**Annual Review: 2019**

Bethel Business and Community Development Centre

PO Box 53, Mt. Moorosi 750, Lesotho

MOET Reg. # 436.003

![SDGs](image)

**Fig. 1: SDGs**

BBCDC is fully committed to achieving the SDGs by 2030.
Fig. 2: BBCDC students in Sept. Enrolment is rising steadily and for the first time equal numbers of female and male students were admitted.

Fig. 3: BBCDC’s registered trademark for solar energy commercialization.
Organizational Profile:

Mission Statement: To design and manage innovative learning environments for young men and women in Lesotho that elicits general engineering skills, business sense, manual capabilities, applied sciences, systems thinking, leadership and management abilities that address the needs of career and business development in Lesotho, and general self-reliance. The school also pursues financial self-sustainability through self-reliance, commercial activity and responsible environmental management. Exit level outcomes for graduates include three broad capacities:

- Business intelligence.
- Employment potential.
- Skills for self-reliance.

Strategies: To employ Authentic Learning, Permaculture, Sustainable Development, Earth Systems Science and Renewable Energy to achieve rapid economic growth.


Objective: To provide high quality and unique experiential learning to our students which results in a real economic growth rate of 10% per annum. Indications of this growth will be demonstrated by cash flow, asset growth, innovation, environmental vitality, demand for goods and services and qualitative accomplishments. The immediate objective is wealth and job creation, and the ultimate goal is widespread middle class prosperity, social order and freedom.

Bankers: Nedbank: Mohales Hoek Branch

PO Box 25, Mohales Hoek 800, Lesotho

Tel. +266-785227, Fax. +266-785489

Acct. # 041000001056  Branch Code: 390361  Swift Code: NEDLLSMX

Auditors: Ntsike and Assoc. Pty Ltd.

Location: Bethel Mission, Lesotho

GPS Coordinates: S30°14.324  E027°51.071

Proprietor: Roman Catholic Church

Email: ivan.yaholnitsky@gmail.com

Website: http://ivanyaholnitsky.wix.com/education

Facebook: Bethel Business and Community Development Centre, Permaculture Lesotho, Soltrain Iv Lesotho
School Committee: Julia Mohale: Chairperson; Manthati Bereng: Chief’s Representative; Ivan Yaholnitsky: Secretary and Principal; Sebota Kobo: Staff Representative; other members: David Raseou, Nkheletseng Kheeke, Malefetsane Nqhotsa, Moepa Khosi, Me Lesekele.

Staff Complement and Specialization in 2019:

Ivan Yaholnitsky: Principal and Managing Director, Building Construction Instructor
Mamahase Mahase: Assistant Manager
Sehloho Holomo: Solar Energy Instructor
Sebota Kobo: Metal Work and Agriculture Instructor
Puleng Mosothoane: Soltrain IV Project Officer and Coordinator.
Nyakallo Mofelehetsi: Food Science and Culinary Instructor, Commercial Kitchen and Hospitality Manager.
Masechaba Nkisi: Business Studies and IT Instructor.
Marebecca Khati: Food Science and Culinary Arts Instructor.
Hlomohang Motumi: Environmental Science Instructor.
Teboho Mohale: Solar Energy, Construction and Metal Work Instructor.
Katleho Taaso: Wood Work Instructor
Mateboho Rankuatsana: Tourism and Housekeeping
Ntebeleng Mpailane: Office Assistant and IT Instructor
Lerato Machesa: Maintenance and lab assistant.
Eveline Tsoana Taole: Students’ kitchen manager and restaurant assistant.
 Fig. 4: Price decline of PV/W historical.

