

Advice Desk for the Abused
(Registration number 006-112NPO-18/11/13/1628 PBO)
Annual financial statements
for the year ended 31 December 2010

Bridge Chartered Accountants Inc.
Registered Auditors
Issued 30 June 2011

Advice Desk for the Abused

Annual Financial Statements for the year ended 31 December 2010

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Report of the Independent Auditor

To the members of Advice Desk for the Abused

We have audited the accompanying annual financial statements of Advice Desk for the Abused, which comprise members' report, the balance sheet as at 31 December 2010, the income statement, the statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes, as set out on pages 5 to 13.

Members' Responsibility for the Financial Statements

The organisation's members are responsible for the preparation and fair presentation of these annual financial statements in accordance with basis of accounting as set out in Note 1 of the annual financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of annual 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 annual financial statements based on our audit. We conducted our 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 annual financial statements are free from material misstatement.

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

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

Basis for Qualified Opinion

In common with similar organisations, it is not feasible for the organisation to institute accounting controls over cash collections from donations prior to the initial entry of the collections in the accounting records. Accordingly, it was impractical for us to extend our examinations beyond the receipts actually recorded. Furthermore, the applicability of the going concern concept is dependent upon the organisation securing funding.

Qualified Opinion

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the annual financial statements present fairly, in all material respects the financial position of organisation as of 31 December 2010, and of its financial performance and its cash flows for the year then ended in accordance with basis of accounting as set out in Note 1 of the annual financial statements.

Accounting and Secretarial Duties

Without qualifying our opinion, we draw your attention to the fact that with the written consent of all members, we have performed certain accounting and secretarial duties.

Supplementary Information

We draw your attention to the fact that the supplementary information set out on page 14 does not form part of the annual financial statements and is presented as additional information. We have not audited this information and accordingly do not express an opinion thereon.



**Bridge Chartered Accountants Inc.
Registered Auditors
Per: Naran Maharajh**

30 June 2011

**83 Ramsay Avenue
Berea
4001**

Advice Desk for the Abused

Annual Financial Statements for the year ended 31 December 2010

Members' Responsibilities and Approval

The members are required to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements fairly present the state of affairs of the organisation as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with basis of accounting as set out in Note 1 of the annual financial statements. The external auditors are engaged to express an independent opinion on the annual financial statements.

The annual financial statements are prepared in accordance with basis of accounting as set out in Note 1 of the annual financial statements and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

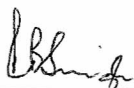
The members acknowledges that they are ultimately responsible for the system of internal financial control established by the organisation and places considerable importance on maintaining a strong control environment. To enable the members to meet these responsibilities, the organisation sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the organisation and all employees are required to maintain the highest ethical standards in ensuring the organisation's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the organisation is on identifying, assessing, managing and monitoring all known forms of risk across the organisation. While operating risk cannot be fully eliminated, the organisation endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The members are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on 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.

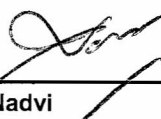
The members has reviewed the organisation's cash flow forecast for the year to 31 December 2011 and, in the light of this review and the current financial position, they are satisfied that the organisation has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditor is responsible for independently reviewing and reporting on the organisation's annual financial statements. The annual financial statements have been examined by the organisation's external auditors and their report is presented on page 2.

The annual financial statements set out on pages 5 to 14, which have been prepared on the going concern basis, were approved by the board of members on 30 June 2011 and were signed on its behalf by:



PB Singh



SLB Nadvi

Durban

30 June 2011

Advice Desk for the Abused

Annual Financial Statements for the year ended 31 December 2010

Members' Report

The members submit the report for the year ended 31 December 2010.

1. Review of activities

Main business and operations

The organisation is engaged in addressing the need for justice and support for persons associated with domestic violence, rape, and HIV/AIDS through sustainable treatment, education, training and advocacy programmes and operates principally in South Africa.

The operating results and state of affairs of the organisation are fully set out in the attached annual financial statements and do not in our opinion require any further comment.

Net deficit of the organisation was R 16,492 (2009: deficit R 120,771).

2. Going concern

The annual financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Post balance sheet events

The members are not aware of any matter or circumstance arising since the end of the financial year.

4. Auditor's

Bridge Chartered Accountants Inc. will continue in office for the next financial period.

Advice Desk for the Abused

Annual Financial Statements for the year ended 31 December 2010

Statement of Financial Position

	Notes	2010	2009 R
ASSETS			
Non-Current Assets			
Property, plant and equipment	2	7,499	2,666
Intangible assets	3	1	1
		<u>7,500</u>	<u>2,667</u>
Current Assets			
Cash and cash equivalents	4	6,730	34,519
Total Assets		<u>14,230</u>	<u>37,186</u>
EQUITY AND LIABILITIES			
Equity			
Accumulated surplus		<u>6,900</u>	<u>23,392</u>
Liabilities			
Current Liabilities			
Trade and other payables		<u>7,330</u>	<u>13,794</u>
Total Equity and Liabilities		<u>14,230</u>	<u>37,186</u>

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Annual Financial Statements for the year ended 31 December 2010

Statement of Comprehensive Income

	2010	2009 R
Revenue	32,993	38,750
Other income	100,000	-
Operating expenses	(149,957)	(160,494)
Operating (deficit)/surplus	(16,964)	(121,744)
Investment revenue	472	973
Deficit for the year	(16,492)	(120,771)

