



TGF

Temple
Garden
Foundation

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Trustees' Annual Report and
unaudited financial statements

Registered company number: 06613231

Registered charity number: 1124767

31 December 2015

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Reference and administrative details

Trustees	Ms C E Marson B Levitt Ms K Lampe Ms L Davies W Morrow Ms C Sturm
Country Director	Mr S Flint
Business Manager	Ms K San
Independent examiner	Andrew Niblock Henderson Loggie 34 Melville Street Edinburgh EH3 7HA
Registered office	94 Muswell Hill Road London N10 3JR
Registered company number	06613231 (England and Wales)
Registered charity number	124767

Trustees' Annual Report

The Trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2015. This report includes information required to be included in the directors' report. The financial statements have been prepared in accordance with the accounting policies as set out in note 1 to the accounts and comply with the charity's trust deed, the Statement of Recommended Practice – Accounting and Reporting by Charities (FRS102) and the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102). The accounts are prepared for the Temple Garden Foundation as a single entity.

Objectives and activities

Objectives and aims

The objects of the Charity are the relief of poverty, the relief of sickness and the protection of health, in particular by making grants to support projects to deliver the following essential services to disadvantaged communities in rural Cambodia and elsewhere in Asia:

- (a) Clean water supplies;
- (b) Hygienic sewage systems;
- (c) Healthcare services;
- (d) Education;
- (e) Electricity, gas and other essential supplies; and
- (f) Business development.

Founded in 2008, Temple Garden Foundation (TGF) works in partnership with local rural communities in Cambodia. It has on-the-ground operations in Chi Kraeng District, Siem Reap Province. TGF aims to be a catalyst for sustainable development and intends to accomplish this with carefully selected projects designed to maximise community participation and minimise external support over time. TGF selects projects where livelihoods can be improved significantly through simple community initiatives.

At its core, TGF's community development programme focuses on the empowerment of the community. Villagers have plenty of capacity to assist in the improvement of their own lives and, for this reason, all major decisions on projects are in consultation with them. Villagers are challenged to contribute resources as a community to every project that they benefit from, be it labour, money, materials or time.

TGF distinguishes itself from the start by asking villagers to help us understand their community, and focuses on hidden resources already present in the communities. TGF tries to change the typical pattern of dependence by villagers on NGOs and government for support.

Summary of the main activities undertaken for the public benefit in relation to these objectives

In 2015, TGF worked in 59 villages across five communes in Chi Kraeng District. The total number of beneficiaries of TGF activities in these target villages is difficult to count due to beneficiaries often participating in more than one programme or project. To avoid double counting we have not included a total numbers of beneficiaries but, in the result detail below, we report the number of villagers benefiting by project. It is reasonable to say that TGF work has a significant effect on nearly the entire population of each village.

Trustees' Annual Report *(continued)*

Objectives and aims *(continued)*

Water and Sanitation Programme (formerly Infrastructure Programme)

Overview

TGF works with local communities and local government to determine infrastructure, water and sanitation needs in target communities. The projects identified then incorporate village labour and are managed by the village leadership during implementation so that villagers have as much ownership over the process as possible.

In 2015 projects and activities included:

- Meetings held by the communities and facilitated by TGF to propose and plan projects, to organise labour and give the community ownership over projects.
- Data collection via community group leaders periodically in each village where TGF infrastructure programme has worked. This information helps identify ways to improve planning and implementation.
- Training for village health volunteers (VHSG) and community members.
- Construction of latrines.
- Distribution of water filters.
- Distribution of water catchment tanks.
- Well construction.
- Water Testing – pre and post testing of all new water sources is undertaken to establish if the quality of the water meets with National Standards.

Results

- TGF provided materials for the construction of 1,533 latrine bases and technical support to villagers during construction. The recipient villagers provided the latrine housing and labour. This benefited approximately 8,125 villagers directly in 2015.
- 271 water filters were distributed during 2015 by TGF to households to improve water quality. Villagers contributed up to 50% of the cost of each filter depending on their household income. The distribution of water filters benefited 1,436 villagers directly.
- 37 new wells were constructed, and 7 inoperable wells repaired, TGF provided technical advice and materials, and the villagers provided the labour benefiting 3,498 villagers directly.
- 500 water catchment tanks were distributed to households to provide access to water during the dry season water access benefitting 2,650 villagers directly. Villagers contributed up to 50% of the cost of each water catchment tank depending on their household income.

