

**CHILDREN'S SURGICAL CENTRE**

**STATEMENT OF INCOME, EXPENDITURES AND FUND BALANCE  
FOR THE YEAR ENDED 31 DECEMBER 2012**

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## CHILDREN'S SURGICAL CENTRE

Rehabilitation surgery for disabled Cambodians  
National Rehabilitation Center, Kien Khleang

### STATEMENT BY THE BOARD OF DIRECTORS

We state that, in our opinion representing the Board of Directors:

The accompanying statement of income, expenditures, and fund balance, together with the notes thereon, of the Children's Surgical Centre ("the Organisation") for the year ended 31 December 2012 has been prepared, in all material respects, in accordance with the accounting policies described in Note 2 to the financial statement.

For and on behalf of the Board of Directors

  
James G. Gollogly  
Chief Executive Officer

  
Kanyapak Reinvetch  
Chief Financial Officer

Phnom Penh, Kingdom of Cambodia

Date: 12 JUN 2013

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## **Independent auditor's report**

To the Board of Directors of the Children's Surgical Centre

We have audited the accompanying statement of income, expenditures, and fund balance of the Children's Surgical Centre ("the Organisation") for the year ended 31 December 2012 and a summary of significant accounting policies and other explanatory information (together the "financial statement"). The financial statement has been prepared by management in accordance with the accounting policies described in Note 2 to the financial statement.

### *Management's responsibility for the financial statement*

Management is responsible for the preparation of the financial statement in accordance with the basis 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 a financial statement that is free from material misstatement, whether due to fraud or error.

### *Auditor's responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation the financial statement 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 control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

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*PricewaterhouseCoopers (Cambodia) Ltd.*

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*Opinion*

In our opinion, the financial statement of Children's Surgical Centre for the year ended 31 December 2012 is prepared, in all material respects, in accordance with the accounting policies described in Note 2 to the financial statement.

*Basis of accounting and restriction on distribution and use*

Without modifying our opinion, we draw attention to Note 2 to the financial statement, which describes the basis of accounting. The financial statement is prepared to provide information to Children's Surgical Centre. As a result, the financial statement may not be suitable for another purpose. This report is intended solely for Children's Surgical Centre and should not be distributed to or used by parties other than the Children's Surgical Centre.

For PricewaterhouseCoopers (Cambodia) Ltd.

  


By Benilda Fernando  
Director

Phnom Penh, Kingdom of Cambodia  
Date: 12 June 2013

**CHILDREN'S SURGICAL CENTRE**

**STATEMENT OF INCOME, EXPENDITURES, AND FUND BALANCE  
FOR THE YEAR ENDED 31 DECEMBER 2012**

|  | Notes | 2012<br>US\$     | 2011<br>US\$     |
|--|-------|------------------|------------------|
| <b>Income</b>  |       |                  |                  |
| Income from donors                                   | 3     | 1,029,372        | 1,100,049        |
| In-kind donations                                    | 4     | 72,574           | -                |
| Interest income                                      | 5     | 13,688           | 15,366           |
| Other income   | 6     | 32,789           | 29,622           |
|  |       | <u>1,148,423</u> | <u>1,145,037</u> |
| <b>Expense</b>                                       |       |                  |                  |
| Staff salaries                                       | 7     | 574,180          | 546,637          |
| Grant to NGOs  | 8     | 197,748          | 64,809           |
| Medical consumables                                  | 9     | 178,576          | 138,969          |
| Operating costs                                      | 10    | 112,405          | 95,789           |
| Depreciation   | 16    | 80,909           | 44,801           |
| Medical equipment                                    | 11    | 47,908           | 41,455           |
| Repairs and maintenance                              | 12    | 42,113           | 34,583           |
| Utilities  |       | 26,981           | 20,330           |
| Payment for services                                 | 13    | 18,485           | 17,231           |
| Professional fees                                    |       | 14,721           | 10,196           |
| Training for medical staff                           |       | 8,891            | 2,885            |
| Security and warehouse rental                        |       | 7,986            | 7,389            |
| Office equipment                                     |       | 201              | 4,481            |
| Smile train phone project                            |       | -                | 1,468            |
| Others   |       | -                | 12,733           |
|  |       | <u>1,311,104</u> | <u>1,043,756</u> |
| <b>(DIFICIT)/SURPLUS OF INCOME OVER EXPENDITURES</b> |       | (162,681)        | 101,281          |
| <b>FUND BALANCE, BEGINNING OF THE YEAR</b>           |       | <u>1,610,156</u> | <u>1,508,875</u> |
| <b>FUND BALANCE, END OF THE YEAR</b>                 |       | <u>1,447,475</u> | <u>1,610,156</u> |
| <b>Represented by:</b>                               |       |                  |                  |
| Deposits and prepayments                             | 14    | 5,965            | 11,200           |
| Advances and other receivables                       |       | 6,859            | 3,765            |
| Cash and cash equivalents                            | 15    | 568,688          | 942,470          |
| Property and equipment                               | 16    | 532,111          | 422,773          |
| Publically traded equity                             | 17    | 335,432          | 231,288          |
| Accrued tax liabilities and other payables           |       | (1,580)          | (1,340)          |
|  |       | <u>1,447,475</u> | <u>1,610,156</u> |

*The accompanying notes on pages 5 to 14 form an integral part of the statement of income, expenditures, and fund balance.*

