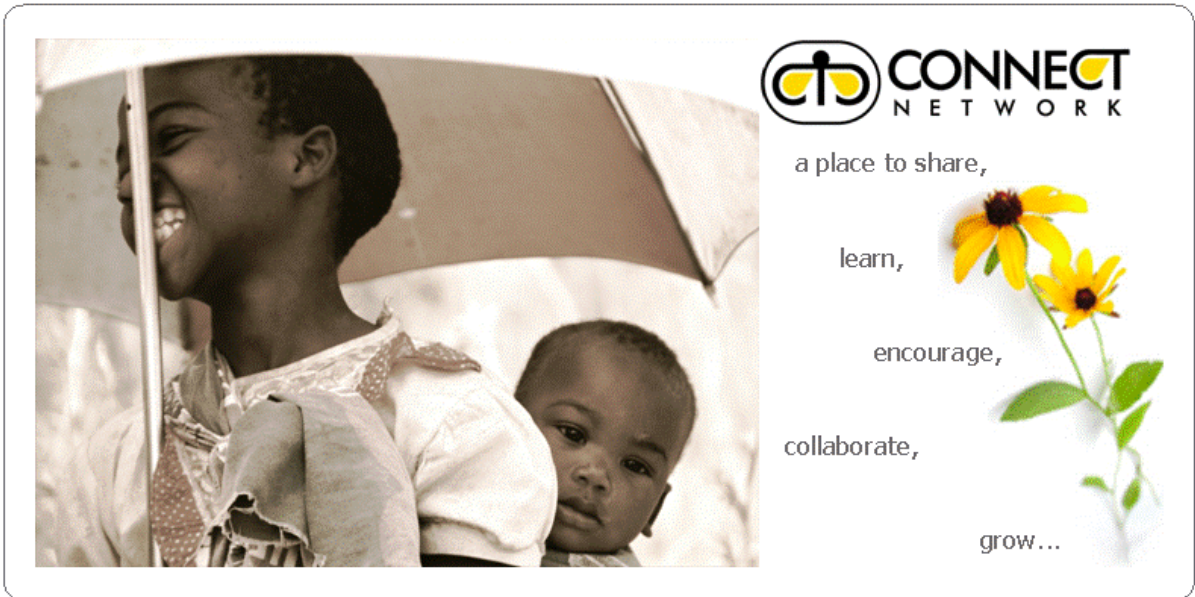


Connect Network Report

March 2007 – February 2008



www.connectnetwork.org.za

Pure and undefiled religion before God and the Father is this:

To visit orphans and widows in their trouble, and to keep oneself unspotted from the world.

James 1 v.27 (NKJV)

Annual Network Report

March 07- February 08

1. Letters

- a. Chairman
- b. Director
- c. Association

2. Team

- a. Steering group
- b. Staff and volunteers

3. Five Network Projects

- a. Supercamps
- b. Quality Improvement
- c. Mobilizing Church
- d. Equipped to Serve
- e. Network Champions

4. Three Topical networks

- a. Women at risk
 - i. Crisis Pregnancy
 - ii. Human trafficking
 - iii. Shelters
- b. Youth at Risk
 - i. Street Children
 - ii. Lifeskills
 - iii. Youth in Prison
- c. Children at Risk
 - i. Early Childhood development
 - ii. Child Sexual exploitation
 - iii. Orphans and Vulnerable children

5. Financial audit

6. Donors and sponsors

Chairman's Report

I am amazed that I have already completed more than one year as part of the Connect Network Steering Group. I joined the network last year with the desire to learn and grow and this year has definitely helped me achieve that. Being a part of the 4th year of Connects existence has given me the opportunity to see many things grow and develop. Future strategy was high on the agenda, as Connect Network transitions from infancy. We have witnessed network projects establishing themselves e.g. The Child Sexual Exploitation Conference, further development of the Quality Improvement System, SuperCamps and the first rollout of the Champions Project.