Children's Education Programme

Overview

TGF works with local communities, students, teachers, administrators and the Chi Kraeng District Department of Education to improve the reach of primary and secondary school education and to improve the quality of that education as well in target areas.

In 2015, the TGF Children's Education Programme implemented the following projects in the target area:

- Early Childhood Education (formerly Kindergarten)
- Dental Hygiene and Sanitation for children recently entering first grade of primary school. TGF provides toothbrushes, toothpaste, soap, hand towels and instruction in their use.

Trustees' Annual Report *(continued)*

Objectives and aims *(continued)*

Children's Education Programme *(continued)*

Overview *(continued)*

- Life Skills is a government designed curriculum focusing on experiential education that was not implemented prior to TGF's work in target areas. TGF provides training for local teachers to teach the curriculum, provides materials for coursework and stipends for the teachers. The curriculum focuses on agricultural skills and local handicraft production. TGF supports this project from grades 4-6 in primary schools in the target areas.
- Sports Teams support. Currently, TGF supports volleyball teams in local public schools. Prior to TGF involvement, there were no athletics programs at target area schools.
- Summer School is held during the summer vacation (July to September). TGF funds summer schools which take place in public primary school classroom areas. TGF hires local teachers who are experienced in advanced subjects that students usually do not have exposure to, such as chemistry, physics, mathematics, Khmer literacy, and conversational English. Summer schools are especially helpful in preparing older students for Secondary school.
- TGF sponsors Teacher Training for primary school teachers. Many of the teachers in public primary schools are "contract" teachers, which means they do not have a teaching qualification and typically have never received any formal training. Developing their skills builds the educational capacity of the local community. Early Childhood Education (ECE) teachers are also trained by TGF in separate workshops.
- School Support Committees (SSC) are government-sanctioned groups comprised of school administrators, teachers, parents and students who are tasked with overseeing the management of each school. TGF provides training to SSC members to improve their capacity to complete their duties, supports monthly meetings of the committees, while providing on-going support and mentoring to members.
- English classes for grade 6 students are supported by TGF in 4 schools; to prepare them to begin the English curriculum taught in all secondary schools.

Results

- Early Childhood Education: 8 villages, 8 classes, 177 students. 57 of 57 students aged 5 matriculated in October 2015 to the 1st grade.
- Dental Hygiene and Sanitation: 15 core teachers were provided with DHP, handing washing and clean water awareness training. 383 students at 8 schools received dental hygiene kits from TGF and instruction on how to brush their teeth. 1,837 students received hand washing materials from TGF and instruction regarding hand washing.
- Life Skills Project: 789 children were taught life skills by 21 teachers in 8 schools.
- Summer School Project: 1,021 students attended summer school at 3 primary schools. There were 2,890 hours of instruction led by 16 teachers.
- School Support Committees: 8 SSCs from 10 villages with 98 members mentored. 4 training session with 66 participants provided on skills for SSC members.
- English classes: 4 primary schools were supported by TGF to provide English classes to 116 students

Trustees' Annual Report *(continued)*

Income Generation Programme

Overview

TGF partners with local communities to improve adult education, vocational training, business skills training and access to loan capital with the aim of helping villagers to start or improve business activities. Projects include appropriate vocational training, market linkage, job placement with local employers and assistance to entrepreneurs in target areas to start their own businesses, business skills training, and savings groups.

Activities during 2015 also included supporting and advising savings groups run by villagers as a means of generating loan capital and accumulating savings at the local village level as well as the formation of an Agricultural Cooperative supported by the Provincial Department of Agriculture to develop collectivised business activities, producer and purchasing groups.

