENTIFICATION AND PRINCIPAL ACTIVITY:

The Associated Hanover Charities Limited is incorporated and domiciled in Jamaica as a company limited by guarantee without share capital. The registered office is situated at Round Hill Hotel, John Pringle Drive, PO. Box 64, Montego Bay, St. James, Jamaica.

The principal activity of the charity is the provision of charitable funds and the distribution of funds to the less fortunate in charity in Hanover, Jamaica.

2. FUNCTIONAL AND PRESENTATION CURRENCY:

Items included in the financial statements of the charity are measured using the currency of the primary economic environment in which the charity operates ('the functional currency'). These financial statements are presented in Jamaican dollars, which is considered the charity's functional and presentation currency.

3. SIGNIFICANT ACCOUNTING POLICIES:

The principal accounting policies applied in the preparation of these financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and have been prepared under the historical cost convention. These are also prepared in accordance with the requirements of the Industrial and Provident Societies Act.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the charity's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd)

New, revised and amended standards and interpretations that became effective during the year

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The charity has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following new standards, interpretations and amendments are immediately relevant to its operations.

IFRS 16, 'Leases' - Covid-19 related rent concessions (effective for accounting periods beginning on or after 1 April 2022). As a result of the COVID-19 pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. In May 2022, the IASB made an amendment to IFRS 16, 'Leases' which provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concessions as variable lease payments in the period in which they are granted. The adoption of these amendments did not have a significant impact on the charity.

Amendment to IAS 16, 'Property, Plant and Equipment' (effective for accounting periods beginning on or after 1 January 2023). The amendment changes the accounting for proceeds from sale of items produced before Property, Plant and Equipment (PPE) is available for use. Previously, IAS 16 requires the proceeds from selling items before intended use to be offset against the cost of PPE. Under the amendments these proceeds are to be included in the statement of profit or loss and should not be deducted from the cost of the PPE.

New standards, amendments and interpretations not yet effective and not early adopted

The following new standards, amendments and interpretations which are not yet effective and have not been adopted early in these financial statements, will or may have an effect on the charity's future financial statements:

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(a) Basis of preparation (cont'd)

New standards, amendments and interpretations not yet effective and not early adopted

The following new standards, amendments and interpretations which are not yet effective and have not been adopted early in these financial statements, will or may have an effect on the charity's future financial statements:

Amendments to IAS 1, 'Presentation of Financial Statements' on Classification of Liabilities (effective for accounting periods beginning on or after 1 January 2023).

These narrow-scope amendments to IAS 1, 'Presentation of Financial Statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectation of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The charity will assess the impact of future adoption of this amendment on its financial statements.

Amendments to IAS 1 and IAS 8 on the definition of material (effective for accounting periods beginning on or after 1 January 2023). These amendments to IAS 1 'Presentation of Financial Statements', and IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', and consequential amendments to other IFRSs: (i) use a consistent definition of materiality throughout IFRSs and the conceptual Framework for Financial Reporting; (ii) clarify the explanation of the definition of material; and (ii) incorporate some of the guidance in IAS 1 about immaterial information. The adoption of this standard is not expected to have a significant impact on the charity. The charity is assessing the impact the amendment will have on its 2024 financial statements.

The charity does not expect any other standards or interpretations issued by the IASB, but not yet effective, to have a material effect on its financial position.

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(b) Donated property, plant and equipment

Donated property, plant and equipment are capitalized at fair value at the date of receipt and recognized as deferred income at initial recognition and is credited to which the donated property, plant and equipment is depreciated.

(c) Impairment of non-current assets

Property, plant and equipment and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the greater of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identified cash flows. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(d) Foreign currency translation

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transactions.

Monetary items denominated in foreign currency are translated in Jamaican dollars using the closing rate as at the reporting date.

Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealized foreign differences on unsettled foreign currency monetary assets and liabilities are recognized in profit or loss.

(e) Financial instruments - recognition and derecognition, classification and measurement.

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity in another entity. In these financial statements, financial assets comprise cash and cash equivalents and accounts receivable. Financial liabilities comprise payables.

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

Financial assets

(f) Recognition and derecognition

Financial assets are initially recognised on the settlement date, which is the date that an asset is delivered to the company. This includes regular purchases of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace.

(g) Financial instruments - recognition and derecognition, classification and measurement (cont'd)

Financial assets (cont'd)

(i) Recognition and derecognition (cont'd)

The charity derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains all or substantially all the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognised financial assets that is created or retained by the charity is recognised as a separate asset or liability.

(ii) Classification

The charity classifies all its of financial instruments at initial recognition based on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value.