-> more than 99% cheaper since 1977
-> more than 80% cheaper since 2009, and
-> still getting cheaper
Partners and Associates in 2019:

- Ministry of Education and Training: Lesotho
- AEE-Intec: Soltrain II, III, IV Austria
- The OPEC Fund for International Development (OFID).
- Emirates Energy Awards: United Arab Emirates
- Dr. Thomas A. Lawand: Canada
- FAO: Lesotho
- Barbara Kofler
- Telecom Techniques: South Africa
- Malealea Lodge: Lesotho
- Solon Foundation
- Connect4Climate: The World Bank
- World Vision Lesotho
- St. Elizabeth Training Institute Lesotho
Managing Director’s Review:

As per the previous three years spring rainfall failed entirely again and in early January the general landscape was parched. The need for further investment in water supply compelled us to construct a second ground water/sand dam in early January. Sand is only deceptively solid and can hold over 30% of its volume as water. During summer rain storms streams and gullies in Lesotho carry massive volumes of sand and gravel. A well designed sand dam fills up with course sand which then becomes a water reservoir. The sand is used to filter the water through the use of drain tile and geo-textile laid upstream in the bed prior to construction. The sand dam backs water up the stream course and recharges the water table through the bed and banks, releasing it slowly. In addition, ground water dams lose less water to evaporation. An original ground water dam flanks the BBCDC campus and provides essential water for irrigation. It was constructed in 1995 and raised and upgraded in 2012.

We began construction of the dam in Jan. and proceeded with urgency, because long term forecasts indicated rain. We finished in 5 working days. A few days after completion there was a massive flood and the dam filled with coarse sand and gravel perfectly. Clean water is streaming out of a pipe at the base of the dam and feeds a pool and further irrigation. Over the next three months we did receive plenty of rainfall. In fact at one point I had assembled in my classroom two 200 litre barrels and five other containers for a total of 500 litres/m$^2$, to indicate how much rain fell per m$^2$ from mid Jan. to April. I made chalk marks on the floor and emphasized this point every lesson. Tragically, little of this water works biologically or is retained. Run-off and evaporation steal most of the show. I will return to this theme later.

The new Solar Lab and Solar Farm were completed between Jan. – June. We began with plinths, columns, box beams and roofing. Floors and walls were added subsequently, and then steel framing for the solar array. By May the entire structure was completed and includes a 16.5kW solar farm and a 10kW inverter, along with a 20kWh battery bank. Power was extended to the main campus and to the stream to enable operation of an irrigation pump. BBCDC now produces 150kWh/day of electricity. The Solar Lab was officially opened by the Honorable MP for Qaqatu Lethusang Kompi on June 14 in conjunction with graduation ceremonies, and Father Clement Senekane blessed the facility.

In August BBCDC admitted equal numbers of female and male students for the first time, and unfortunately declined entry for more than 100 applicants because of institutional limitations. In the second half of the year BBCDC began construction of two new visitors’ flats. Innovation includes installation of hydronic coils in the floor slabs, which will be used for heating and cooling. A designed solar thermal system will be added following completion which will provide hot water for the bathrooms and also a programmable loop for either heating or cooling of the floor slabs.

I earlier mentioned atmospheric conditions, and while we received an enormous amount of rain between Jan. and April, suddenly it ended and extremely dry conditions ensued with no winter rainfall whatsoever. As a response to this situation, we decided to dedicate a week to construction of a third ground water dam parallel to the south end of the campus. Once again, in five working days we completed the structure Sept. 16-20. Four officers from the MOA/FAO participated in construction of the dam during this week. As per earlier experience, one single rain storm sufficed to fill the reservoir with coarse sand and gravel, a volume of approximately 1250m$^3$ of sand, which at 30% converts to 375m$^3$ of water holding capacity. Clean water now flows through the base and the
abstraction manifold behind the dam with work continuing to build a surge pool and electric pump installation.

Construction of a third ground water/sand dam at BBCDC convinced the FAO of the viability of this technology and landscape form. In Oct. BBCDC signed a contract with the FAO to deliver two more ground water dams and solar water pumping systems in the villages of Boluma Tau and Ha Patsa (Tsa Kholo – Mafeteng). On Dec. 20 the first system at Boluma Tau was completed. It includes a ground water dam, a solar powered clean water supply, and fencing and additional watershed management provisions.

Other notable works completed by BBCDC/Solarsoft during the year, include a waste water treatment system at St. Elizabeth Home Economics school in Mohales Hoek, the installation of two 300 litre SWHs at St. Elizabeth, two PV lighting and power systems in Butha Buthe for community projects managed by World Vision, and a large 4.2 kW PV installation at a private home in Maseru.

