



TGF

Temple
Garden
Foundation

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Report of the Trustees and
unaudited financial statements

Registered company number: 06613231

Registered charity number: 1124767

31 December 2013

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Reference and administrative details

Trustees	Ms C E Marson B Levitt Ms K Lampe Ms L Davies H Min (resigned 21 March 2013) W Morrow (appointed 1 January 2013) Ms C Sturm (appointed 27 May 2013)
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	1124767

Trustees' 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 2013. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 'Accounting and Reporting by Charities') issued in March 2005.

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.

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 the monthly Trustee meetings to ensure controls are in place to mitigate the potential risks faced by the charity.

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; and
- (e) 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.

Trustees' report *(continued)*

Objectives and activities *(continued)*

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

In 2013 TGF worked in 59 villages across 5 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 in each village.

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 village leadership during implementation so that villagers have as much ownership over the process as possible.

In 2013 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.
- Construction of latrines.
- Distribution of Water Filters where issues of water quality have been identified.
- Distribution of water catchment tanks.
- Well and pond 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

- Latrine Project: TGF provided half the materials for the construction of 1,512 latrines in 2013. The other half of materials and all of the labour was provided by villagers who will use the latrines. This benefited approximately 8,013 villagers directly in 2013.
- Clean Drinking Water Project: TGF distributed 903 water filters during 2013 to households to improve water quality. Villagers contributed 50% of the cost of each filter. The distribution of water filters benefited 4,786 villagers directly.
- Construction of 58 wells: TGF provided technical advice and materials and the villagers provided the labour benefiting 4,611 villagers directly.
- 425 catchment tanks were distributed to 213 households benefitting 1,129 villagers directly.
- Pond Construction: TGF provided technical advice and materials with the villagers contributing labour. This pond will benefit 534 villagers directly.

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.

Trustees' report *(continued)*

Objectives and activities *(continued)*

Summary of the main activities undertaken for the public benefit in relation to these objectives *(continued)*

Children's Education Programme *(continued)*

Overview *(continued)*

In 2013 the TGF Children's Education Programme implemented the following projects in the target area:

- Kindergartens (now Early Learning Centres)
- Dental Hygiene for children recently entering first grade of primary school. TGF provides toothbrushes, toothpaste and instructions in their use.
- Life Skills is a government designed curriculum focusing on experiential education which was not implemented prior to TGF 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 covers many subjects such as environmental awareness, hygiene, agricultural skills, and domestic violence awareness. TGF supports this project from grades 1-6 in primary schools in the target areas.
- Study Club in target area public schools are set up in classrooms. Students use the clubs in free periods or after school to do their homework and use the club's learning materials. For many students this is the only location in their community outside of regular class hours where they can focus on their studies.
- Sports Teams: 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 English conversation. Last year more than 800 students attended 3 summer schools. Summer schools are especially helpful in preparing older students for Secondary school.
- Teacher Training for primary school teachers is sponsored by TGF. Many of the teachers in public primary schools are "contracting" teachers, which means they do not have a teaching certificates and typically never had teacher training. Developing their skills builds the educational capacity of the local community. Community Kindergarten teachers are also trained by TGF in separate workshops.
- Mother and Father Education Counseling Groups: TGF encourages parents of school children to form these groups, recommended by the government, to discuss education. This is to foster awareness and collective action to improve education.
- Scholarships (to be discontinued in 2014 due to non-compatibility with our other projects). These are provided by TGF to children at the end of primary school or during secondary school. The children were selected because they lack the economic means of attending secondary school without support, but are expected to perform well in their studies if they receive economic assistance. Enrolment rates in secondary school are typically very low in the TGF target areas.

Results

- Kindergartens: 10 villages, 14 classes, 292 students. 288 students matriculated in October 2013 to 1st grade.
- Dental hygiene: 634 students at 13 schools received dental hygiene kits from TGF and instruction on how to brush their teeth.
- Life Skills Project: 1,635 children were taught life skills by 29 teachers and 7 vocational trainers in 8 schools.
- Study Club Project: Study clubs at 7 primary schools were supported in 2013 by TGF with 503 students participating by the end of the 2013 school year.
- Sports and Athletics: 5 primary schools had a total of 10 volleyball teams (1 boy and 1 girl team per school) with 120 students participating in this project by the end of the 2013 school year.
- Summer School Project: 621 students from 30 villages attended summer school at 3 primary schools. There were 15 summer school classes taught by 11 teachers.

