

# Audit Report

## REPORT OF THE AUDITORS TO THE MEMBERS OF CONSUMER UNITY & TRUST SOCIETY INTERNATIONAL

We have audited the Financial Statements on pages 5 to 15 which have been prepared under the historical cost convention and accounting policies set out on pages 8 to 9.

### RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described on page 2 and 3 the Financial Statements are the responsibilities of the Directors. It is our responsibility to form and express an independent opinion, based on our audit on the Financial Statements.

### BASIS OF OPINION

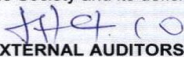
We conducted our audit in accordance with International Standards on Auditing. These Standards required that we plan and perform the audit so as to obtain reasonable assurance about whether the Financial Statements are free of material misstatement.

An audit includes examination on test basis of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of significant estimates and judgements made by the Directors and whether the accounting policies are appropriately disclosed.

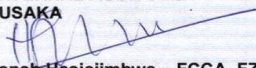
We planned and performed our audit so as to obtain all information and explanations, which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement whether caused by fraud or other irregularity or error.

### OPINION

In our opinion, the Financial Statements give a true and fair view of the financial position of the Society and its deficit for the year then ended.

  
EXTERNAL AUDITORS  
LUSAKA

DATE: 19/10/2011

  
Jonah Hasicimbwe – FCCA, FZICA.  
MANAGING PARTNER

**CONSUMER UNITY AND TRUST SOCIETY INTERNATIONAL  
 INCOME STATEMENT  
 FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010 K	2009 K
<b>INCOME</b>	521,234,546	402,881,450
<b>EXPENDITURE</b>	<u>(582,420,498)</u>	<u>(399,162,761)</u>
<b>(DEFICIT)/SURPLUS FOR THE YEAR</b>	<u>(61,185,952)</u>	<u>3,718,689</u>

**MOVEMENT TO ACCUMULATED FUNDS**

Balance at 1 January 2010	(1,034,311)	(6,306,000)
(Deficit)/ surplus for the year	(61,185,952)	3,718,689
Reclassification from Deferred Income	-	<u>1,553,000</u>
<b>BALANCE AT 31 DECEMBER 2010</b>	<u>(62,220,263)</u>	<u>(1,034,311)</u>

**CONSUMER UNITY AND TRUST SOCIETY INTERNATIONAL  
COMPREHENSIVE INCOME STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	NOTES	2010 K	2009 K
<b>INCOME</b>			
Revenue	2	414,296,880	403,009,450
Other receipts	3	106,937,666	-
Overdrawn on deferred income		-	(128,000)
		<b>521,234,546</b>	<b>402,881,450</b>
<b>ADMNI EXPENSES</b>			
Constitution review costs		-	1,700,000
Accountancy		3,000,000	15,112,500
Publicity/Adverts		1,712,400	-
Bank charges		1,890,500	4,321,955
Subscription/donations		1,693,370	1,951,295
Depreciation		468,000	275,000
Administrative expenses		5,116,450	4,418,000
Water and electricity		2,860,000	1,130,000
Printing and stationery		14,448,617	18,870,600
Communication		30,508,426	30,600,615
Facilitation expenses		-	1,750,000
Travel and expenses		41,447,150	21,553,950
Transport costs		34,648,000	25,222,268
FEATS		22,159,000	12,422,959
Office rent		74,250,000	56,344,000
Office maintenance		8,759,334	5,618,740
Office Teas and cleaning		-	695,160
Consultancy		18,500,000	23,745,200
Insurance		1,480,686	1,350,053
Conferences/seminars		28,585,079	-
Computer maintenance		700,000	1,800,000
Casual labour		1,550,000	2,650,000
Research costs		-	4,551,775

**CONSUMER UNITY AND TRUST SOCIETY INTERNATIONAL  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2010**

	NOTES	2010 K	2010 K
<b>NON CURRENT ASSETS</b>			
Tangible fixed assets	4	1,257,000	953,000
<b>CURRENT ASSETS</b>			
Balance at Bank	6a	-	3,719,836
Cash in Hand		36,625	374,960
Receivables	5	18,464,552	28,598,772
<b>TOTAL ASSETS</b>		<b><u>19,758,177</u></b>	<b><u>33,646,568</u></b>
<b>ACCUMULATED FUNDS AND LIABILITIES</b>			
Accumulated funds		(62,220,263)	(1,034,311)
<b>CURRENT LIABILITIES</b>			
Bank overdraft	6b	32,379,373	3,997,628
Payables	7	49,599,067	30,683,251
<b>TOTAL FUNDS AND LIABILITIES</b>		<b><u>19,758,177</u></b>	<b><u>33,646,568</u></b>

The Financial Statements on pages 5 to 15 were approved and signed on behalf of the Board by:-

..... *see* ..... **Board chairperson**

..... *[Signature]* ..... **Board Secretary**

Date: *30-09-2011*