Education at BBCDC aspires to convex and anti-fragile outcomes. To provide an example, if education is concave a plumber knows pipe fitting and connection but may be living/operating in a context where watersheds are degraded and diminishing in effectiveness; this is fragile. If education is convex, the plumber knows pipe fitting and connection, but knits this with a much broader range of water, energy, engineering and landscape management skills, techniques and technologies, including development of infrastructure and social capital. This is anti-fragile. (Taleb, 2016).

“What is now proved was once only imagined.”

“The imagination is not a state; it is the human existence itself.”

William Blake

It is misleading to think that we can control or predict the future. Foresight and vision, however, are as old as human culture and civilization. Imagination can delude us, or compel and inspire us. There are many competing versions of the Promised Land; it is the task of education to provide clarity and coherence regarding choice and action. Weather cycles may be trying and will grow more severe with climate change, and what many call a planetary emergency: there are many options for innovation and constructive response. We must do our part. BBCDC’s work in 2019 represents continuation of exodus and measurable path direction. We are immensely grateful for that.

Ivan Yaholnitsky: Principal and Managing Director
The SDGs and targets will stimulate action over the next 15 years in areas of critical importance: People, Planet, Prosperity, Peace and Partnership.

Fig. 5: 5Ps of Sustainable Development.
2019 In Pictures:

Fig. 6: Paved lane through the campus.

Fig. 7: Eveline Taole leading a big catering job in Jan; four stuffed roast chickens.

Fig. 8: Storm water retention for reclamation.

Fig. 9: Slope stabilization by environmental science students.

Fig. 10: Logistics; procurement of drain tile for ground water/sand dams.

Fig. 11: Construction of groundwater/sand dam.

Fig. 12: Stone concrete structure for ground water dam.
Fig. 13: Excavation of plinths for Solar Lab.

Fig. 14: Construction of columns for Solar Lab.

Fig. 15: Columns for Solar Lab.

Fig. 16: Ground water dam filled with sand after heavy rain storm.

Fig. 17: Prefabrication of box beams and trusses for Solar Lab.

Fig. 18: Tomato sales in March.

Fig. 19: Prefabrication of box beams for Solar Lab.
Fig. 20: Installing box beams.

Fig. 21: Installing box beams and roof trusses.

Fig. 22: Roofing operations for the Solar Lab.

Fig. 23: Roof covered; no water damage occurred.

Fig. 24: Casting floor slabs for Solar Lab.

Fig. 25: New cupboard and work counters built by Wood Work students.

Fig. 26: Logistics: water pipe and materials.
Fig. 27: Wall framing for the Solar Lab.

Fig. 28: Technical students from Mozambique at BBCDC for two weeks of specialized training – Soltrain.

Fig. 29: Mamello Sekati painting frames for day lighting.

Fig. 30: Pouring concrete access ramp to Solar Lab.

Fig. 31: Pouring slab for biogas chamber/waste water treatment system: St. Elizabeth.

Fig. 32: Completed waste water treatment system and living machine: St. Elizabeth. Cleaned waste water used for irrigation.
Fig. 33: Cape seal paving being extended on campus.

Fig. 34: Delane Zuzen, restoration co-operator from the village of Ha Teboho.

Fig. 35: Logistics. Delivery of solar power equipment to Solar Lab.

Fig. 36: Installation of PV panels for solar farm.

Fig. 37: Completed Solar Farm and Lab.

Fig. 38: Completed Solar Farm and Lab.
Fig. 39: Power conditioning equipment.

Fig. 40: Graduation on June 14; 116 students.

Fig. 41: Ntate Lira Adam, District Secretary for Mohales Hoek addressing the graduates.

Fig. 42: Puleng Mosothoane, Soltrain Coordinator visiting the Solar Lab.

Fig. 43: Coffee maker and micro wave, all possible through solar energy.