- Savings Groups: TGF helps interested members of target villages form savings groups. The members of the groups meet monthly and initially focus on building savings group capital through regular savings. After several months members can begin to apply for loans with the group, especially for business and income-generation activities. TGF incentivises the process by providing funding into savings group reserves contingent on the savings groups meeting performance criteria. TGF also incentivises group member participation in vocational training by providing funding for group reserves for each savings group member who completes training in a vocational training subject.
- Business Skills Training provides savings group members and other interested community members with the knowledge required to establish successfully and develop new businesses.
- Vocational Skills Training provides savings group members and other interested community members with the skills and knowledge required to improve their household income through improved agricultural capacity.
- Extension Vocational Training extends the benefits of Vocational Training provided and achieves a better cost to benefit ratio. This training will be taught by villagers (Model Farmers) who participated in the initial vocational trainings and are doing well with the skills learned. The Model Farmers will teach other villagers interested in vocational subjects after receiving a further trainer teaching themselves. Costs for this additional extension training are minimal because Model Farmer trainer fees are much lower than professional trainer costs. The extension training also serves the purpose of encouraging those getting training to become members of savings groups, thus expanding the reach of Income Generation activities further.

Results

- Savings Groups: TGF helped villagers support 34 savings groups in 33 villages with a total year-end membership of 744 villagers. By the end of 2015, villagers had saved of \$98,896 to which TGF contributed an additional \$6,500 in performance incentives (for completing vocational training). Savings Groups also held an additional \$288 in Social Funds. By the end of 2015,
- Business Skills Trainings (to vocational trainees): Two separate business skills trainings were provided to 60 participants from 12 villages; in bookkeeping, creating and implementing business plans, cost analysis and other basic business skills. All of these business skills trainees also received vocational training sponsored by TGF.
- Vocational Skills Training: 156 participants from 12 villages received vocational training in animal raising (5 sessions) and an additional 76 villagers from 13 villages received training in improved rice production or cassava production from professional trainers sponsored by TGF in 2015.
- Extension Vocational Skills Trainings: 12 participants from 12 villages, who performed well in starting or improving their businesses after vocational and business skills trainings, received additional training at the end of 2015 in how to become vocational trainers themselves.

Trustees' Annual Report *(continued)*

Objectives and aims *(continued)*

Income Generation Programme *(continued)*

Results *(continued)*

- Loans are repaid at a rate of between 2-2.5% per month, and there have been no defaults so far. TGF does not receive any monetary benefit from these savings groups; they are run by villagers and funds are managed by villagers.

Health Programme

Overview

The Health Programme is meant to augment and complement the existing public health system in the target area.

Projects in 2015 included:

- Training to Health Centre staff and VHSGs facilitated by the Ministry of Health, National Nutrition Program (NNP) to implement WHO protocols of nutrition monitoring and nutrient supplement intervention (MAM-SAM) and support to implement protocols including national level monitoring of implementation provided by NNP
- Growth Monitoring Assessment (GMA) data collection and analysis of statistics from the malnutrition project is very important for determining the future direction of the project. Every three months, VHSGs conduct GMAs to find what progress has been made in combating malnutrition and to track progress over time.
- Health education meetings: these meetings focus on pregnant and new mothers and cover maternal health; the importance of providing colostrum at birth, exclusive breastfeeding, regular antenatal care, immunisation and the use of vitamin supplements. Sanitation and Hygiene; aimed at reducing the incidence of waterborne disease in villages as well as reducing sanitation related infections and illness.
- Health outreach services to remote villages: public health workers in target areas cannot typically conduct immunisation outreach clinics in remote villages they serve due to lack of funds for transport and food. TGF provides support funding for the public health workers, and VHSGs help organize target populations for the immunisation clinic. Clinics were conducted monthly in remote villages in the target area.

Results

- Health staff training: TGF supported the training of 8 staff from 5 Health Centres by 3 trainers (Operational District, Provincial and National level MoH staff) over 5 days. Training for 26 VHSGs, 1 commune councillor and one representative of the commune council responsible for children and women's affairs for 2 days by 5 trainers (2 Health Centre, 1 Operational District, 1 Provincial and 1 National level MoH staff). Training covered methodology to implement WHO protocol MAM-SAM screening and nutritional supplement intervention.
- Nutrition Monitoring: TGF supported VHSGs and Health Centre staff conducted nutrition screening based on WHO MAM-SAM protocols with monitoring and supervision provided by Operational District, Provincial and National level MoH staff. 858 children from 13 villages in 1 target commune were screened and 16 children received micro nutrition supplements. In addition, 4,305 children under the age of 5 and their families participated in growth monitoring activities.