The charity classifies its financial assets as those measured at amortised cost and fair value through other comprehensive income.

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(f) **Financial instruments - recognition and derecognition, classification and measurement (cont'd)**

(iv) **Impairment**

Impairment provisions for loan receivables from third parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Financial liabilities

The charity's financial liabilities are initially and subsequently measured with the cash basis.

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(g) Borrowings

Borrowings are recognized initially at the proceeds received; net of transaction costs incurred. Borrowings are subsequently stated at amortized cost using the effective yield method. Any difference between proceeds, net of transaction costs, and the redemption value is recognized in profit or loss over the period of the borrowings.

(h) Payables

Payables are stated at amortized cost.

(i) Provisions

Provisions are recognized when the charity has present legal or constructive obligation as a result of past events, it is probable that an out flow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

ASSOCIATED HANOVER CHARITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2024

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D):

(j) Revenue recognition

Revenue consists of:

(i) Donations received -

Donation received is recognized on a cash basis.

(ii) Deferred Income:

Deferred income comprises the estimated fair value of property, plant and equipment donated to the charity. Fair value is estimated as the market value of the assets at the time of receipt. For each reporting period an amount equivalent to the annual depreciation charge on the relevant asset for the period is transferred from deferred income to profit or loss account.

(iii) Donations in kind:

Donations received in kind are credited to income at values determined by the directors and are accounted for on the accruals basis.

Interest income is recognized in the income statement for all interest-bearing instruments on an accrual basis unless collectability is doubtful.

(k) Intangible asset

Intangible asset which represents computer software is deemed to have a finite useful life of three years and is measured at cost, less accumulated amortization and accumulated impairment losses, if any.

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY:

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the charity's accounting policies

In the process of applying the charity's accounting policies, management has not made any judgement that it believes would cause a significant impact on the amounts recognized in the financial statements.

(b) Key sources of estimation uncertainty

The charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Depreciable assets

Estimates of the useful life and the residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The charity applies a variety of methods in an effort to arrive at these estimates from which actual results may vary. Actual variations in estimated useful lives and residual values are reflected in profit and loss through impairment or adjusted depreciation provisions. No impairment charge was recorded in the current or prior year.

ASSOCIATED HANOVER CHARITIES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT:

The company is exposed through its operations to the following financial risks:

- Market risk
- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Liquidity risk

In common with all other businesses, the charity's activities expose it to a variety of risks that arise from its use of financial instruments. This note describes the charity's objectives, policies and processes for managing those risks to minimize potential adverse effects on the financial performance of the charity and the methods used to measure them.

There have been no substantive changes in the charity's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them unless otherwise stated in this note.

(i) Principal financial instruments

The principal financial instruments used by the charity, from which financial instrument risk arises, are as follows:

- Trade receivables
- Cash and cash equivalents
- Trade and other payables

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(ii) Financial instruments by category

	<u>2024</u>	<u>2023</u>
	<u>\$</u>	<u>\$</u>
Financial assets - at amortized cost		
Cash and cash equivalents	<u>2,337,902</u>	<u>5,669,765</u>
Total financial assets	<u>2,337,902</u>	<u>5,669,765</u>

(iii) Financial instruments not measured at fair value

Financial instruments not measured at fair value include cash and cash equivalents, receivables and payables.

Due to their short-term nature, the carrying value of cash and cash equivalents, receivables and payables approximate their fair value.

(iv) Financial risk factors

The Board of directors has overall responsibility for the determination of the charity's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the charity's finance function. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investments of excess liquidity.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the charity's competitiveness and flexibility. Further details regarding these policies are set out below:

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(iv) Financial risk factors (cont'd)

(i) Credit risk

Credit risk is the risk of financial loss to the charity if a donor or a counterparty to a financial instrument fails to meet its contractual obligations.

The charity maintains its cash and cash equivalents with reputable financial institutions and generally does not require collateral in respect of financial assets, consisting mainly of loan receivables, general consumption tax recoverable and prepayments at the reporting date, there were no significant concentration of credit risk and the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

(ii) Market risk

Foreign currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The charity's exposure to foreign currency risk primarily with respect to Jamaican dollar receivables and cash and bank balances is insignificant.

Currency risk arises from US dollar cash and bank balances. The charity manages this risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The company further manages this risk by maximizing foreign currency earnings and holding net foreign currency assets.

At 31 December 2024, the foreign currency exposure of the charity assets was \$895,779 (USD- \$ 5,972) (2023 - \$3,475,362 (USD- \$ 22,864)). The charity had no foreign currency liabilities.

