

CHILDREN'S SURGICAL CENTRE

**STATEMENT OF INCOME, EXPENDITURES AND FUND BALANCE
FOR THE YEAR ENDED 31 DECEMBER 2017**

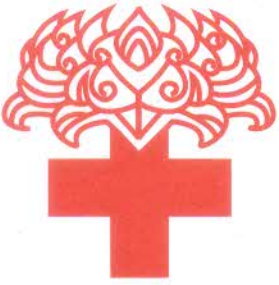
CHILDREN'S SURGICAL CENTRE

**STATEMENT OF INCOME, EXPENDITURES AND FUND BALANCE
FOR THE YEAR ENDED 31 DECEMBER 2017**

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CHILDREN'S SURGICAL CENTRE

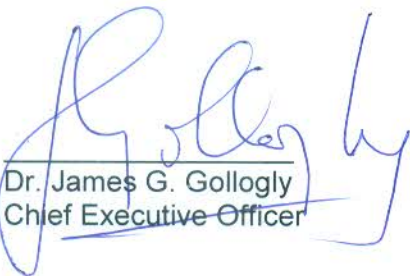
Rehabilitation Surgery for Disabled Cambodians
National Rehabilitation Centre, Kien Khleang

STATEMENT BY BOARD OF DIRECTORS

I, James G. Gollogly, the Chief Executive Officer of Children's Surgical Centre, representing the Board of Directors, do hereby state that in my opinion:

The accompanying statement of income, expenditures and fund balance together with the notes thereon, of Children's Surgical Centre (the Organisation) for the year ended 31 December 2017 has been prepared, in all material respects, in accordance with the basis set out in Note 2 to the statement of income and expenditure and fund balance.

On behalf of board of directors


Dr. James G. Gollogly
Chief Executive Officer

Phnom Penh, Kingdom of Cambodia
Date: 06 NOV 2018



Independent auditor's report

To the Board of Directors of Children's Surgical Centre

Our opinion

In our opinion,

In our opinion, the financial statement of Children's Surgical Centre (the Organisation) is prepared, in all material respects, in accordance with the accounting policies described in Note 2 to the financial statement.

What we have audited

The Organisation's financial statement comprises:

- the statement of income, expenditures and fund balance for the year ended 31 December 2017
- the notes to the financial statement, which include a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing (CISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statement* section of our report.

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

Independence

We are independent of the Organisation accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the requirements of Kampuchea Institute of Certified Public Accountants and Auditors' Code of Ethics for Certified Public Accountants and Auditors (KICPAA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and ethical requirements of KICPAA Code.

Emphasis of Matter - Basis of accounting and restriction on distribution and use

We draw attention to Note 2 to the financial statement, which describe the basis of accounting. The financial statement is prepared in accordance with the accounting policies described in Note 2 to the financial statement. As a result, the financial statement may not be suitable for another purpose.

We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come. Our opinion is not modified in respect to this matter.



Responsibilities of management and those charged with governance for the financial statement

Management is responsible for the preparation of the financial statement in accordance with accounting policies described in Note 2 to the financial statement, for determining that the basis of preparation is acceptable in the circumstances, and for such internal control as management determines is necessary to enable the preparation of financial statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statement, management is responsible for assessing the Organisation'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 Organisation or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statement

Our objectives are to obtain reasonable assurance about whether the financial statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 CISAs 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 statement.

As part of an audit in accordance with CISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statement, 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 Organisation'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 Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement 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 auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.



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.

For PricewaterhouseCoopers (Cambodia) Ltd.


By Benilda Fernando
Director



Phnom Penh, Kingdom of Cambodia
Date: 06 November 2018

CHILDREN'S SURGICAL CENTRE

**STATEMENT OF INCOME, EXPENDITURES AND FUND BALANCE
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	2017 US\$	2016 US\$
Income			
Income from donors	3	1,622,386	1,699,697
Interest income	4	21,499	21,214
Pharmacy income		-	8,325
Other income	5	5,125	2,599
		<u>1,649,010</u>	<u>1,731,835</u>
Expenditures			
Staff salaries	6	875,705	848,549
Medical consumables	7	247,295	270,528
Operating costs	8	84,758	90,695
Repairs and maintenance	9	70,226	82,528
Grant to NGOs	10	63,000	417,232
Medical equipment	11	48,732	25,132
Utilities		36,330	36,003
Training for medical staff		21,071	23,272
Depreciation	15	14,339	100,934
Professional fees		8,844	4,674
Security and cleaning		6,500	5,400
Payment for services		2,200	1,400
Office equipment		1,333	2,530
Gain on fair value	12	(37,998)	(4,298)
		<u>1,442,335</u>	<u>1,904,579</u>
SURPLUS/(DEFICIT) OF INCOME OVER EXPENDITURES		206,675	(172,744)
FUND BALANCE, BEGINNING OF THE YEAR		<u>1,281,324</u>	<u>1,454,068</u>
FUND BALANCE, END OF THE YEAR		<u>1,487,999</u>	<u>1,281,324</u>
Represented by:			
Cash and bank balances	13	893,787	784,613
Publicly traded equities	14	516,923	447,729
Property and equipment	15	51,913	26,727
Advances and other receivables		26,200	8,283
Deposits and prepayments	16	465	19,365
Accrued tax liabilities and other payables		(1,289)	(5,393)
		<u>1,487,999</u>	<u>1,281,324</u>

The accompanying notes on pages 6 to 15 form an integral part of the statement of income, expenditures and fund balance.