Fig. 44: Finishing 18 new tables in August for use in classrooms and student centre.
Fig. 45: Wheat thriving in winter with irrigation from treated sewage effluent.

Fig. 46: Site preparation for two new visitors’ flats.

Fig. 47: Construction of box beams.

Fig. 48: Construction of reinforced columns.

Fig. 49: Roofing of visitors’ flats.

Fig. 50: Installation of hydronic heating coil in floor slab for visitors’ flats.
Fig. 51: Installation of water manifold behind ground water dam; drain tile and geo textile.

Fig. 52: Construction of 3rd ground water dam BBCDC.

Fig. 53: 3rd ground water dam completed in 5 days.

Fig. 54: Nursery plants in greenhouse.

Fig. 55: Solarsoft installing 4.2kW solar system in Maseru.

Fig. 56: 3rd ground water dam filled with sand.
Fig. 57: 2020 Coffee Shop in the Students Centre; a project of the SRC.

Fig. 58: Students from St. Augustine Seminary in Roma on study tour to BBCDC.

Fig. 59: Water manifold set behind new ground water/sand dam: Boluma Tau.

Fig. 60: Graduates at work on water supply project at Boluma Tau.

Fig. 61: Spring protection and augmentation: Boluma Tau.

Fig. 62: Water source protected and solar pump installed Boluma Tau.
Fig. 63: Staff from Nedbank Mohales Hoek Branch on study tour to BBCDC on Dec. 14.

Fig. 64: PV pump, water supply and storage: Boluma Tau.

Fig. 65: Clean water on tap: Boluma Tau.

Fig. 66: Stephen Lelimo with 2 x 300 litre high pressure SWHs installed at St. Elizabeth.
RETIRED BUSINESS AND COMMUNITY DEVELOPMENT CENTRE

FINANCIAL STATEMENTS
For the Year ended 31st March 2019
BETHEL BUSINESS AND COMMUNITY DEVELOPMENT CENTRE

FINANCIAL STATEMENTS
For the Year ended 31st March 2019

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Approval and statement of responsibility

The financial statements which appear pages 3 - 11 were approved by the Director and signed on their behalf by:

[Signature]

Date: 27/6/2019

Lesotho Revenue Authority
DOMESTIC TAX DIVISION

2019 - 06- Z 0
Maseru Advice Centre
P.O. Box 1085, Maseru.
Report of the Auditors
For the Year Ended March 31, 2019

We have audited the accompanying financial statements of Bethel Business and Community Development Centre, which comprise the statements of comprehensive income and financial position for the year ended 31 March 2019, a summary of significant accounting policies and other explanatory notes, as set out on pages 6 to 11.

Management’s Responsibility for the Financial Statements

The Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Companies Act of 1960 and other relevant legislation. This responsibility includes designing,实施ing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted the audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered internal controls relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 31 March 2019, and of the results of its operations and cash flows for the year then ended in accordance with International Financial Reporting Standards, and in the manner required by the Companies Act.

MN & Associates
Chartered Accountants (L)
FINANCIAL STATEMENTS
For the Year ended 31st March 2019

Directors’ Responsibilities and Approval

The Directors are required by the Lesotho Companies Act to maintain adequate accounting records, and are responsible for the content and integrity of the annual financial statements and related financial information. It is their responsibility to ensure that the annual financial statements give a true and fair view of the state of affairs of the company as at the end of the financial year and the results of its operations and cash flows for the year then ended, in conformity with International Financial Reporting Standards for Small and Medium-sized Entities and in the manner required by the Lesotho Companies Act.

The annual financial statements are prepared in accordance with International Financial Reporting Standards for Small and Medium-sized Entities and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The Directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment.

The system of internal financial control is aimed at reducing the risk of error or loss to a cost effective manner and includes the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company’s business is conducted in a manner that, in all reasonable circumstances, is above reproach. While operating risk cannot be fully eliminated, the company endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The Directors are of the opinion that the system of internal control provides reasonable assurance that the financial records may be relied upon for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The Directors are satisfied that the company has or had access to adequate resources to continue in operational existence for the foreseeable future.