In accordance with accounting policies applied consistently, exchange gains and losses are recognized in the statement of profit or loss and other comprehensive income when incurred.

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT:

(d) Financial risks factors (cont'd)

(ii) Market risk (cont'd)

Cash flow and fair value interest rate risk.

The interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Floating rate instruments expose the charity to cash flow interest rate risk, whereas fixed rate instruments expose the charity to fair value interest rate risk.

Short term deposits are the only interest-bearing assets and liabilities respectively, within the charity. The charity's short-term deposits are due to mature and re-price respectively, within 3 months of the reporting date.

Interest rate sensitivity

There is no significant exposure to interest rate risk on short-term deposits, as these deposits have a short term to maturity and are constantly reinvested at current market rates.

There is no significant exposure to interest rate risk on borrowings.

(iii) Liquidity risk

Liquidity risk is the risk that the charity will be unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities.

Liquidity risk management process

The charity's liquidity risk management process, as carried out within the charity and monitored by the Finance Department, includes:

- (i) Monitoring future cash flows and liquidity on a bi-weekly basis.
- (ii) Maintaining a portfolio of short-term deposit balances that can easily be liquidated as protection against any unforeseen interruption to cash flow.
- (iii) Maintaining committed lines of credit.

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

5. FINANCIAL RISK MANAGEMENT (CONT'D):

(d) Financial risk factors (cont'd)

(iv) Capital management

The charity's objectives when managing capital are to safeguard the charity's ability to continue as a going concern to provide returns for stockholders and benefits for other stakeholders. The Board of Directors monitors the return on capital, which the charity defines as net operating income.

There are no strategies to determine the optimal capital structure. There are also no external capital maintenance requirements to which the charity is subjected.

6. REVENUE:

	<u>2024</u> \$	<u>2023</u> \$
General Donations	50,685,000	34,828,543
Donations- HC USA	64,204,800	32,984,000
Sugar Cane Ball	22,713,986	21,137,374
Sugar Cane Ball - Art Exhibition	54,225	-
Polo Event	3,273,352	4,388,392
Golf Scramble	420,000	-
Scholarship Refund	1,049,747	-
Orchard Cup	<u>22,100</u>	<u>16,400</u>
	<u>142,423,210</u>	<u>93,354,709</u>

7. OTHER OPERATING INCOME:

	<u>2024</u> \$	<u>2023</u> \$
Miscellaneous Income	474,000	526,192
Exchange gain	2,686,250	-
Interest Income	<u>12,229</u>	<u>9,424</u>
	<u>3,172,479</u>	<u>535,616</u>

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

8. NET SURPLUS FROM SUGAR CANE BALL EVENT:	<u>2024</u> \$	<u>2023</u> \$
Sugar Cane Ball receipts	22,768,211	21,137,374
Sugar Cane Ball expenses	(5,475,430)	(5,168,205)
	<u>17,292,781</u>	<u>15,969,169</u>
 9. EXPENSES BY NATURE:		
Administrative and general expenses:		
	<u>2024</u> \$	<u>2023</u> \$
Art Exhibition	40,000	-
Container of Love Project	3,958,185	2,083,252
Direct Public Support	64,907,061	22,154,228
Donations and Grants	13,447,372	15,678,174
Exchange Loss	-	55,091
General Operations	4,914,035	4,541,284
Grant to HSCC Operations	3,944,000	4,550,000
Levelfield	5,123,000	7,746,000
Miscellaneous	235,001	500,000
Orchard Cup	493,871	385,871
Polo Expenses	4,021,258	5,461,671
Professional Fee	200,000	550,000
Project Health Fair	-	1,447,762
Hanover Health Fair	1,140,000	-
Scholarships	37,594,758	22,690,500
Signature Project - Dalmally School	2,991,008	-
Sugar Cane Ball Expenses	5,475,430	5,168,205
Website Expenses	<u>207,837</u>	<u>501,800</u>
	<u>148,692,816</u>	<u>93,513,838</u>
 10. FINANCE COST:		
	<u>2024</u> \$	<u>2023</u> \$
Bank Charges	185,948	79,248
Withholding Tax	<u>3,060</u>	<u>2,359</u>
	<u>189,008</u>	<u>81,607</u>

ASSOCIATED HANOVER CHARITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 DECEMBER 2024

11. CASH AND CASH EQUIVALENTS:

	<u>2024</u> \$	<u>2023</u> \$
National Commercial Bank (NCB) - J\$ Current Account	1,442,123	2,194,403
National Commercial Bank (NCB) - US\$ Account	<u>895,779</u>	<u>3,475,362</u>
	<u>2,337,902</u>	<u>5,669,765</u>