Personally the highlight of the year was attending the Viva Steering Group training in Uganda. I found the conference to be informative and enlightening, as I was made aware of other, similar networks across Africa. I realized that although we come from different countries with diverse cultures we all have one thing at heart: to have one unified voice and to make a difference in the lives of women and children. It was highlighted by the delegates Africa operates with the spirit of "Ubuntu" - things happen at a different pace in Africa than in the western world. As much as we would like to receive help from more developed countries, we also want donors to understand the context of how Africa operates.

I am focussing my report this year on the word Ubuntu. A definition of the word given by Archbishop Desmond Tutu is:

"A person with Ubuntu is open and available to others, affirming of others, does not feel threatened that others are able and good, for he or she has a proper self-assurance that comes from knowing that he or she belongs in a greater whole and is diminished when others are humiliated or diminished, when others are tortured or oppressed." (Archbishop Desmond Tutu; 1999)

This really exemplifies the Word of God which encourages us to live as one body and in unity. This, sadly, was not displayed in our country with the unfortunate incidents of the xenophobic attacks that started in March this year. During this time many people died and over 37000 people were displaced, about 15000 of them in the Western Cape. This total included pregnant women who were allegedly raped and many children were left without homes and parents. These detestable acts against fellow human beings and fellow Africans are unacceptable and go against everything we believe in as Christians and Africans. What it showed the rest of the world was that we as Africans could not live in peace with one another. It also made international investors afraid to invest in South Africa, which has an effect on all of us. What really made me proud as the Connect Chairperson was the way that the members of Connect displayed a real spirit of Ubuntu when they rallied around these people to offer assistance and resources. This display of true Ubuntu is exactly what God intended for us in His Word. I would like to commend all the members who portrayed true Christ-like characteristics in support of the people who were displaced as a result of the attacks.

My prayers for the upcoming year is that our city will be free from such attacks and that the women and children of Cape Town and Africa are protected and taken care of.

Allow me to end with a Scripture that I have taken from "The Message" version which speaks of the true Ubuntu that God intended:

"Those of us who are strong and able in the faith need to step in and lend a hand to those who falter, and not just do what is most convenient for us. Strength is for service, not status. Each one of us needs to look after the good of the people around us, asking ourselves, "How can I help?" That's exactly what Jesus did. He didn't make it easy for himself by avoiding people's troubles, but waded right in and helped out. "I took on the troubles of the troubled," is the way Scripture puts it. Even if it was written in Scripture long ago, you can be sure it's written for us. God wants the combination of his steady, constant calling and warm, personal counsel in Scripture to come to characterization in us, keeping us alert for whatever he will do next. May our dependably steady and warmly personal God develop maturity in you so that you get along with each other as well as Jesus gets along with us all. Then we'll be a choir—not our voices only, but our very lives singing in harmony in a stunning anthem to the God and Father of our Master Jesus!"
(Romans 15:1-6; The Message)

Nadia Rinquest

Chairperson

Connect Network



Director's report

2007 was an interesting year in the development of Connect Network. Relationships built up over the past three years have been consolidated into sound collaborative efforts developed by the members themselves, and these have had a direct impact on the lives of women and children at risk in the Greater Cape Town Area.

CN as an organization has been reviewed throughout the year in strategic, dedicated workshops with the Steering Group and Coordination team, we are pleased to report that the network is on target with plans to link and enhance the Christian response to women and children at risk.

Our vision remains for the Christian Church in the GCTA to respond to the very real needs of 'widows and orphans in distress' in a way that is meaningful, so that every woman and child in such a situation of distress can fulfill their God-given potential and through wholeness of spirit, soul and body, through the help and support of the Christian community.

CN has built strategic relationships with secular organizations serving a similar purpose, nationally and regionally. Through Viva Africa, CN has formed strong links with like-minded networks in Uganda, Kenya, Zimbabwe, Zambia, Congo, Rwanda and Ethiopia.

Our network team has increased to include network coordinators for the three topical categories viz. Women, Youth and Children at Risk. This has meant further, specific networker training.

Through the Network three of our larger members have been mentored for significant transitions with the aid of ongoing consultancy provided by our steering group.

Although not all members have participated in the Network's activities, be it in Collaborations, Quality Improvement, Working groups, Worldwide Day of Prayer for children, Supercamps, Trainings, we trust they would have benefitted from the information updates, and hopefully see themselves as participant, playing a critical, strategic role in their service and calling.

