

HELPAGE CAMBODIA
PROTECTING HEALTH AND LIVELIHOODS OF OLDER PEOPLE IN
CAMBODIA FROM COVID-19
FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020

HELPAE CAMBODIA

**PROTECTING HEALTH AND LIVELIHOODS
OF OLDER PEOPLE IN CAMBODIA FROM COVID-19**

**REPORT OF INDEPENDENT AUDITORS
AND
STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE**

FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020

**HELPAGE CAMBODIA (HAC)
PROTECTING HEALTH AND LIVELIHOODS OF OLDER PEOPLE IN
CAMBODIA FROM COVID-19**

FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020

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STATEMENT BY THE MANAGEMENT

We, do hereby state that in our opinion, the accompanying Statement of Receipts, Disbursements and Fund Balance of the “Protecting health and livelihoods of older people in Cambodia from Covid-19” project (the “Project”) funded by the Swiss Agency for Development and Cooperation (“SDC”), implemented by HelpAge Cambodia (the “Organization”) for the period from 1 July 2020 to 31 December 2020 together with the notes thereto have been prepared, in all material respects, in accordance with the basis of accounting as set out in Note 2 to the Statement of Receipts, Disbursements and Fund Balance.

Signed on behalf of the Project’s Management

A handwritten signature in black ink is written over a blue circular stamp. The stamp contains the text "HelpAge Cambodia Organization" around the perimeter and a central logo featuring a stylized building or structure.

Mr. Tum Vira
Executive Director

Date: 22 April 2021

**REPORT OF INDEPENDENT AUDITORS
TO THE MANAGEMENT OF HELPAGE CAMBODIA**

Opinion

We have audited the Statement of Receipts, Disbursements and Fund Balance of the “Protecting health and livelihoods of older people in Cambodia from Covid-19” project (the “Project”) implemented by HelpAge Cambodia (the “Organization”) for the period from 1 July 2020 to 31 December 2020 and notes to the financial statement, including a summary of significant accounting policies (together “the financial statement”).

In our opinion, the accompanying Statement of Receipts, Disbursements and Fund Balance of the Protecting health and livelihoods of older people in Cambodia from Covid-19 project (the “Project”), implemented by HelpAge Cambodia (the “Organization”) for the period from 1 July 2020 to 31 December 2020 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 the 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 Project in accordance with the ethical requirements that are relevant to our audit of the financial statements 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.

Emphasis of Matters

(i) Contribution in kind

Without qualifying our opinion, we draw your attention to Note 10 to the financial statement. The estimated value of contribution in kind of USD 9,150 was solely determined and assumed by the Management. There was no independent valuation from other third party and no sufficient supporting evidence to justify this estimated value. This contribution in kind was incorporated in the budget and approved by the donor in the project agreement.

(ii) Basis of Accounting and Restriction on Distribution and Use

We draw your attention to Note 2 to the financial statement which describes the basis of accounting. This financial statement was prepared using the cash basis of accounting which is a comprehensive basis of accounting other than the Cambodian International Financial Reporting Standards (CIFRS). As a result, the financial statement may not be suitable for another purpose. Our report is intended solely for the Project and its donors and for no other purposes and should not be distributed to or used by parties other than the Project and its donors. Our opinion is not modified in respect of this matter.

(iii) Condition Related to Going Concern

The implementation of the Protecting health and livelihoods of older people in Cambodia from Covid-19 project funded by Swiss Agency for Development and Cooperation (SDC) covers the period from 01 July 2020 to 31 December 2020. This condition indicates that the Project was ended on 31 December 2020. Our opinion is not modified in respect of this matter.



**REPORT OF INDEPENDENT AUDITORS
TO THE MANAGEMENT OF HELPAGE CAMBODIA (continued)**

Responsibilities of Management for the Financial Statement

Management is responsible for the preparation of the financial statement in accordance with the basis of accounting described in Note 2 to the financial statement; this includes determining that the 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 Project'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 Project 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.

