

# **ANJALI HOUSE (CAMBODIA)**

## **STATEMENT OF FUND RECEIPTS AND DISBURSEMENTS AND REPORT OF INDEPENDENT AUDITORS**

**For the year ended 31 December 2017**

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## STATEMENT BY THE ORGANISATION MANAGEMENT

I, do hereby state that in our opinion, the accompanying Statement of Fund Receipts and Disbursements together with the notes there to are properly drawn up so as to give a true and fair view of the fund receipts and disbursements of Anjali House (Cambodia) (the "Organisation") for the year ended 31 December 2017, in accordance with the accounting policies set out in the notes to the Statement of Fund Receipts and Disbursements.

Signed on behalf of the Organisation Management



Ms. Simon Ke  
Director

Date: 21 September 2018



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## **REPORT OF INDEPENDENT AUDITORS ON THE STATEMENT OF FUNDS RECEIPTS AND DISBURSEMENTS - TO THE MANAGEMENT OF ANJALI HOUSE (CAMBODIA)**

### **Opinion**

We have audited the accompanying Statement of Fund Receipts and Disbursements of the Anjali House (Cambodia) for the year ended 31 December 2017 and notes to the financial statement, including a summary of significant accounting policies (together "the financial statement").

In our opinion, the accompanying Statement of Fund Receipts and Disbursements of the Anjali House (Cambodia) for the year ended 31 December 2017 is prepared, in all material respects, in accordance with the accounting policies set out in note 2 to the Statement of Fund Receipts and Disbursements.

### **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 are independent of the Anjali House (Cambodia) in accordance with the ethical requirements that are relevant to our audit of the financial statement in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibilities of management for the financial statement**

Management is responsible for the preparation of the financial statement in accordance with the cash receipts and disbursements basis of accounting described in Note 2 to the financial statement; this includes determining that the cash receipts and disbursements basis of accounting is an acceptable basis for the preparation of the financial statement 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.

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

### **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 this financial statement.





# **REPORT OF INDEPENDENT AUDITORS ON THE STATEMENT OF FUNDS RECEIPTS AND DISBURSEMENTS - TO THE MANAGEMENT OF ANJALI HOUSE (CAMBODIA) (Ctd)**

## **Auditor's responsibilities for the audit of the financial statement (Ctd)**

As part of an audit in accordance with CISAs, we exercise professional judgment and maintain professional skepticism 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 Anjali House (Cambodia)'s internal control.
- 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 Anjali House (Cambodia)'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 Anjali House (Cambodia) to cease to continue as a going concern.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.

We communicate with management 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.

**Morison Kak & Associés**  
Certified Public Accountants  
Independent Auditors

**Saksom Meas**  
Managing Partner



Date: 21 September 2018



**ANJALI HOUSE (CAMBODIA)**

**STATEMENT OF FUND RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	31 Dec 17 USD	31 Dec 16 USD
<b>FUND RECEIPTS</b>			
Funds received from donors during the year	3	155,218	95,241
Other income	4	390	889
<b>Total fund receipts</b>		<b>155,608</b>	<b>96,130</b>
<b>DISBURSEMENTS</b>			
Education program	5	15,281	15,596
Young adult program		5,705	2,289
Scholarship program	6	3,825	3,876
Health program	7	16,434	18,418
Community program	8	856	684
Social enterprise program		287	867
Payroll expenses		31,418	29,685
General and administrative		9,689	4,993
Access program	9	9,291	-
Garden program	10	7,579	-
Expended equipment	11	19,401	3,383
Depreciation	15	6,713	4,871
<b>Total disbursements</b>		<b>126,479</b>	<b>84,662</b>
<b>Receipts over disbursements</b>		<b>29,129</b>	<b>11,468</b>
Fund balance brought forward		40,310	28,842
<b>Fund balance carried forward</b>		<b>69,439</b>	<b>40,310</b>

(Continued)

*The accompanying notes from pages 6 to 11 form an integral part of this financial statement.*

**STATEMENT OF FUND RECEIPTS AND DISBURSEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2017**

	Note	31 Dec 17 USD	31 Dec 16 USD
<b>Represented by:</b>			
Cash and cash equivalents	12	20,264	7,050
Donation receivables	13	48,627	27,862
Rental deposit	14	2,400	2,400
Staff loan		730	-
Construction	15	-	4,498
Staff health care payable	16	(931)	-
Other payables		(1,651)	(1,500)
		<b>69,439</b>	<b>40,310</b>