Advice Desk for the Abused

Annual Financial Statements for the year ended 31 December 2010

Statement of changes in equity

	Accumulated (Deficit)/ Surplus	Total equity
Balance at 01 January 2009	144,163	144,163
Changes in equity		
Deficit for the year	(120,771)	(120,771)
Total changes	(120,771)	(120,771)
Balance at 01 January 2010	23,392	23,392
Changes in equity		
Deficit for the year	(16,492)	(16,492)
Total changes	(16,492)	(16,492)
Balance at 31 December 2010	6,900	6,900

Advice Desk for the Abused

Annual Financial Statements for the year ended 31 December 2010

Cash Flow Statement

	Notes	2010	2009 R
Cash flows from operating activities			
Cash receipts from donors		132,993	40,850
Cash paid to suppliers and employees		(152,254)	(153,416)
Cash used in operations	5	(19,261)	(112,566)
Interest income		472	973
Net cash from operating activities		(18,789)	(111,593)
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(9,000)	-
Total cash movement for the year		(27,789)	(111,593)
Cash at the beginning of the year		34,519	146,112
Total cash at end of the year	4	6,730	34,519

Advice Desk for the Abused

Annual Financial Statements for the year ended 31 December 2010

Accounting Policies

1. Presentation of Annual Financial Statements

The annual financial statements have been prepared in accordance with International Financial Reporting Standards for Small and Medium-sized entities under the historical cost basis. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 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 organisation; 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 service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is also included in the cost of property, plant and equipment.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses.

Item	Average useful life
Furniture and fixtures	6 years
Office equipment	6 years
Computer equipment	3 years

The residual value and the useful life of each asset are reviewed at each financial period-end.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item shall be depreciated separately.

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

1.2 Intangible assets

An intangible asset is recognised when:

- it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and
- the cost of the asset can be measured reliably.

Intangible assets are initially recognised at cost.

Intangible assets are carried at cost less any accumulated amortisation and any impairment losses.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Useful life
Copyrights	5 years

Advice Desk for the Abused

Annual Financial Statements for the year ended 31 December 2010

Accounting Policies

1.3 Financial instruments

Initial recognition and measurement

Financial instruments are recognised initially when the organisation becomes a party to the contractual provisions of the instruments.

The organisation classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement.

Trade and other receivables

Trade and other receivables are measured at cost.

Trade and other payables

Trade and other payables are measured at cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at cost.

1.4 Provisions and contingencies

Provisions are recognised when:

- the trust has a present obligation as a result of a past event;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate can be made of the obligation.

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

Provisions are not recognised for future operating losses.

Advice Desk for the Abused

Annual Financial Statements for the year ended 31 December 2010

Notes to the Annual Financial Statements

	2010	2009 R
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2. Property, plant and equipment

	2010			2009		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	15,100	(15,100)	-	15,100	(15,100)	-
Office equipment	1,280	(1,280)	-	1,280	(1,280)	-
Computer equipment	37,723	(30,224)	7,499	28,723	(26,057)	2,666
Total	54,103	(46,604)	7,499	45,103	(42,437)	2,666

Reconciliation of property, plant and equipment - 2010

	Opening Balance	Additions	Depreciation	Total
Computer equipment	2,666	9,000	(4,167)	7,499

Reconciliation of property, plant and equipment - 2009

	Opening Balance	Depreciation	Total
Computer equipment	5,333	(2,667)	2,666

3. Intangible assets

	2010			2009		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Copyrights	20,000	(19,999)	1	20,000	(19,999)	1

Reconciliation of intangible assets - 2010

	Opening Balance	Total
Copyrights	1	1

Reconciliation of intangible assets - 2009

	Opening Balance	Total
Copyrights	1	1

4. Cash and cash equivalents

Cash and cash equivalents consist of:

Bank balances	6,730	34,519
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Advice Desk for the Abused

Annual Financial Statements for the year ended 31 December 2010

Notes to the Annual Financial Statements

	2010	2009 R
5. Cash used in operations		
(Deficit)/Surplus before taxation	(16,492)	(120,771)
Adjustments for:		
Depreciation	4,167	2,667
Interest received	(472)	(973)
Changes in working capital:		
Trade and other receivables	-	2,100
Trade and other payables	(6,464)	4,411
	<u>(19,261)</u>	<u>(112,566)</u>

6. Taxation

No provision for taxation is made as the Trust is an approved public benefit organisation in terms of Section 30 of the Income Tax Act, and the receipts and accruals are exempt from income tax in terms of Section 10(1)(cN) of the Act.

Advice Desk for the Abused

Annual Financial Statements for the year ended 31 December 2010

Detailed Income statement

	Notes	2010	2009 R
Revenue			
Training income		-	25,400
Donations		32,993	13,350
		<u>32,993</u>	<u>38,750</u>
Other income			
Other income		100,000	-
Interest received		472	973
		<u>100,472</u>	<u>973</u>
Operating expenses			
Auditor's remuneration		5,700	5,700
Auditor's remuneration - prior year under-provision		-	7,771
Bank charges		1,109	1,649
Depreciation		4,167	2,667
Employee costs and honorarium fees		111,289	117,431
Fundraising expenses		4,500	-
Office requisites		4,507	-
Printing and stationery		950	3,846
Telephone and fax		17,735	19,805
Workshop and training costs		-	1,625
		<u>149,957</u>	<u>160,494</u>
Deficit for the year		<u>(16,492)</u>	<u>(120,771)</u>