A sincere, whole hearted thanks to the Steering Group who constantly play such an important role in the smooth running of the Network and who hold the co-ordination team accountable to the Network members.

Dee Moskoff

Manager: Network Co-ordination

Connect Network



Associated to:



Connect Network is important to anyone concerned with child-poverty.

Children are growing up in our midst hungry, hurting and homeless. In a world that has more and knows more than ever before we still, collectively, find it beyond us to meet the needs of these little ones.

No one cares more about this than Christ, and His people are on the forefront of responding to this emergency. Many churches in virtually every community around the world are deeply committed to reaching out to children. However well-intentioned these efforts often are, many aren't that effective. Disparate, disconnected and sometimes dysfunctional, these churches often struggle to have the desired effect on those they serve. They seek to transform their community but this objective eludes them in the absence of functional networks that are able to coordinate, improve and increase their efforts.

I have been building such networks around the world for many years and I am proud to partner with Connect. I believe the work in Cape Town is amongst the best examples of what can happen when people commit to work together as they serve the children of their community.

Connect Network is good news; not only for the children of Cape Town, and those working with them there, but for anyone anywhere concerned for child welfare.

Please consider how you can help make Connect Network the success it ought to increasingly become. Thank you.

Best regards

Patrick McDonald
Chief Executive,
Viva – Together for Children
www.viva.org



Steering Group Of Connect Network 2007

The **Steering Group** is a group of individuals elected by the network members to manage the practicalities of network development and keep the network co-ordination team accountable. This group takes on the function of the board. The SG is made up of between 5-7 people drawn from the membership of Connect. Other individuals who have a heart to help women & children at risk can be included. These individuals could benefit the network e.g. Lawyers/businessmen. The SG is not an executive board who run the network- the members run the network. However the members agree to delegate a certain amount of decision making responsibility to them. The SG stands for a two year term after which they may stand for nomination for the next term.



Chairperson:
Nadia Rinquest
Member organization
Scripture Union Western cape
Status:
Served for one year, standing for second year



Human Resources Director:
Jurie Serfontein
Representing
Director Connect sec 21
Status:
Completed two year term standing for re nomination



Financial Advisor:
Jenny Patchett
Representing
Helderberg Rotary
Status:
Completed two year term, standing for renomination



Network Representative 1:
Ashley Potts
Representing
City Mission/Director sec 21 Company
Status:
Completed term



Fundraising:
Peter Williams

Representing

Children's Campaign trust/Director connect sec 21

Status:

Completed two year term, standing for re nomination

Connect Network Operational Staff & volunteers



Manager:
Network Co-ordination/
Director Sec 21 Company
Dee Moskoff



Supercamps
Chairman
Jeremy Clampett



Manager:
Network Administration
and development of
processes
Adri Punt



Quality Improvement
project
manager/Director Sec
21 Company
Deborah Hancox



Office Administrator
Pat Van Wyk



Youth at Risk
Network Co-ordinator
Denzel Thys



Women at risk
Network Co-ordinator
Norma Trautman



Women at Risk
Administration
Nicole Stephens

Five Network Projects

1. Supercamps & Club



Supercamps allows children at risk to experience a week away from their day to day life and exposes them to new life skills. The Supercamps network working group includes United Christian Students Association, Scripture Union, SCAS and Pneumatix. The camps are made possible through the support of Viva and SuperCampsUK as well as donations in kind from various other local donors.

During 2007:

Three successful camps were held together hosting **280** children from network member projects, in June, August and September.

A **holiday Club** programme was hosted, by members of the Kayamandi Network, hosting between 300-400 children in the Township during the Christmas holiday season when children are more vulnerable.

Network win: The working group completed a blue print model of SuperCamps manuals, based on the Western Cape Education Departments Outcome Based Education model for Grade 7's. Ensured Child protection was in place.

Fruit story: "SuperCamps have enhanced our relationship with the community, parents and schools; this is making it easier for us to continue our work in the townships" *James Senior, Metro Kids*



2. Quality Improvement System:

Caring for children is a long term endeavor for most Non Profit Organizations (NPO's) working with children at risk and the consistent security, tender care and education of these children is dependent on the sustainability and strength of the organizations caring for them.

