

**CONSUMER UNITY AND TRUST SOCIETY**

**RESPONSIBILITY OF THE BOARD OF DIRECTORS IN RESPECT OF THE  
PREPARATION OF THE FINANCIAL STATEMENTS FOR YEAR ENDED 31  
DECEMBER 2007**

The Board is responsible for preparing financial statements for each financial year, which give a true and fair view of the state of affairs of the Company and the surplus and deficit and cash flows for the year. In preparing these financial statements, the board has selected suitable accounting policies and then applied them consistently, made judgements and estimates that are reasonable and prudent and followed applicable accounting standards.

The Board is responsible for ensuring that the Trust Society keeps proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Trust. The Board is also responsible for safeguarding the assets of the Trust and taking reasonable steps for the preparation and detection of fraud and other irregularities.

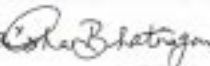
**In the opinion of the Board:-**

- (i) The operating statement is drawn up so as to give a true and fair view of the operations of the Trust for the year ended 31<sup>st</sup> December, 2007
- (ii) The balance sheet is drawn up so as to give a true and fair view of the state of affairs of the Trust as at 31<sup>st</sup> December, 2007
- (iii) There are reasonable grounds to believe that the Trust will be able to pay its obligations as and when they fall due

These financial statements set out on pages 3 to 10 were approved by the Board of Directors on ----- and signed on its behalf by:

ANHA BHATNAGAR

DIRECTOR



PRADEEP S. MATHA

SECRETARY  
GENERAL



Date 2008-03-20

CONSUMER UNITY AND TRUST SOCIETY

SUMMARIED INCOME AND EXPENDITURE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER, 2007

	NOTE	YEAR 2007 ZMK	YEAR 2006 ZMK
<b>INCOME AND EXPENDITURE</b>			
INCOME		150,571,076	453,920,214
Expenditure		(205,736,553)	(543,833,487)
(Deficit)/surplus for the year		<u>(125,165,477)</u>	<u>110,086,727</u>
<b>MOVEMENT ON ACCUMULATED DEFICIT</b>			
Balance as at 01.01.2007		129,796,884	19,710,157
Deficit for the year		(125,165,477)	110,086,727
Balance as at 31.12.2007		<u>(5,368,593)</u>	<u>129,796,884</u>

CONSUMER UNITY AND TRUST SOCIETY

DETAILED OPERATING STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER, 2007

INCOME	NOTE	YEAR	YEAR
		2007	2006
		ZMK	ZMK
Exchange gain	2	150,571,076	453,920,214
		<u>150,571,076</u>	<u>453,920,214</u>
<b>EXPENDITURE</b>			
Administration expenses		2,392,000	1,004,140
Audit fees		5,000,000	4,200,000
Bank charges		4,282,003	2,051,426
Depreciation		2,865,000	1,425,000
Economic Partnership Agreements meetings		52,287,900	72,580,729
Eastern and Southern Africa meetings		-	653,740
Capacity Building Conferences 7 Ups		22,217,060	12,552,425
MS Zambia Strategic Plan Policy		23,850,489	-
House rental		-	14,000,000
Insurance and lease		-	942,201
International Competition Network Workshop		-	4,921,810
Legal and consultancy fees		-	8,305,150
Market Linkage Workshop		15,448,000	30,101,811
NAPSA-Statutory contributions		-	438,000
Access to secure market policy seminar		24,750,000	-
Hilobule Trade and poverty seminar		8,250,000	-
NEPAD Projects		3,372,200	15,410,550
Office rentals		20,944,000	17,386,000
Printing and stationery		4,085,690	5,740,554
Postage and telephones		12,007,101	23,536,457
AWZPOM Project		20,173,975	-
Repairs and maintenance		3,722,000	5,252,830
Salaries and wages		39,407,841	62,431,276
Trade Development Project and Research		-	15,590,000
Traveling expenses		18,098,214	12,987,308
Utilities and cleaning materials		70,000	452,240
Consultation Workshop		1,620,000	-
Training and staff welfare		500,000	-
		<u>285,736,553</u>	<u>343,693,487</u>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>		<u>(135,165,477)</u>	<u>110,226,727</u>