Trustees' report *(continued)*

Objectives and activities *(continued)*

Summary of the main activities undertaken for the public benefit in relation to these objectives *(continued)*

Children's Education Programme *(continued)*

- Teacher Training Project (for primary school teachers): 20 contract and 3 formal teachers received 2 teacher training sessions supported by TGF in the 2013 school year.
- Mother and Father Counselling Groups: Until April 2013 TGF supported 136 Mother and Father Counselling Groups in 12 villages with a total of 2,865 villagers participating. In May 2013 TGF ceased its support of these groups and began supporting 8 School Support Committees in 8 schools with 141 villagers participating. Training was provided to 39 School Support Committee members. It is envisaged that with TGF support these School Support Committees will develop the capacity to provide improved management and information collecting responsibilities for their schools.
- Scholarship Project: 11 students received scholarships to attend school in 2013. 7 of these students were attending secondary school and 4 were attending primary school.

Income Generation Programme (formerly known as the Adult Education and Vocational Training 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 2013 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.

- 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 into 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 successfully establish 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 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.
- Adult Literacy Classes: Members of the savings groups and other interested members can join literacy classes led by village-elected literacy trainers (trained by the TGF). TGF provides literacy books and materials and a stipend for the trainers.

Trustees' report *(continued)*

Objectives and activities *(continued)*

Summary of the main activities undertaken for the public benefit in relation to these objectives *(continued)*

Income Generation Programme (formerly known as the Adult Education and Vocational Training Programme) *(continued)*

Results

- Savings Groups: TGF helped villagers support 11 savings groups in 11 villages with a total year end membership of 281 villagers. By the end of 2013, villagers had saved of \$9,982 to which TGF contributed an additional \$8,920 in performance incentives (for completing vocational training) and collected a further \$1,122 in interest. Savings Groups also held an additional \$356 in Social Fund. By the end of 2013, 205 new loans had been approved for a total value of \$18,237.
- Business Skills Trainings (to vocational trainees): Two separate business skills trainings were provided to 136 villagers in bookkeeping, creating and implementing business plans, cost analysis and other basic business skills. All of these business skills trainees also received vocational training lessons sponsored by TGF.
- Vocational Skills Training: 84 villagers from 6 villages received vocational training in animal raising (3 sessions) and an additional 44 villagers from 4 villages received training in improved rice production from professional trainers sponsored by TGF in 2013.
- Extension Vocational Skills Trainings: 21 villagers from 13 villages identified who performed well in starting or improving their businesses after vocational and business skills trainings were further trained at the end of 2013 in how to become vocational trainers themselves.
- Adult Literacy and Numeracy: From January to September 2013, 4 literacy classes in 4 villages were taught several times a week by villagers who were trained and supported by TGF. In total 78 students attended these classes.
- 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 2013 included:

- Training of Village Health Support Groups (VHSG's) to build their capacity in health education and malnutrition work. VHSGs are villagers appointed by the government to work on health, but typically have no training. TGF trains them to work more effectively on health in their communities and be the primary implementers of the Health Programme activities.
- Malnutrition Rehabilitation and Nutrition Education to address malnutrition with children under 5 years of age in target communities. Children and their parents come to several week-long courses in the community where the VHSGs and parents of malnourished children prepare nutritious food for their children. The food helps the children in the short-term, while the parents use the hands-on experience they gain preparing healthy food at the sessions to feed their children healthier food in the long-term.
- 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. Two months after malnutrition rehabilitation begins, VHSGs conduct GMAs to find what progress has been made in combating malnutrition, and to track progress over time.
- Home Visits to Households with Ongoing Malnutrition: after participating in the malnutrition rehabilitation project some children do not return to a healthy bodily state. TGF and VHSGs make home visits to these households to see if any additional advice can be provided on healthy eating that will bring children back to a fully nourished state.