Non-profit organizations need to develop their organizational skills in order to more effectively achieve their mission. Connect Network and NewDay have piloted a successful peer-learning method for developing organizational skill amongst its members focusing on:

1. A Child protection and wellbeing
2. People Care (Staff and volunteer care)
3. Governance
4. Financial accountability
5. Project planning and design

The standards employed in this programme were developed by VIVA, the international network of which Connect Network is a member.

In 2007:

The People Care pilot was completed by 10 organizations that are at various stages of implementing quality staff care in their organization.

Two child protection cycles were completed with 21 organizations each implementing a child protection policy.

The verification process and the design of the QIS model, made progress with New Day and Viva

A QIS marketing and fundraising position was filled with initial funding from Mumbles Baptist Church in Wales.

Network win: Organizations learn from each other in a peer learning environment, sharing expertise and learning's which helps them develop their policies and measure themselves against international good practice and Godly standards.

Fruit Story: "As a result of attending the Child Protection Cycle, we went back and implemented the training with our staff, with a view to implementing a child protection policy, the training brought out childhood issues in many of our staff, we were able to address these and arrange support for our staff, as a result they are in a better place emotionally to care for the boys" *Hope Prison Ministries*



3. Mobilizing Churches



Church mobilization is a key component in caring for widows and orphans, which scripture teaches is true religion. The Church is responding enthusiastically to the challenge of being the hands and feet of Christ to those less fortunate and who are burdened by many cares. This includes faith-based organizations, individuals and denominational churches.

During 2007:

- Two City Churches joined a Quality Improvement System pilot and implemented **Child Protection policies and procedures.**
- A **Research** survey was completed on Connect members and their involvement within local churches.
- **Key Relationships** were established with the Consultation of Christian Churches (CCC), a network of the major Christian church denominations in Cape Town as well as with JOY magazine, a Christians-based monthly with around 250 000 readers.
- Connect representation at the **United Nations Inter-faith Forum** on Human Trafficking, which resulted in raising awareness within Catholic and Anglican diocese through their local congregations, and various other smaller church groups.
- **A Worldwide Day of Prayer**, coordinated by Viva, held every year for children at risk on the first weekend of June. In 2007 several Connect Network members hosted prayer events - the feedback was most encouraging.

Strand: Bethesda Church- 150 Children. 'Seeing children on their knees, praying intensively for other children in similar circumstances to themselves' - it gave us such fulfillment to see those children enjoying themselves amongst their peers. They also enjoyed the food we served after the prayer afternoon.'

Lwandle: Anointed Christian Ministries 50 children. 'It was a first time for us to participate in an event like this and we were amazed. We did this on our church premises and invited parents and their children to come and join us in prayer. Praise God, as parents came along side and prayed with their children. Around 20 parents and 50 children were in attendance.'

Network win: A blueprint for running a children's prayer day was developed by CN members, where protected children pray for children at risk. This blueprint has now been adopted by various Transformation Day of Prayer sites.

4. Equipped to Serve training

Basic crisis counseling training is the most important component of any program working with women and children at risk, as crisis is nearly always a part of the 'at risk' scenario. We owe it to our members to equip staff and volunteers for the work of these ministries. Staff and volunteers will be more effective if we spend the time, money and resources to train them well. ETS training equips lay counselors and aid workers to:



1. Understand a crisis and how to intervene
2. Provide sensitive, non-judgmental counseling
3. Know themselves better and manage their boundaries
4. Be more understanding of those around them

ETS training is endorsed by Connect Network as a recommended training course for all staff at member organizations

In 2007:

Two Xhosa speaking individuals were chosen and trained as trainers with the aim of attracting more **Xhosa speaking counselors** to projects, in the hope that more Xhosa women living in dire situations across the townships of Cape Town might be reached.

Three trainings were delivered to 50 new volunteers and existing staff of member organizations. Four Master Trainers were trained.

Network win: The model of Counseling Training for crisis intervention adapted from crisis pregnancy focus to **generic crisis focus** is to be offered to all members

Fruit Stories: "I've been using Equipped to Serve for over four years now and have seen a notable improvement in the depth of our ministry."