Trustees' Annual Report *(continued)*

Objectives and aims *(continued)*

Health Programme *(continued)*

Results *(continued)*

- Health Education for pregnant women and new mothers: 236 health education sessions, in the area of maternal and child health, were provided by TGF by 118 village health volunteers throughout 2015. This training focused on prenatal health, nutrition during pregnancy, safe birthing and nutrition for new-borns after birth with an emphasis on exclusive breastfeeding. 2,181 women participated in these workshops. This training has resulted in changes in attitude by village women in the areas of use of colostrum, exclusive breastfeeding and professionally assisted births. Data collected in December 2015 indicates that 100% of mothers were now offering colostrum to newborns, and 97% of mothers are now exclusively breastfeeding the babies up to the age of six months. Pregnant women were now, almost without exception, attending registered medical facilities for ante natal care during their pregnancies and for delivery of their babies.
- 236 sanitation and hygiene training sessions were conducted in 59 villages with 8,979 villagers participating.
- Health Outreach Services to Remote Villages: 1,214 children under the age of 1 year were vaccinated in 2015 in remote villages. 1,085 of these children completed their vaccination schedule by the end of the year. The clinics were conducted by Cambodian public health workers whose operational area covers the villages, with some sponsorship provided by TGF.

Summary of Achievements

The Health Program met or exceeded all targets set for this year. While the Children's Education, Water and Sanitation & Income Generation Programs met or exceeded targets in most areas.

The Water and Sanitation Program completed 99.3% of construction of latrines and 100% wells on-time with 11,570 direct beneficiaries. 271 of 750 planned water filters were delivered due to reduced demand within the community and all of the 500 planned water filters were delivered.

Saving Group and vocational and business training activities conducted by the Income Generation Program saw 180 new businesses established and a further 144 existing businesses expand. Household incomes of existing savings group members increased by more than 10% in 12 months and by 9% for new savings group members. Average monthly income of savings group members broke \$100 per month for the first time in 2015 (\$107.50).

The Health Program completed training of health staff and volunteers required to implement new nutrition monitoring protocols for children under 5 based on WHO best practice. This monitoring is more comprehensive than in the past covering 3 core indicators (weight for age, height for age and weight for height) allowing for a more comprehensive understanding of malnutrition in our target areas. Through the provision of training and implementation of screening for children under 5, Health Centre staff are now also have access to BPI00 (from the MoH), a micronutrient supplement which is provided to severely malnourished children to gain weight. Numbers of malnourished under 5 year olds was reduced by 3% to achieve the Cambodian Millennium Development Goal (CMDG) target of 18% on time despite the failure to reach this target countrywide. Numbers of mothers accessing anti-natal services and exclusively breast feeding for the first 6 months remained well above the national average of 95.4% and 94.4% respectively. The provision of health and sanitation training along with the construction of wells and latrines saw a reduction in rates of waterborne disease to just 4.3% in the villages targeted by TGF. Vaccination targets were not quite met (3% under target) but the project still saw 89% of children complete their vaccinations on time.

Trustees' Annual Report *(continued)*

Summary of Achievements *(continued)*

The Children's Education Program handed over one Early Childhood Education class to the department of education to be run and administered by the local Primary School. 8 Early Childhood Education classes were maintained in areas not served by government Kindergartens and one class was handed over to the department of education to be run and administered by the local Primary School. Commune Councils have increased their ownership of ECE classes and now fund 100% of teachers salaries in 6 ECE classes. At the end of the 2014-15 academic year, 100% of six-year-olds graduating from TGF ECE classes and 90% graduating from government kindergartens enrolled in Primary School. Life Skills classes were supported by TGF in 8 schools and 78.6% of students that participated graduated primary school. 2,890 teaching hours were provided to 1,021 underperforming students in 1 months for the summer school project that saw 81% of students improve to at least a passing grade.