Trustees' report *(continued)*

Objectives and activities *(continued)*

Summary of the main activities undertaken for the public benefit in relation to these objectives *(continued)*

Health Programme *(continued)*

Overview *(continued)*

- Health education meetings for pregnant women and new mothers: these meetings focus on the importance of providing colostrum at birth, exclusive breastfeeding, regular antenatal care, immunisation and the use of vitamin supplements. Sanitation and Hygiene education aimed at reducing the incidence of waterborne disease in villages
- 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

- Training of VHSG's: 118 village health volunteers (VHSGs) were trained by TGF in 2013. Baseline and follow up testing of participant knowledge indicated an improvement in health knowledge of 21%.
- Growth Monitoring: 4,423 children under the age of 5 and their families participated in growth monitoring activities. Children who were found to be malnourished during these activities (determined by national weight/age criteria) were invited to participate in the malnutrition rehabilitation portion of the project.
- Home Visits: 234 children identified as severely malnourished during 2013, were followed up through home visits each month by village health volunteers. 74 of these children experienced significant improvements in weight gain as a result of these activities. The majority of children who did not evidence significant improvement were aged between one and four years of age. This age group does not benefit from feeding programs provided by health centres for children less than one year of age or the WFP breakfast program provided for five year olds at public schools.
- Health Education for pregnant women and new mothers: 59 health education sessions, in the area of maternal and child health, were provided by TGF to 118 village health volunteers throughout 2013. This training focused on prenatal health, nutrition during pregnancy, safe birthing and nutrition for newborns after birth with an emphasis on exclusive breastfeeding. 1,457 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 2013 indicates that 97% of mothers were now offering colostrum to newborns and 98% of mothers are now exclusively breastfeeding the babies up to the age of six months. Pregnant women were now, almost without exception, attending clinics for ante natal care during their pregnancies and for delivery of their babies.
- 232 sanitation and hygiene training sessions were conducted in 59 villages with 9,632 villagers participating.
- Health Outreach Services to Remote Villages: 664 children under the age of 1 year were vaccinated in 2013 in remote villages. 170 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.

Trustees' report *(continued)*

Summary of achievements

The Health, Children's Education and Income Generation Programs either met or exceeded targets set for the year. The Infrastructure Program made good progress towards its targets but was impeded by a heavier than expected wet season.

The Health program achieved reductions in the numbers of malnourished children and saw increasing numbers of pregnant women attending antenatal clinics and accessing professionally assisted births. There were also increased numbers of new mothers providing colostrum at birth and providing exclusive breastfeeding for the first six months of their child's life. The provision of health and sanitation training along with the construction of wells and latrines saw a 14% reduction in waterborne disease in the villages targeted by TGF.

The Children's Education Program saw increases in the enrolment of five year olds in kindergarten and almost 97% six year olds graduating from kindergarten enrolled in Primary School. One hundred percent of grade six children participating in TGF supported Life Skills Program graduated from primary school.

Saving Group and vocational and business training activities conducted by the Income Generation Program saw 94 new businesses established and household income of savings group members increase by almost US\$14.00 per month.

The Infrastructure Program, despite wet season challenges, managed to construct 97.3% of the planned latrines and 76% of the wells. The remaining wells have been completed in January 2014.

Reserve Policy

TGF has raised enough unrestricted funds to enable operations until end 2014 with some funding for 2015 also secured. TGF remains a small Charity operation 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.

Financial Control

The trustees 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.

At the time of approving these accounts it is the intention of the trustees 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.

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

7 May 2014



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 2013 which are set out on pages 10 to 17.

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 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered Accountants' of Scotland (ICAS).

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 145 of the 2011 Act;
- Follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; 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 BAcc CA

7 May 2014

Statement of financial activities
for the year ended 31 December 2013

	<i>Notes</i>	Unrestricted 2013 \$	Restricted 2013 \$	Total funds 2013 \$	Total funds 2012 \$
Incoming resources					
Incoming resources from generated funds					
Voluntary income	3	51,809	340,435	392,244	325,722
Investment income	4	299	-	299	465
Other income	5	200	-	200	2,523
		<hr/>	<hr/>	<hr/>	<hr/>
Total incoming resources		52,308	340,435	392,743	328,710
Resources expended					
Charitable activities	6				
Infrastructure Programme		-	(194,934)	(194,934)	(37,608)
Adult Educational and Vocational Programme		-	(40,565)	(40,565)	(30,039)
Children's Education Programme		-	(47,668)	(47,668)	(50,195)
Health Programme		-	(54,434)	(54,434)	(71,378)
Field Support		(45,853)	-	(45,853)	(87,678)
		<hr/>	<hr/>	<hr/>	<hr/>
		(45,853)	(337,601)	(383,454)	(276,898)
Governance costs	7	(4,111)	-	(4,111)	(3,993)
		<hr/>	<hr/>	<hr/>	<hr/>
Total resources expended		(49,964)	(337,601)	(387,565)	(280,891)
Net incoming resources before transfers		2,344	2,834	5,178	47,819
Transfers between funds	14	23,593	(23,593)	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
Net incoming resources		25,937	(20,759)	5,178	47,819
Total funds brought forward		19,328	391,971	411,299	363,480
		<hr/>	<hr/>	<hr/>	<hr/>
Total funds carried forward		45,265	371,212	416,477	411,299
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Balance sheet
at 31 December 2013