Ms. Simon Ke  
Director

Date: 21 September 2018

*The accompanying notes from pages 6 to 11 form an integral part of this financial statement.*



**NOTES TO THE STATEMENT OF FUND RECEIPTS AND DISBURSEMENTS**

**For the year ended 31 December 2017**

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**1. General**

Anjali House began life as a project of the Angkor Photo Association (“APA”) (a registered non-profit association in France – Registration No: W751202186), and Angkor Photography Festival Association in Cambodia (Registration No: 1391SPN). In 2005, a group of photographers got together to promote photography and highlight humanitarian issues in Southeast Asia. APA wanted to produce a regional photo festival but, in an area of so much deprivation, they also wanted to include some of the people who live in this remarkable and wonderful part of the world.

Anjali House (the “Organisation”) provides to each child free healthcare, food, clean drinking water and education. For the year 2017, Anjali House supports around 120 children.

Anjali began with a one-off dance troupe, led by Sangeeta Isvaran, and a photography workshop initiated by Magnum photographer Antoine d’Agata. The children were encouraged to stay away from the streets, and at the end of the week, they performed their dance routine and exhibited their photographs to an international audience. With rapt applause, they found a sense of empowerment, pride and personal achievement.

Galvanized by the difference that was made in first weeks, APA was inspired to further extend its help, and began to provide education and practical support to Siem Reap’s street children and engage with their parents.

The seeds of those efforts grew into the Anjali House of today. While close ties remain with the Angkor Photo Festival which provides annual photography workshops for our kids, Anjali House is now its own organisation with its own leadership.

The Organisation is an independent national NGO officially registered with the Ministry of Interior on 31 July 2006.

**2. Significant accounting policies**

**2.1 Basis of preparation**

The Statement of Fund Receipts and Disbursements is expressed in United States Dollar (“USD”) and prepared under the cash receipts and disbursements basis of accounting modified to include certain receivables, payables and construction. Under the cash basis of accounting, grants and revenue are recognised when received rather than when earned and expenses are recognised when paid rather than when incurred.

**2.2 Construction**

The cost of construction is expensed upon payment. Previously, the construction cost was capitalised and depreciated on a straight line basis over the period of three years. Expenditure for additions, improvements and renewals are capitalised and expenditure for maintenance and repairs are charged to expenses.

**2.3 Receipts and disbursements**

Receipts are defined as the funds received by the Organisation, net of bank charges from donors.

Disbursements represent all costs paid in line with the Organisation’s objectives and the budget agreed.



## NOTES TO THE STATEMENT OF FUND RECEIPTS AND DISBURSEMENTS

For the year ended 31 December 2017 (continued)

**2. Significant accounting policies (continued)****2.4 Fixed assets**

The purchase costs of fixed assets are expensed upon acquisition. For control and management purposes, the Organisation maintains a fixed assets register.

**2.5 Staff health care payable**

The Organisation has accrued USD 1,000 per year starting from 2017 to cover staff health care expenses. The Organisation will reimburse up to 100% of medical expenses for employees, with the maximum amount of reimbursement of USD 500 per year per employee. An employee may seek reimbursement from the Organisation if their medical expenses exceed 10% of their current monthly salary. However, expense related to enhancement of physical appearance will not be covered by the Organisation. Employees who are injured during working hours on Anjali House premises will receive 100% coverage for all medical expenses incurred.

**2.6 Foreign currency transactions**

The Statement of Fund Receipts and Disbursements is expressed in USD. Transactions in currencies other than USD are translated to USD at the rates of exchange ruling at the transaction dates.

**3. Funds received from donors during the year**

	31 Dec 17 USD	31 Dec 16 USD
Friends of Anjali	18,490	-
Indiegogo	2,364	-
Online donors:		
Recurring	2,135	3,235
Non-recurring	677	1,860
99 Bikes	26,626	2,300
Angkor Photo Festival Association	-	721
Anjali House (US), Inc.	54,891	34,015
Anjali House Fundraiser	317	40
ConCERT	1,329	1,407
Creating Smiles	1,163	1,660
DaLimit Foundation	24,980	-
Globalteer	7,724	7,839
Green Shoots Foundation	1,836	-
H G Travel Company	1,620	-
Jasmin Sieber	-	1,090
Killara High School	-	2,433
Road Scholar	4,500	6,130
Susan Sy	700	-