"It's been a thrill to watch our volunteers' blossom in both ability and confidence as they reach out to women, using ETS skills."



5. Champions



Champions for Children is dedicated to seeing the lives of children at risk changed, not just one at a time, but as an entire community. This is made possible through networks that provide effective and productive programmes. Champions for Children exists to support networks by ensuring that workers are equipped, trained and resourced to meet the various needs of children in their communities.

CFC is an initiative of Viva which enables first world donors to support resource and reach grass roots projects working directly with children. It is currently being implemented through Connect Network.

Projects chosen for profiling are committed to the Quality Improvement process

In 2007:

- A **plan of action** was agreed between Viva, Children's Campaign Trust and Connect Network.
- The first donor visited Cape Town and showed particular interest in Early Education in Khayelitsha.
- A **project manager** employed in Cape Town by Viva
- Five organizations were profiled and submitted to Viva to establish the programme
- Our **first donor's** visit resulted in one Early Childhood development programme being chosen as a Champion's adoptee and received funds to build a classroom.

Fruit story:

Through the sponsorship of the Housley Bequest, Sikhula Sonke has been able to provide Sandanezwa Educare situated in the heart of Khayalitsha township, with an additional classroom and improved learning conditions for local children at risk.



1. Women at Risk networking

Children at risk are defined as any child not in a safe, secure family environment. This includes women who are at risk or who are children themselves and are the main caretakers for children. A secure woman provides the platform for a secure child.

During 2007:

Events:

An **open network day** for 60 women representing 25 projects, many organizations met one another for the first time

Two **retreat days** hosted where a total of 74 care workers attended from various women at risk projects.

Through the events the groups left encouraged and inspired in their role as leaders in organizations and civil society.



Advocacy:

The Crisis Pregnancy working group presented an appeal in the Provincial public hearings on the Termination of Pregnancy Bill (TOP), advocating for mandatory counselling to be passed in the statute thus making it law. This was taken to national hearings, and remains an issue to be advocated for.

Issue #1 **Crisis pregnancy**

Counseled: 129 pregnant children (13-18year olds)

Counseled: 729 pregnant women

Choice for abortion: 102

Choice for adoption: 8

Pregnant women and girls in residential care: 95

Issue #2 **Human Trafficking**

Washington - International humanitarian organizations say between 600,000 and 800,000 women and children are being illegally transported across borders for commercial sex, forced labor and other forms of exploitation.

CN was represented at the United Nations Inter-faith Forum on **Human Trafficking**, resulting in greater awareness on this issue within Catholic and Anglican Church diocese through their local congregations, which also applied to various other smaller church groups.

Training was offered to the network and denominational churches on Human Trafficking by Inter-Outreach Ministries in partnership with World Hope, this is the first attempt to inform the Cape Town Community and to mobilize them.

Network win: Three autonomous new Pregnancy Crisis centre's commenced operations in 2007, having been spawned from the Pregnancy Help Centre in Wynberg which has now closed.

2. Youth at Risk Networking

Issue #1 Street Children

Children living on the streets of South Africa might be the most vulnerable of our society. Having nowhere to turn and no-one to care for them, they often fall prey to crime syndicates or are trapped into a life of child prostitution.

Very little is done in the public sector to reduce the causes of children ending up on the street or to provide safe shelter for these children. It is therefore the prerogative of the Body of Christ to find, support and provide shelter and the basic needs of these children.

Issue # 2 Life skills, Education and Prevention Programmes in Schools

Prevention is always better than cure: Connecting with children at schools and recreational facilities and presenting life skills, educational and prevention programmes, allows us to build value into their lives and empower them to make informed choices about their own destinies.

Issue# 3 Youth in prison

Youth in prison is caught in a cycle of destruction. In July 2003 alone there were 4 032 children in prisons, 2.2% of the total number of inmates and 7.8% of all prisoners awaiting trial in South Africa were children. Recent statistics are not readily available, but all indications are that they are higher than five years ago.

A disturbingly high rate of youth is involved in gangs in and out of prison in the Western Cape. Once caught in a life of crime it is extremely difficult to escape – unless touched by the hands of The One who came to set the captives free.