The financial statements set out on pages 2 to 11, which have been prepared on the going concern basis, were approved by the Board of Directors on the date stated below and were signed on its behalf by:

[Signature]
Date: 27/3/2019
**STATEMENT OF FINANCIAL POSITION**
As at 31st March 2018

<table>
<thead>
<tr>
<th></th>
<th>31st March 2019</th>
<th>31st March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Note</strong></td>
<td><strong>M</strong></td>
<td><strong>M</strong></td>
</tr>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current assets</td>
<td>2,257,884</td>
<td>2,404,905</td>
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<tr>
<td>Fixed Assets</td>
<td>2,257,884</td>
<td>2,404,905</td>
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<tr>
<td><strong>Current assets</strong></td>
<td><strong>1,172,175</strong></td>
<td><strong>1,969,113</strong></td>
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<tr>
<td>Accounts Receivable</td>
<td>457,762</td>
<td>322,147</td>
</tr>
<tr>
<td>Bank and Cash</td>
<td>714,413</td>
<td>746,965</td>
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<tr>
<td><strong>Total Assets</strong></td>
<td><strong>3,430,059</strong></td>
<td><strong>3,473,817</strong></td>
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<tr>
<td><strong>Equity and liabilities</strong></td>
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<td></td>
</tr>
<tr>
<td>Capital &amp; Reserves</td>
<td><strong>3,424,247</strong></td>
<td><strong>3,406,809</strong></td>
</tr>
<tr>
<td>Share Capital</td>
<td>1,000</td>
<td>1,000</td>
</tr>
<tr>
<td>Accumulated Profit</td>
<td>3,423,247</td>
<td>3,405,809</td>
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<tr>
<td><strong>Non Current Liabilities</strong></td>
<td><strong>92,627</strong></td>
<td><strong>92,627</strong></td>
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<td>Directors Loan</td>
<td></td>
<td></td>
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<tr>
<td><strong>Current Liabilities</strong></td>
<td><strong>5,813</strong></td>
<td><strong>6,657</strong></td>
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<tr>
<td>Taxation</td>
<td>5,813</td>
<td>6,657</td>
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<tr>
<td><strong>Total equity and liabilities</strong></td>
<td><strong>3,430,059</strong></td>
<td><strong>3,506,894</strong></td>
</tr>
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</table>
BETHEL BUSINESS AND COMMUNITY DEVELOPMENT CENTRE

INCOME STATEMENT
For the Year ended 31st March 2019

<table>
<thead>
<tr>
<th></th>
<th>31st March 2019</th>
<th>31st March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M</td>
<td>M</td>
</tr>
<tr>
<td>Turnover</td>
<td>1,104,296</td>
<td>1,250,512</td>
</tr>
<tr>
<td>Cost Of Sales</td>
<td>(253,869)</td>
<td>(388,897)</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>350,627</td>
<td>361,515</td>
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<tr>
<td>Other Income</td>
<td>72,450</td>
<td>28,460</td>
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<tr>
<td>Gross Income</td>
<td>423,077</td>
<td>389,915</td>
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<tr>
<td>Operating Expenses</td>
<td>(399,827)</td>
<td>(363,285)</td>
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<tr>
<td>Profit / (Loss) before interest &amp; tax</td>
<td>23,250</td>
<td>25,630</td>
</tr>
<tr>
<td>Interest paid</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Profit/(loss) before tax</td>
<td>23,250</td>
<td>25,630</td>
</tr>
<tr>
<td>Taxation</td>
<td>(5,613)</td>
<td>(5,657)</td>
</tr>
<tr>
<td>Net profit/(loss) for the year</td>
<td><strong>17,438</strong></td>
<td><strong>19,972</strong></td>
</tr>
</tbody>
</table>
## BETHEL BUSINESS AND COMMUNITY DEVELOPMENT CENTRE