Financial review

Incoming resources for the year were \$312,039, arising mainly from donations. The principal funding sources and the project they relate to are set out in note 3. Resources expended for the year were \$360,944, \$304,435 of which was on restricted projects and \$56,509 was on general projects. A transfer of \$80,148 from unrestricted reserves was necessary to fund deficits on two of the restricted projects. The net deficit of funds of \$48,905 reduced net assets of the charity to \$183,033 of which \$54,565 is unrestricted.

Financial Control

The directors acknowledge responsibility for the company's system of internal financial control and believe the established systems including the computerisation of the company's financial accounts are appropriate to the not-for-profit charitable organisation. No material losses or contingencies have arisen during the 12 months operations that would require disclosure by the directors. However during a regular audit of the Income Generation programme, the coordinator was found to have irregularities in his expense submissions. While the sum was not significant, this along with breaches of the TGF staff code of conduct and organisational policy, resulted in his dismissal.

At the time of approving these accounts it is the intention of the directors to continue to support the company, the funds raised being sufficient to ensure the company has adequate resources to continue its current not-for-profit activities and the directors have adopted a going concern basis in preparing the accounts.

It is the view of the directors that the accounts presented represent a true and fair view of the state of affairs of the company for the 12 months to 31 December 2015. Suitable accounting policies have been established and applied consistently and disclosed with reasonable accuracy the financial position of the company.

Reserves Policy

TGF has raised enough unrestricted funds to enable operations to end 2016 with some funding for 2017 also secured. TGF remains a small Charity operation (2016 Budget is circa USD 350,000) with the flexibility to adjust budget spending where necessary depending on funding. The trustees and management continue to review expenditure and income on a monthly basis and will make adjustments if and when required.

Structure, governance and management

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Appointment and training of trustees

Trustees are elected by the Board of Trustees and are appointed on the basis of the skills and the experiences they can bring to the charity. On induction, new Trustees receive a copy of the charity's Memorandum and Articles of Association and are given a detailed description of the charity's mission and work. All current trustees are very familiar with Cambodia and the specific district in which Temple Garden Foundation operates.

Trustees' Annual Report *(continued)*

Structure, governance and management *(continued)*

Risk management

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Risk management is discussed at quarterly Trustee meetings to ensure controls are in place to mitigate the potential risks faced by the charity.

Approval of the accounts

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and are signed on behalf of the Board by:

Charlotte Marson
Trustee

1 July 2016



HENDERSON LOGGIE

Chartered Accountants

34 Melville Street
Edinburgh
EH3 7HA

Independent examiner's report to the Trustees of the Temple Garden Foundation

I report on the financial statements of the charity for the year ended 31 December 2015 which are set out on pages 13 to 21.

Respective responsibilities of trustees and examiner

The charity's trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for the year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to an audit under company law and is eligible for independent examination, it is my responsibility to:

Examine the financial statements under section 43 of the 1993 Act;

- Follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the Act, as amended; and
- State whether particular matters have come to my attention.

Basis of independent examiner's report

My examination is carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

1. which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with Section 386 of the Companies Act 2006; and
 - to prepare financial statements which accord with the accounting requirements of section 396 of the Companies Act 2006 and with methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities;