In 2007:

- Appointment of a Network Coordinator to visit members, map who is doing what and where, to identify common areas of work and promote collaboration
- Prison Ministry: Literacy programme started for youth awaiting trial, linked with OASIS start up material.

Network Wins: Seven members attended Quality Improvement Cycles on Child protection and People Care. Implemented policies and procedures to improve the quality of care to the youth they serve.



3. Children at Risk networking

Issue#1 Early Childhood Development

Poverty in South Africa is a major deterrent for the proper development of our young children. Government subsidies for Early Childhood Development are difficult to attain and not sufficient to even provide proper food for the children who attend crèche, let alone to provide crèche owners with the tools and training necessary.

Our members understand that the tender years of children aged 0 to 5 must be cherished and capitalized on. They provide support and training for crèche owners, crèche services for children, training for parents and caregivers, etc

Issue #2 Child Sexual Exploitation

Child Sexual Exploitation is endemic in South Africa. It is projected that one in four children will suffer some form of child abuse before reaching adulthood. It is also estimated that 85% to 90% of sexual abuse offenders is well known to the child, many times a breadwinner or primary caregiver.

Child Abuse is an atrocity that cannot be ignored. Our members are involved in prevention and after care, providing support to the authorities, statutory work, counseling for the Child and family, etc.

Issue#3 Orphans

With the Aids epidemic and crime rate tearing families apart and unbearable poverty causing the abandoning of children and babies, orphan and vulnerable children (OVC) care in South Africa is even more essential than before.

The government has significantly reduced its support to the care of orphaned and abandoned children over the last ten years.



In 2007:

- A training conference was hosted for members working with Sexually Exploited children in a retreat environment to equip carers, at the same time giving them time out from their projects. Fifty members attended. This was made possible with funding from World Emergency Relief
- National collaboration of key role players working at the cutting edge of Child Sexual Exploitation hosted which resulted in several key strategies. Their first action plan is to advocate against uncensored pornography on national television.
- Meetings of the Lwandle / Nomzamo ECD group were very well received. The focus group produced a handbook to back up medical teaching on recognising skin problems, and nutrition experts were introduced to teach on diet.
- Umnqophiso, Emyezweni and Sikuhle Sonke completed and implemented their Child Protection policies developed through the QIS process.
- An Early Childhood Development Conference was held by Sikohle Sonke

Network win: ECD members in Khayelitsha, Kayamandi and Lwandle have formed area networks of shack crèches where they are able to help them with resources and training

***CONNECT CHRISTIAN NETWORK
(PTY) LTD
(incorporated under Section 21)
2006/012058/07***

***FINANCIAL STATEMENTS
For the year ended
29 FEBRUARY 2008***

**CONNECT CHRISTIAN NETWORK
FINANCIAL STATEMENTS
for the year ended 29 February 2008**

The reports and statements set out below comprise the financial statements presented to shareholders:

Index	Page
Report of the independent auditors	2
Report of the directors	3
Balance sheet	4
Income statement	5
Statement of changes in equity	6
Cash flow statement	7
Notes to the financial statements	8 - 9

The following supplementary schedule does not form part of the financial statements, and is unaudited.

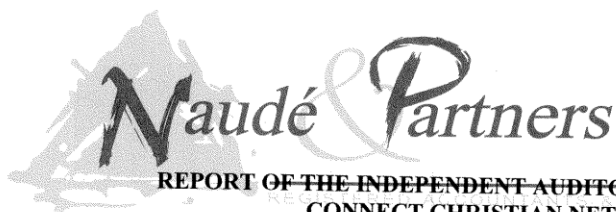
Detailed income statement	10
---------------------------	----

Approval

The financial statements which appear on pages 3 to 10 were approved by the board of directors on 25 June 2008 and signed on their behalf.



Director



**REPORT OF THE INDEPENDENT AUDITORS TO THE SUBSCRIBERS OF
CONNECT CHRISTIAN NETWORK (PTY) LTD**

We have audited the accompanying financial statements of **CONNECT CHRISTIAN NETWORK (PTY) LTD**, which comprise the balance sheet as at **29 February 2008**, and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Generally Accepted Accounting Standards. This responsibility includes:

- Designing, implementing and maintaining internal control relevant to the preparation and fair presentation of 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 financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depends on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing and 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 statements..