### STATEMENT OF CHANGES IN EQUITY
For the Year ended 31st March 2019

<table>
<thead>
<tr>
<th></th>
<th>Share Capital M</th>
<th>Accumulated Profit/(Loss) M</th>
<th>Total M</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 1 April 2015</strong></td>
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<td>3,244,124</td>
<td>3,245,124</td>
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<tr>
<td>Prior year adjustment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit/ (Loss) for the year</td>
<td>-</td>
<td>117,946</td>
<td>117,946</td>
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<td><strong>Balance at 31 March 2016</strong></td>
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<td>3,363,070</td>
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<tr>
<td>Prior year adjustment</td>
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<td>Net profit/ (Loss) for the year</td>
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<td>23,767</td>
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<td><strong>Balance at 31 March 2017</strong></td>
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<td>3,385,836</td>
<td>3,386,836</td>
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<tr>
<td>Prior year adjustment</td>
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<tr>
<td>Net profit/ (Loss) for the year</td>
<td>-</td>
<td>19,572</td>
<td>19,572</td>
</tr>
<tr>
<td><strong>Balance at 31 March 2018</strong></td>
<td>1,000</td>
<td>3,405,809</td>
<td>3,406,809</td>
</tr>
<tr>
<td>Prior year adjustment</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net profit/ (Loss) for the year</td>
<td>-</td>
<td>17,438</td>
<td>17,438</td>
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<tr>
<td><strong>Balance at 31 March 2019</strong></td>
<td>1,000</td>
<td>3,423,247</td>
<td>3,424,247</td>
</tr>
</tbody>
</table>
1. Basis of preparation

The financial statements are prepared on the historical cost basis. The following are the principal accounting policies used by the company which will be applied consistently and comply with International Financial Reporting Standards for Small and Medium-Sized Entities.

1.1 Revenue recognition

Turnover represents the invoiced value of goods net of trade discounts, VAT and other allowances.

12 Property, plant and equipment

The cost of an item of property, plant and equipment is recognised as an asset when:

- it is probable that future economic benefits associated with the item will flow to the corporation;
- and;

the cost of the item can be measured reliably.

Costs include costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or alter it. If a replacement item is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Depreciation is provided on all property, plant and equipment other than freehold land to write down the cost less residual value by the reducing balance method over their useful lives as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land &amp; Buildings</td>
<td>0%</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>20%</td>
</tr>
<tr>
<td>Plant &amp; Equipment</td>
<td>10%</td>
</tr>
<tr>
<td>Office Furniture</td>
<td>5%</td>
</tr>
</tbody>
</table>

The depreciation charge for each period is recognised in profit and loss unless it is included in the carrying amount of another asset.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised. The gain or loss arising from the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

Losses and losses on disposal of property, plant and equipment in determined as the difference between the sale proceeds and carrying amount of the property, plant and equipment and is taken into account in determining operating profit.

1 Inventories

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories comprises all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
1.3 Inventories (continued)

The cost of inventories of items that are not ordinarily interchangeable and goods or services produced and segregated for specific projects is assigned using specific identification of the individual costs.

The cost of inventories is assigned using the weighted average cost formula. The same cost formula is used for all inventories having a similar nature and use to the equity.

The amount of any write-down of inventories to not realizable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in not realisable value are recognised as a reduction to the amount of inventories recognised as an expense in the period in which the reversal occurs.

1.4 Trade and other receivable

Trade and receivable originates by the enterprise are treated as loans and receivables and are carried at amortised cost.

1.5 Cash and cash equivalents

For the purpose of the cash flow statements, cash and cash equivalents comprise cash on hand, net of bank overdrafts.

Cash and cash equivalents are measured at fair value.

1.6 Financial Instruments

Initial recognition

An asset that is subsequently measured at cost or amortised cost is recognised initially at the fair value on the trade date.

Any change in the fair value of the asset to be received during the period between the trade date and the settlement date is not recognised for assets carried at cost or amortised cost, other than impairment losses.

Assets carried at fair value: the change in fair value shall be recognised in profit or loss as in equity, as appropriate.