have not been met, or

2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Andrew Niblock CA

Independent Examiner

Henderson Loggie, 34 Melville Street, Edinburgh EH3 7HA

1 July 2016

**Statement of financial activities (incorporating income and expenditure account)
for the year ended 31 December 2015**

	Notes	Unrestricted 2015 \$	Restricted 2015 \$	Total funds 2015 \$	Total funds 2014 \$
Incoming resources					
Donations and legacies	3	81,542	229,032	310,574	80,689
Activities for generating funds	4	1,087	-	1,087	133,260
Income from investments	5	220	-	220	308
Other income	6	158	-	158	4,701
Total income		83,007	229,032	312,039	218,958
Resources expended					
Expenditure on raising funds	7	-	-	-	(15,703)
Expenditure on charitable activities	8				
Infrastructure Programme		-	(157,710)	(157,710)	(178,272)
Income Generation Programme		-	(41,627)	(41,627)	(40,565)
Children's Education Programme		-	(46,920)	(46,920)	(51,421)
Health Programme		-	(55,845)	(55,845)	(64,484)
Truck		-	(2,333)	(2,333)	-
Field Support		(56,509)	-	(56,509)	(49,691)
Total resources expended		(56,509)	(304,435)	(360,944)	(403,497)
Net outgoing resources before transfers		26,498	(75,403)	(48,905)	(184,539)
Transfers between funds	15	(80,148)	80,148	-	-
Net movement in funds		(53,650)	4,745	(48,905)	(184,539)
Total funds brought forward		108,215	123,723	231,938	416,477
Total funds carried forward		54,565	128,468	183,033	231,938

Balance sheet
at 31 December 2015

	Notes	Unrestricted 2015 \$	Restricted 2015 \$	Total funds 2015 \$	Total funds 2014 \$
Fixed assets					
Tangible assets	11	4,658	4,667	9,325	2,554
Current assets					
Stock		-	238	238	516
Debtors	12	8,145	-	8,145	2,835
Cash at bank and in hand		47,831	124,729	172,560	233,287
		55,976	124,967	190,943	236,638
Current liabilities					
Creditors: amounts falling due within one year	13	(7,235)	-	(7,235)	(7,254)
Net current assets		48,741	124,967	173,708	229,384
Total assets less current liabilities		53,399	129,634	183,033	231,938
Net assets		53,399	129,634	183,033	231,938
Funds of the charity	14, 15				
Unrestricted funds				54,565	108,215
Restricted funds				128,468	123,723
Total charity funds				183,033	231,938

The charitable company is entitled to exemption from audit under the provisions of section 477 of the Companies Act 2006 for the year ended 31 December 2015.

The members have not required the charitable company to obtain an audit for its financial statements for the year ended 31 December 2015 in accordance with section 476 of the Companies Act 2006.

The Trustees acknowledge their responsibilities for:

- ensuring that the charitable company keeps accounting records which comply with sections 386 and 387 of the Companies Act 2006; and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its surplus or deficit for each financial year in accordance with the requirements of sections 394 and 396 and which otherwise comply with the requirements of the Companies Act relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 1 July 2016 and signed on its behalf by:

Charlotte Marson
Trustee

Registered company number: 06613231

Notes to the financial statements

I Accounting policies

The following accounting policies have been applied consistently in dealing with the items which are considered material in relation to the company's financial statements.

Accounting convention

The financial statements have been prepared on a going concern basis in accordance with applicable accounting standards and under the historical cost accounting rules and in accordance with applicable accounting standards. The charity is a public benefit entity. The accounts comply with the Statement of Recommended Practice (SORP) FRS102 "Accounting and Reporting by Charities (revised 2015) and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015). The accounts comprise two primary financial statements, the Statement of Financial Activities (incorporating the income and expenditure) and the Balance Sheet. Temple Garden Foundation meets the definition of a public benefit entity under FRS102.

Reconciliation with previous Generally Accepted Accounting Practice

In preparing the financial statements, the members have considered whether in applying the accounting policies required by FRS102 and the Charities SORP FRS102, the restatement of comparative items was required. No restatements were required.

Going concern

These accounts have been prepared on the going concern basis which assumes that the charity will continue its operations. There are no material uncertainties that exist or material changes in the way the charity operates and the Directors consider it appropriate to prepare accounts on a going concern basis.

Foreign Currency

The charity operates primarily in Cambodia, a country in which the operational currency is US Dollars. The financial statements have therefore been presented in this operation currency.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. There is a de-minimus level of \$200 below which assets are not capitalised. Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Computer equipment	-	33% straight line
Office equipment	-	33% straight line
Plant and machinery	-	33% straight line
Vehicles	-	33% straight line

Stock

Stock consists of items purchased for use on the various projects undertaken by the charity. Stock items are held at cost and are released to the Statement of Financial Activities as they are used.

Debtors

Other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid net of any trade discounts due.