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

Qualification

As is the case with similar organisations, it's not possible for the management committee to apply accounting measures to cash collections during fund raising and donations before the actual recording of the collections in the accounting records. It was not possible for us to investigate the collections further than those that were recorded. In these circumstances we were unable to carry out the full scope of auditing procedures, or to obtain all information and explanations we considered as necessary or to satisfy ourselves that proper accounting records have been kept.

Opinion

In our opinion, except for the above, the financial statements give a true and fair view of the financial position of the company as of **29 February 2008**, and of its financial performance and its cash flow for the year then ended in accordance with South African Generally Accepted Accounting Practice, and comply with the Companies Act.

Naudé & Partners
Chartered Accountants (S.A.)
Registered Accountants and Auditors

Per: I Du Toit

20 May 2008

WT NAUDÉ - CA (SA) • I DU TOIT - CA (SA)

PO BOX 2788 SOMERSET WEST 7129 • 7 LOURENSFORD ROAD, SOMERSET WEST, 7130
TEL: 021 - 852 4166 / 021 - 852 7589 FAX: 021 - 851 5081 E MAIL: info@naude-partners.co.za

**CONNECT CHRISTIAN NETWORK
REPORT OF THE DIRECTORS
for the year ended 29 February 2008**

The directors present their report for the year ended 29 February 2008. This report forms part of the audited financial statements.

1. General review

The company's business and operations and the results thereof are clearly reflected in the attached financial statements. No material fact or circumstance has occurred between the accounting date and the date of this report.

2. Statements of responsibility

The directors are responsible for the maintenance of adequate accounting records and the preparation and integrity of the financial statements and related information. The auditors are responsible to report on the fair presentation of the financial statements. The financial statements have been prepared in accordance with generally accepted accounting practice and in the manner required by the Companies Act, 1973.

The directors are also responsible for the company's system of internal financial control. These are designed to provide reasonable, but not absolute, assurance as to the reliability of the financial statements, and to adequately safeguard, verify and maintain accountability of assets, and to prevent and detect misstatement and loss. Nothing has come to the attention of the directors to indicate that any material breakdown in the functioning of these controls, procedures and systems has occurred during the year under review.

The financial statements have been prepared on the going concern basis, since the directors have every reason to believe that the company has adequate resources in place to continue in operation for the foreseeable future.

3. Dividends

No dividends were declared or recommended during the year.

4. Fixed assets

There have been no major changes in the fixed assets during the period or any changes in the policy relating to their use.

5. Directors

The directors of the company during the accounting period and up to the date of this report were as follows:

DM Hancox
DN Moskoff
AM Davids
AJ Potts
JJ Serfontein
BN van der Linde

During the year a number of directors resigned, the company paperwork was only completed after year end.

6. Auditors

Naude & Partners will continue in office in accordance with section 270(2) of the Companies Act.

CONNECT CHRISTIAN NETWORK
BALANCE SHEET
as at 29 February 2008

	Notes	2008 R	2007 R
Assets			
Non-current assets			
Fixed assets	2	5,262	4,921
Current assets		290,005	81,924
Trade and other receivables		25,300	3,550
Cash and cash equivalents		264,705	78,374
Total assets		<u>295,267</u>	<u>86,845</u>
Equity and liabilities			
Capital and reserves			
Distributable reserve		145,717	60,294
Current liabilities			
Trade and other payables		149,550	26,551
Total equity and liabilities		<u>295,267</u>	<u>86,845</u>

CONNECT CHRISTIAN NETWORK
INCOME STATEMENT
for the year ended 29 February 2008

	Note	2008 R	2007 R
Gross revenue		754,254	520,434
Operating costs		<u>668,831</u>	<u>547,573</u>
Operating profit/(loss)	3	<u><u>85,423</u></u>	<u><u>(27,139)</u></u>

CONNECT CHRISTIAN NETWORK
CASH FLOW STATEMENT
for the year ended 29 February 2008