Subsequent measurement

After initial recognition financial assets are measured as follows:

1. loans and receivables and held-to-maturity investments are measured at amortised cost using the effective interest method;

2. investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, are measured at cost;

3. other financial assets including derivatives, at fair value, without any deduction for transaction costs which may incur on sale or other disposal.
1.6 Financial Instruments (continued)

At initial recognition financial liabilities are measured as follows:

1. financial liabilities at fair value through profit or loss, including derivatives that are liabilities, are measured at fair value.

2. other financial liabilities are measured at amortised cost using the effective interest method. Financial instruments carried on the balance sheet include cash and bank balances, investments, receivables, trade creditors, leases and borrowings. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

1.7 Provisions

Provisions are recognised when:

1. the corporation has a present obligation as a result of a past event;

2. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

3. a reliable estimate can be made of the obligation.

The amount of provision is the present value of the expenditure expected to be required to settle the obligation.

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset. The amount recognised for the reimbursement shall not exceed the amount of the provision.

Provisions shall not be recognised for future operating losses.

If the corporation has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

After their initial recognition contingent liabilities recognised in business combinations that are recognised separately are subsequently measured at the higher of:

1. the amount that would be recognised as a provision, and

2. the amount initially recognised less cumulative amortisation.

Contingent assets and contingent liabilities are not recognised.

Provisions are recognised when the company has a present legal or constructive obligation resulting from past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

1.8 Trade and other payables

Trade and other payables are measured at amortised cost using the effective interest method.
## FINANCIAL STATEMENTS
For the Year ended 31st March 2019

### 2. Property, plant and equipment

<table>
<thead>
<tr>
<th>Owned assets</th>
<th>Cost/ Valuation M</th>
<th>Accumulated Depreciation M</th>
<th>Carrying Value M</th>
<th>Cost/ Valuation M</th>
<th>Accumulated Depreciation M</th>
<th>Carrying Value M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land &amp; Building</td>
<td>1,255,097</td>
<td>-</td>
<td>1,255,097</td>
<td>-</td>
<td>1,255,097</td>
<td></td>
</tr>
<tr>
<td>Motor Vehicle</td>
<td>497,275</td>
<td>340,270</td>
<td>157,006</td>
<td>697,276</td>
<td>251,019</td>
<td>446,257</td>
</tr>
<tr>
<td>Plant &amp; Equipment</td>
<td>557,824</td>
<td>161,166</td>
<td>396,661</td>
<td>587,821</td>
<td>105,986</td>
<td>481,835</td>
</tr>
<tr>
<td>Office Furniture</td>
<td>278,910</td>
<td>39,708</td>
<td>239,112</td>
<td>278,910</td>
<td>27,194</td>
<td>251,716</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,789,114</strong></td>
<td><strong>531,220</strong></td>
<td><strong>2,257,894</strong></td>
<td><strong>2,785,184</strong></td>
<td><strong>284,100</strong></td>
<td><strong>2,401,084</strong></td>
</tr>
</tbody>
</table>

The carrying amounts of property, plant and equipment can be reconciled as follows:

<table>
<thead>
<tr>
<th>Owned assets</th>
<th>Carrying value at beginning of year M</th>
<th>Additions/ (Deductions) M</th>
<th>Accum Depreciation M</th>
<th>Carrying value at end of year M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land &amp; Building</td>
<td>1,255,097</td>
<td>-</td>
<td>-</td>
<td>1,255,097</td>
</tr>
<tr>
<td>Motor Vehicle</td>
<td>497,275</td>
<td>697,276</td>
<td>251,019</td>
<td>446,257</td>
</tr>
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<td>587,821</td>
<td>105,986</td>
<td>481,835</td>
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<td>278,910</td>
<td>27,194</td>
<td>251,716</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,789,114</strong></td>
<td><strong>2,785,184</strong></td>
<td><strong>284,100</strong></td>
<td><strong>2,401,084</strong></td>
</tr>
</tbody>
</table>

### 3. Trading Stock

- Stock at year end
  - 2019
- Less provision for obsolete stock
  - 2019

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Lesotho Revenue Authority
DOMESTIC TAXES DIVISION

2019 - 06 - 28
Mission Advice Centre
P.O. Box 1085, Maseru.
# Bethel Business and Community Development Centre