Notes to the financial statements (*continued*)

1 Accounting policies (*continued*)

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a small entity.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

2 Net incoming resources

	2015	2014
	\$	\$
Net incoming resources are stated after charging		
Depreciation – Owned assets	5,684	4,005
Independent examiner's fee	3,814	4,198
	5,684	4,005

3 Voluntary income

	Unrestricted 2015	Restricted 2015	Total 2015	Total 2014
	\$	\$	\$	\$
Maitri Trust	15,000	85,000	100,000	-
CLSA	7,500	42,500	50,000	-
Deutsche Bank	-	26,038	26,038	26,038
Arisaig	-	25,000	25,000	23,846
Remark Group	-	30,000	30,000	20,000
Scanpro	9,600	-	9,600	1,600
Goldman Sach	19,622	-	19,622	-
Individual donors	29,820	20,494	50,316	9,205
	81,542	229,032	310,754	80,689

4 Activities for generating funds

	Unrestricted 2015	Restricted 2015	Total 2015	Total 2014
	\$	\$	\$	\$
Fundraising event	1,087	-	1,087	133,260
	1,087	-	1,087	133,260

Notes to the financial statements *(continued)*

5	Investment income	Unrestricted 2015 \$	Restricted 2015 \$	Total 2015 \$	Total 2014 \$
	Bank interest	220	-	220	308
		<u>220</u>	<u>-</u>	<u>220</u>	<u>308</u>
6	Other income	Unrestricted 2015 \$	Restricted 2015 \$	Total 2015 \$	Total 2014 \$
	Gain on disposal of assets	-	-	-	3,800
	Gains on foreign exchange	-	-	-	756
	Telephone card income	158	-	158	145
		<u>158</u>	<u>-</u>	<u>158</u>	<u>4,701</u>
		<u>158</u>	<u>-</u>	<u>158</u>	<u>4,701</u>
7	Cost of generating funds	Unrestricted 2015 \$	Restricted 2015 \$	Total 2015 \$	Total 2014 \$
	Fundraising event	-	-	-	15,703
		<u>-</u>	<u>-</u>	<u>-</u>	<u>15,703</u>

Notes to the financial statements *(continued)*

8 Charitable activities

	Field Support 2015 \$	Infrastructure Programme 2015 \$	Income Generation Programme 2015 \$	Children's Education Programme 2015 \$	Health Programme 2015 \$	Truck 2015 \$	Total 2015 \$	Total 2014 \$
Salary costs (note 10)	38,489	27,631	15,053	19,519	23,865	-	124,557	122,375
Project materials	-	119,964	19,776	19,293	19,211	-	178,244	200,834
Other project costs	-	1,787	-	225	1,224	-	3,236	6,400
Insurance	-	-	-	-	-	-	-	3,351
Motor expenses	-	2,272	2,219	2,277	2,339	-	9,107	14,983
Telephone costs	342	657	369	539	532	-	2,439	2,120
Postage and stationery	-	-	-	-	-	-	-	11
Travel	900	225	225	225	225	-	1,800	1,520
Sundry	4,443	2,290	1,279	2,064	1,594	-	11,670	9,543
Depreciation	831	630	630	630	630	2,333	5,684	4,005
Training	-	-	-	-	4,125	-	4,125	4,265
Office costs	5,733	2,254	2,076	2,148	2,100	-	14,311	12,396
Bank charges	1,005	-	-	-	-	-	1,005	1,359
Governance costs								
Legal and professional fees	952	-	-	-	-	-	952	434
Independent examiner's fee	3,814	-	-	-	-	-	3,814	4,198
	<u>56,509</u>	<u>157,710</u>	<u>41,627</u>	<u>46,920</u>	<u>55,845</u>	<u>2,333</u>	<u>360,944</u>	<u>387,794</u>

Notes to the financial statements *(continued)*

9 Trustees' remuneration and benefits

No Trustee received remuneration or benefits in the year ended 31 December 2015 (2014: 0 trustees - \$Nil).

Trustees' expenses

No Trustee received reimbursement of expenses in the year ended 31 December 2015 (2014: 0 trustees - \$Nil).