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 Project'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 Project'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 Project to cease to continue as a going concern.





**REPORT OF INDEPENDENT AUDITORS
 TO THE MANAGEMENT OF HELPAGE CAMBODIA (continued)**

Auditor's Responsibilities for the Audit of the Financial Statement (continued)

- 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.

Morisonkak MKA
 Certified Public Accountants
 Independent Auditors

Saksom Meas
 Managing Partner



Date: 22 April 2021



**HELPAGE CAMBODIA (HAC)
PROTECTING HEALTH AND LIVELIHOODS OF OLDER PEOPLE IN
CAMBODIA FROM COVID-19 PROJECT**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE
FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020**

	Note	Actual 01 Jul 20 to 31 Dec 20 USD	Budget 01 Jul 20 to 31 Dec 20 USD
RECEIPTS			
Fund received from donor	3	40,000	49,500
Contribution from HAC	10	13,501	13,500
Total Fund Receipts		53,501	63,000
DISBURSEMENTS			
Personnel	4	5,922	6,486
Office cost	5	128	120
Travel related costs	6	2,913	3,830
Equipment (supplies and commodities)	7	6,523	6,664
Contracts	8	2,235	2,100
Other costs	9	31,778	30,300
Contribution from HAC	10	13,501	13,500
Total Disbursements		63,000	63,000
RECEIPTS UNDER DISBURSEMENTS		(9,499)	-
<i>Represented by:</i>			
Fund balance	11	(9,499)	

Signed on behalf of the Project's Management



Mr. Tum Vira
Executive Director

Date: 22 April 2021

The accompanying notes from pages 6 to 8 form an integral part of this financial statement.

**HELPAge CAMBODIA (HAC)
PROTECTING HEALTH AND LIVELIHOODS OF OLDER PEOPLE IN CAMBODIA
FROM COVID-19**

**NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE
FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020**

1. BACKGROUND

The Organization

HelpAge Cambodia (HAC) is a Cambodian non-government organization working with and for older people. It commenced operations in 1992 in Battambang Province as part of HelpAge International, a global network of organizations. HAC was established as an independent entity in December 2012 when it was officially registered under the Ministry of Interior under registration No. ០១៣៥ ៧៧៧៧. The Organization's mission is to: work for and with older people to enable them to fulfil their right to wellbeing, economic and physical security, including access to health and social services; and promote older people's active contribution to and equal participation in society. HAC has five main work areas: (1) health and care, (2) livelihood and income security, (3) social inclusion, (4) adaptation to climate change and disaster risk reduction, and (5) voice and advocacy for the rights of older people.

To achieve its mission, one of HAC's major activities is facilitating the development and ongoing operation of Older People's Associations (OPAs). OPAs are intergenerational and multifunctional community-based organizations that are led and managed by older village volunteers and aim to promote mutual support among older people, reducing their isolation and vulnerability and creating an entity that can both initiate and support community development activities that will assist them improve their lives and that of the community.

The Project

On 26 June 2020, HelpAge Cambodia signed a project agreement with Swiss Agency for Development and Cooperation (SDC) under Contract No. 81065331 which provides a grand fund amounting to USD 49,500 to support the project called "Protecting health and livelihoods of older people in Cambodia from Covid-19" ("the Project"). The total budget of the Project is USD 63,000 covering the period from 01 July 2020 to 31 December 2020.

Objectives of the Project

1. Reduce the risk of Covid-19 infection for older people, their families and communities.
2. Provide social assistance to older persons and their families.

Target areas

Up to 855 older persons and 4,050 community members in three provinces (Battambang, Banteay Meanchey and Siem Reap provinces) are expected to benefit from this Project.

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**NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE
FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020 (continued)**

1. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statement, which is expressed in United States Dollar (“USD”), has been prepared under the historical cost convention and drawn up in accordance with the cash basis of accounting. This is a comprehensive basis of accounting which is designed to meet the requirements of the Project other than the Cambodian International Financial Reporting Standards (CIFRS). Under this basis, fund receipt is recognized when received rather than when earned and disbursement is recognized when paid rather than when incurred.