	Notes	2008 R	2007 R
Cash flows from operating activities			
Cash receipts from customers		689,488	520,433
Cash paid to suppliers and employees		<u>(501,367)</u>	<u>(549,332)</u>
Cash generated by/(utilised in) operating activities	5.1	188,121	(28,899)
Cash flows from investing activities			
<i>Expenditure to maintain operating capacity</i>			
Fixed assets acquired		<u>(1,790)</u>	<u>(930)</u>
Net cash used in investing activities		<u>(1,790)</u>	<u>(930)</u>
Increase/(decrease) in cash and cash equivalents		186,331	(29,829)
Cash and cash equivalents at beginning of the year	5.2	<u>78,374</u>	<u>108,203</u>
Cash and cash equivalents at end of the year	5.2	<u><u>264,705</u></u>	<u><u>78,374</u></u>

CONNECT CHRISTIAN NETWORK
NOTES TO THE FINANCIAL STATEMENTS
at 29 February 2008

1. Accounting basis

The financial statements are prepared on the historical cost basis. The following are the principal accounting policies used by the company which are consistent with those of the previous year.

These statements comply with statements of generally accepted accounting practice.

1.1 Fixed assets

Depreciation is calculated by a charge to income computed on a straight line basis so as to write off the cost or amount of the valuation of the assets over their expected useful lives.

The expected useful lives are as follows:

Furniture and fittings	6 years
Computer equipment	3 years

2. Fixed assets

	2008			2007		
	Cost / valuation	Accumulated depreciation	Carrying value	Cost / valuation	Accumulated depreciation	Carrying value
<i>Owned assets</i>						
Furniture and fittings	7,797	4,176	3,621	7,797	2,876	4,921
Computer equipment	1,790	149	1,641	-	-	-
	<u>9,587</u>	<u>4,325</u>	<u>5,262</u>	<u>7,797</u>	<u>2,876</u>	<u>4,921</u>

The carrying amounts of fixed assets can be reconciled as follows:

	Carrying value at beginning of year	Additions	Depreciation	Carrying value at end of year
<i>Owned assets</i>				
Furniture and fittings	4,921	-	(1,300)	3,621
Computer equipment	-	1,790	(149)	1,641
	<u>4,921</u>	<u>1,790</u>	<u>(1,449)</u>	<u>5,262</u>

CONNECT CHRISTIAN NETWORK
NOTES TO THE FINANCIAL STATEMENTS
at 29 February 2008

	2008 R	2007 R
3. Operating profit/(loss)		
Operating profit/(loss) is stated after:		
<i>Expenditure</i>		
Auditors' remuneration		
- Audit fee	4,000	-
Depreciation		
- Fixed assets	1,449	2,073
Lease rentals		
- Premises	12,675	7,624
	<u>12,675</u>	<u>7,624</u>
4. Taxation		
No provision has been made for 2008 taxation. The association is exempt from payment of Income Tax in terms of section 10 of the Income Tax Act, Nr 58 of 1962, as amended for registered non profit organisation.		
5. Notes to the cash flow statement		
<i>5.1 Cash generated by/(utilised in) operating activities</i>		
Net profit/(loss)	85,423	(27,139)
Adjustments for:		
Depreciation	1,449	2,073
Extraordinary items	-	1
	<u>86,872</u>	<u>(25,065)</u>
Movements in working capital		
(Increase)/decrease in accounts receivable	(21,750)	4,750
Increase/(decrease) in accounts payable	122,999	(8,584)
	<u>188,121</u>	<u>(28,899)</u>
<i>5.2 Cash and cash equivalents</i>		
Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise the following balance sheet amounts:		
Cash and cash equivalents	<u>264,705</u>	<u>78,374</u>

Friends of Connect Network

Financial Supporters:

Children's Campaign Trust

HT Gormley Trust

SuperCamps UK via Viva network

Local Government

Garnet & Virginia De la Hunt

Mumbles Baptist Church, Wales

St Amands College, Belgium

Housely Bequest

Gifts in Kind:

Colgate

Devon valley Hotel

Gestetener Somerset West

Jurie Serfontein

Pick n Pay

Coolco

First Garment Laundry

Ivan Moskoff Financials

PEP stores

Volunteers