## Financial Statements
For the year ended 31st March 2019

### 4. Accounts Receivables

<table>
<thead>
<tr>
<th></th>
<th>31st March 2019</th>
<th>31st March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade Debtors</td>
<td>457,702</td>
<td>322,147</td>
</tr>
</tbody>
</table>

### 5. Prepaid Tax

<table>
<thead>
<tr>
<th>Source tax for the year</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 6. Bank and Cash

<table>
<thead>
<tr>
<th>Account Type</th>
<th>31st March 2019</th>
<th>31st March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>NedBank Current Account</td>
<td>714,473</td>
<td>746,965</td>
</tr>
<tr>
<td>Cash in Hand</td>
<td>714,473</td>
<td>746,965</td>
</tr>
<tr>
<td>Bank Overdraft</td>
<td></td>
<td></td>
</tr>
<tr>
<td>NedBank Current Account</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 7. Turnover

<table>
<thead>
<tr>
<th>Description</th>
<th>31st March 2019</th>
<th>31st March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>1,134,296</td>
<td>1,250,512</td>
</tr>
</tbody>
</table>

### 8. Owner's Capital

<table>
<thead>
<tr>
<th>Description</th>
<th>31st March 2019</th>
<th>31st March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner's Capital</td>
<td>1,000</td>
<td>1,000</td>
</tr>
</tbody>
</table>

The loan represents funds from owner of the business from inception to date, which are unsecured, with no fixed terms of repayment and bears no interest.
9. Revaluation reserve

Revaluation

10. Provision for Taxation

- Balance at 01-04-18
- Prior year adjustment
- Current year provision for tax
- Severance pay bal 31-03-19

11. Severance Pay Provision

- Severance pay bal 01-04-18
- Increase in provision
- Paid during the year
- Severance pay bal 31-03-19

12. Payables

- Trade creditors
- Loans - Short-Term Portion
# BETHEL BUSINESS AND COMMUNITY DEVELOPMENT CENTRE

## DETAILED STATEMENT OF COMPREHENSIVE INCOME
For the Year ended 31st March 2019

<table>
<thead>
<tr>
<th>Note</th>
<th>31st March 2019</th>
<th>31st March 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>M</td>
<td>M</td>
</tr>
<tr>
<td>Turnover: Commercial Cost Centre</td>
<td>1,104,296</td>
<td>1,280,512</td>
</tr>
<tr>
<td>Catering Services</td>
<td>331,289</td>
<td>376,386</td>
</tr>
<tr>
<td>Solar Tech &amp; Construction</td>
<td>773,007</td>
<td>874,126</td>
</tr>
<tr>
<td>Weld - Work Workshop</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Metal Workshop</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Cost Of Sales</td>
<td>753,569</td>
<td>880,997</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>350,627</td>
<td>361,515</td>
</tr>
<tr>
<td>Other Income</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Rent - Accommodation</td>
<td>72,450</td>
<td>28,400</td>
</tr>
<tr>
<td>Expenditure</td>
<td>359,227</td>
<td>363,285</td>
</tr>
<tr>
<td>Salaries &amp; Wages</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Bank Charges</td>
<td>41,137</td>
<td>30,598</td>
</tr>
<tr>
<td>Sundry Expenses</td>
<td>24,913</td>
<td>-</td>
</tr>
<tr>
<td>Depreciation</td>
<td>147,021</td>
<td>175,016</td>
</tr>
<tr>
<td>Audit Fee</td>
<td>18,000</td>
<td>18,000</td>
</tr>
<tr>
<td>Office Expenses</td>
<td>30,557</td>
<td>-</td>
</tr>
<tr>
<td>Motor Vehicle Expenses</td>
<td>121,069</td>
<td>129,535</td>
</tr>
<tr>
<td>Telephone &amp; Internet</td>
<td>16,525</td>
<td>10,036</td>
</tr>
<tr>
<td>Net Profit before taxation</td>
<td>23,250</td>
<td>26,630</td>
</tr>
</tbody>
</table>

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[Stamp and Seal]

[List of Signatures]

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