The accounting principles and practices utilized by the Project may differ from those generally accepted accounting principles. The financial statement is not intended to be a presentation in conformity with the CIFRS.

2.2 Receipts and disbursements

Receipts are defined as the funds received, gross of bank charges, from the donor with respect to the Project.

Disbursements represent all costs paid in line with the Project’s objectives and the budget approved by the donor.

2.3 Non-expendable items

All non-expendable items are expended upon acquisition. This treatment is in accordance with the cash basis of accounting.

2.4 Foreign currency transactions

The Project maintains its accounting records in United States Dollar (USD), a functional currency in which the Project executes. Transactions in currencies other than USD are translated to USD at rates of exchange ruling at the dates of transactions. Exchange differences arising on settlement or translation are dealt with through the Statement of Fund Receipts and Disbursements.

3. FUND RECEIVED FROM DONOR

This represents fund received from the Swiss Agency for Development and Cooperation (SDC) for the Project’s activities.

4. PERSONNEL

	Actual	Budget
	01 Jul 20	01 Jul 20
	to 31 Dec 20	to 31 Dec 20
	USD	USD
Project accountant	1,927	1,986
Junior coordinator	3,995	4,500
	<u>5,922</u>	<u>6,486</u>

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**NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE
FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020 (continued)**

5. OFFICE COST

This represents cost paid for bank charges.

6. TRAVEL RELATED COSTS

	Actual 01 Jul 20 to 31 Dec 20 USD	Budget 01 Jul 20 to 31 Dec 20 USD
Travel for staff and participants	1,736	2,030
Per diems and accommodation for staffs and participants	1,177	1,800
	<u>2,913</u>	<u>3,830</u>

7. EQUIPMENT (SUPPLIES AND COMMODITIES)

	Actual 01 Jul 20 to 31 Dec 20 USD	Budget 01 Jul 20 to 31 Dec 20 USD
Printing IEC materials (i.e. banners, leaflets...)	1,083	1,800
Soap (pack)	2,712	3,840
Masks	2,728	1,024
	<u>6,523</u>	<u>6,664</u>

8. CONTRACTS

This represents cost paid for professional services.

9. OTHER COSTS

	Actual 01 Jul 20 to 31 Dec 20 USD	Budget 01 Jul 20 to 31 Dec 20 USD
Cash/food transfer	31,758	30,000
IEC Materials (video, leaflets...)	20	300
	<u>31,778</u>	<u>30,300</u>

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**NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE
FOR THE PERIOD FROM 1 JULY 2020 TO 31 DECEMBER 2020 (continued)**

10. CONTRIBUTION FROM HAC

	Actual 01 Jul 20 to 31 Dec 20 USD	Budget 01 Jul 20 to 31 Dec 20 USD
Cost sharing from other donors		
Personnel		
Project manager	1,120	1,191
Office costs		
Office rental	924	801
Office utility and maintenance	1,433	1,404
Office supplies	570	504
Vehicle repair and maintenance	304	450
	<u>4,351</u>	<u>4,350</u>
Contribution in kind from HAC (*)		
One pickup car	5,350	5,350
Three motorbike for three staff	2,000	2,000
Office and computer equipment for staff	1,800	1,800
	<u>9,150</u>	<u>9,150</u>
	<u>13,501</u>	<u>13,500</u>

(*) These represent the estimated value, as determined and assumed by the Management, of the vehicle, motorbikes and office and computer equipment currently owned and used by HAC. They were planned to be used in implementing the project activity. This contribution in kind was incorporated in the budget and approved by SDC in the project agreement.

11. FUND BALANCE

This represents the deficit of fund receipts over disbursements during the reporting period. The amount will be transferred from the donor after submission and approval of the financial report.