10 Staff costs

	2015	2014
	\$	\$
Wages and salaries	124,557	122,375

No employee received remuneration in excess of \$88,812 (£60,000). The average number of employees during the year was 17 (2014; 16).

	Computer equipment	Office equipment	Vehicles	Total
	\$	\$	\$	\$
Cost				
At 1 January 2015	6,706	5,845	37,690	50,241
Additions	405	-	12,050	12,455
Disposals	-	-	-	-
	-----	-----	-----	-----
At 31 December 2015	7,111	5,845	49,740	62,696
	-----	-----	-----	-----
Depreciation				
At 1 January 2015	(5,088)	(4,909)	(37,690)	(47,687)
Charge for year	(1,076)	(591)	(4,017)	(5,684)
On disposals	-	-	-	-
	-----	-----	-----	-----
At 31 December 2015	(6,164)	(5,500)	(41,707)	(53,371)
	-----	-----	-----	-----
Net book value				
At 31 December 2015	947	345	8,033	9,325
	=====	=====	=====	=====
At 31 December 2014	1,618	936	-	2,554
	=====	=====	=====	=====

Notes to the financial statements (continued)

12 Debtors

	2015	2014
	\$	\$
Other debtors	6,263	1,440
Prepayments and accrued income	1,882	1,395
	8,145	2,835
	8,145	2,835

13 Creditors: Amounts falling due within one year

	2015	2014
	\$	\$
Other creditors	1,202	693
Accruals and deferred income	6,033	6,561
	7,235	7,254
	7,235	7,254

14 Analysis of net assets

	Fixed assets	Current assets	Current liabilities	Net funds
	\$	\$	\$	\$
Unrestricted funds				
Field Support	4,658	57,142	(7,235)	54,565
	4,658	57,142	(7,235)	54,565
Restricted funds				
Income Generation Programme	-	41,361	-	41,361
Health Programme	-	82,440	-	82,440
Truck	4,667	-	-	4,667
	4,667	123,861	-	128,468
Total funds	9,325	180,943	(7,235)	183,033

15 Movement in funds

	Balance at 1 Jan 15	Incoming resources	Resources expended	Transfers between funds	Balance at 31 Dec 15
	\$	\$	\$	\$	\$
Unrestricted funds					
Field Support	108,215	83,007	(56,509)	(80,148)	54,565
	108,215	83,007	(56,509)	(80,148)	54,565
Restricted funds					
Infrastructure Programme	-	93,015	(157,710)	64,695	-
Children's Education Programme	6,467	25,000	(46,920)	15,453	-
Income Generation Programme	26,950	56,038	(41,627)	-	41,361
Health Programme	83,306	54,979	(55,845)	-	82,440
Truck	7,000	-	(2,333)	-	4,667
	123,723	229,032	(304,435)	80,148	128,468
Total funds	231,938	312,039	(360,944)	-	183,033

Notes to the financial statements *(continued)*

15 Movement in funds *(continued)*

Restricted funds

Infrastructure Programme

Funded in 2015 by Fundraising, CLSA and the Maitri Trust, the programme involves working with local communities and local government to determine infrastructure and sanitation needs in target communities.

Children's Education Programme

Funded in 2015 by Arisaig, the programme aims to improve the reach and quality of primary and secondary school education in target areas.

Income Generation Programme (formerly Adult Education and Vocational Training Programme)

Funded in 2015 by Deutsche Bank and Remark, the programme aims to improve adult education and vocational training and includes activities such as market linkage and job placement.

Health Programme

Funded by CLSA and Maitri Trust, the programme aims to complement the existing public health system in target areas.

Truck

This was a donation given specifically towards the purchase of a vehicle. The vehicle was purchased in the year and depreciation is being charged against the fund.

Transfers between funds

During the year a transfer of \$80,148 has been made from unrestricted funds to the Infrastructure Programme, \$64,695, and Children's Education Programme, \$15,453, to meet the deficit arising on the fund at the year end.

16 Ultimate controlling party

The charitable company is constituted by its Memorandum and Articles of Association and is controlled by the elected trustees.

17 Related party disclosures

During the year to 31 December 2015, donations of \$nil (2014: \$21,606) were made to the charity by 4 trustees.