**NOTES TO THE STATEMENT OF FUND RECEIPTS AND DISBURSEMENTS**  
**For the year ended 31 December 2017 (continued)**

**3. Funds received from donors during the year (continued)**

	31 Dec 17 USD	31 Dec 16 USD
Runbook Company	-	16,492
Sarah Fransen	-	8,000
SE Asia Foundation	-	2,000
Sue Guiney	-	140
Rosy Guesthouse	366	-
Tan Soon Meng	-	1,458
TWCCTW	2,000	1,500
Real World Adventure	350	-
Global Education Connection	300	-
Others donors	2,850	2,921
	<u>155,218</u>	<u>95,241</u>

**4. Other income**

This mainly includes the sales of merchandises (photo books and postcards) and interest income.

**5. Education program**

	31 Dec 17 USD	31 Dec 16 USD
School fee and material (school uniforms and materials)	7,372	5,961
School activities	1,366	697
Fuel and transportation	1,952	1,894
Rental	2,700	4,800
Utilities	772	720
Other	1,119	1,524
	<u>15,281</u>	<u>15,596</u>

**6. Scholarship program**

	31 Dec 17 USD	31 Dec 16 USD
Housing/food costs	618	507
University/schooling fees	3,207	3,369
	<u>3,825</u>	<u>3,876</u>

**NOTES TO THE STATEMENT OF FUND RECEIPTS AND DISBURSEMENTS**  
**For the year ended 31 December 2017 (continued)**

**7. Health program**

	31 Dec 17 USD	31 Dec 16 USD
Child clothing/hygiene supplies	508	822
Miscellaneous expenses	357	160
Meals	15,019	17,026
Medical supplies/hospital fees	550	410
	<u>16,434</u>	<u>18,418</u>

**8. Community program**

	31 Dec 17 USD	31 Dec 16 USD
Assessment supplies	-	25
Parent workshop/social network	331	413
Special assistance to families	415	50
Transportation/communications	110	196
	<u>856</u>	<u>684</u>

**9. Access program**

	31 Dec 17 USD	31 Dec 16 USD
Administration	600	-
Instruction	7,140	-
Food	80	-
Books/material	1,046	-
Enhancement activities	425	-
	<u>9,291</u>	<u>-</u>

**10. Garden Program**

This account includes house rental expense, salary of garden teacher, garden material and other expense related to garden activities.



**NOTES TO THE STATEMENT OF FUND RECEIPTS AND DISBURSEMENTS**  
**For the year ended 31 December 2017 (continued)****11. Expended equipment**

	<b>31 Dec 17</b>	<b>31 Dec 16</b>
	<b>USD</b>	<b>USD</b>
Construction/buildings	3,397	3,070
Classroom equipment	294	183
IT equipment	15,710	130
	<b>19,401</b>	<b>3,383</b>

**12. Cash and cash equivalents**

	<b>31 Dec 17</b>	<b>31 Dec 16</b>
	<b>USD</b>	<b>USD</b>
Cash on hand	4,021	150
Cash at banks (*)	15,692	6,300
Paypal account	551	600
	<b>20,264</b>	<b>7,050</b>

(\*) For ease of cash management, the management elected to pay all scholarship expense amounting to USD 3,722 from the General Fund account instead of the Scholarship Fund account during the year and the same amount will be transferred from the Scholarship Fund account to the General Fund account after the year-end.

**13. Donation receivables**

This represents the remaining balance of donation kept by Anjali House (US) Inc. on behalf of Anjali House (Cambodia).

**14. Rental deposit**

The Organisation has made a rental deposit amounting to USD 2,400 for the office in Siem Reap. This amount will be offset against the six-month rental fee at the end of the rental agreement.

**15. Depreciation**

Due to the change in the Organisation's accounting policy regarding the treatment of its construction expense, the opening balance of "Construction" account as at 01 January 2017 and addition during the year amounting to USD 4,498 and USD 2,215 respectively were written off as depreciation expense during the year 2017. Please refer to note 2.2 to the financial statement.

**NOTES TO THE STATEMENT OF FUND RECEIPTS AND DISBURSEMENTS**  
**For the year ended 31 December 2017 (continued)**

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**16. Staff health care payable**

	<b>31 Dec 17</b>	<b>31 Dec 16</b>
	<b>USD</b>	<b>USD</b>
Beginning balance	-	-
Addition during the year	1,000	-
Payment during the year	(69)	-
<b>At end of year</b>	<b>931</b>	<b>-</b>