	<i>Notes</i>	Unrestricted 2013 \$	Restricted 2013 \$	Total funds 2013 \$	Total funds 2012 \$
Fixed assets					
Tangible assets	<i>10</i>	4,670	-	4,670	11,715
Current assets					
Debtors	<i>11</i>	3,561	-	3,561	3,721
Stock		-	2,183	2,183	-
Cash at bank and in hand		49,284	369,029	418,313	403,248
		<hr/> 57,515	<hr/> 371,212	<hr/> 424,057	<hr/> 406,969
Creditors					
Amounts falling due within one year	<i>12</i>	(12,250)	-	(12,250)	(7,385)
Net current assets		<hr/> 45,265	<hr/> 371,212	<hr/> 411,807	<hr/> 399,584
Total assets less current liabilities		<hr/> 45,265	<hr/> 371,212	<hr/> 416,477	<hr/> 411,299
Net assets		<hr/> 45,265	<hr/> 371,212	<hr/> 416,477	<hr/> 411,299
Funds	<i>13</i>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Unrestricted funds				45,265	19,328
Restricted funds				371,212	391,971
Total funds				<hr/> 416,477 <hr/>	<hr/> 411,299 <hr/>

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 2013.

The members have not required the charitable company to obtain an audit for its financial statements for the year ended 31 December 2013 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 April 2008).

The financial statements were approved by the Board of Trustees on 7 May 2014 and signed on its behalf by:

Charlotte Marson
Trustee

Registered company number: 06613231

Notes to the financial statements

1 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 under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities. The trustees have also considered the future prospects and funding for the charity and believe that the going concern basis to be appropriate for the preparation of these financial statements.

Foreign Currency

The charity operates primarily in Cambodia, a country in which the operational currency is US Dollars. The financial statements have been 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 no de-minimus level 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.

Taxation

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

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.

Notes to the financial statements *(continued)*

2 Net incoming resources

	2013	2012
Net incoming resources are stated after charging	\$	\$
Depreciation – Owned assets	8,847	15,126
Independent examiner’s fee	4,198	3,993
	<u><u> </u></u>	<u><u> </u></u>

3 Voluntary income

	Unrestricted 2013 \$	Restricted 2013 \$	Total 2013 \$	Total 2012 \$
Maitri Trust	15,000	110,000	125,000	102,668
CLSA	30,000	172,688	202,688	89,322
Vitol Charitable Trust	-	-	-	40,000
Deutsche Bank	-	25,448	25,448	27,357
Arisaig	-	24,503	24,503	24,861
Remark Group	-	-	-	10,000
Avondale Grammar School	-	-	-	1,185
Individual donors	6,809	7,796	14,605	30,329
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	51,809	340,435	392,244	325,722
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

4 Investment income

	Unrestricted 2013 \$	Restricted 2013 \$	Total 2013 \$	Total 2012 \$
Bank interest	299	-	299	465
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

5 Other income

	Unrestricted 2013 \$	Restricted 2013 \$	Total 2013 \$	Total 2012 \$
Gain on disposal of assets	200	-	200	-
Gains on foreign exchange	-	-	-	2,523
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	200	-	200	2,523
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

Notes to the financial statements *(continued)*

6 Charitable activities

	Field Support 2013 \$	Infrastructure Programme 2013 \$	Adult Educational and Vocational Programme 2013 \$	Children's Education Programme 2013 \$	Health Programme 2013 \$	Total 2013 \$	Total 2012 \$
Salary costs (note 9)	34,647	23,245	21,030	23,168	23,050	125,140	123,618
Project materials	-	160,926	9,616	13,821	14,922	199,285	76,557
Other project costs	-	842	219	-	6,239	7,300	12,455
Insurance	1,603	646	549	671	574	4,043	2,144
Motor expenses	-	3,597	3,597	3,597	3,611	14,402	15,777
Telephone costs	311	539	517	640	435	2,442	1,796
Postage and stationery	143	53	46	79	46	367	295
Travel	246	57	57	57	57	474	1,274
Sundry	1,889	1,349	1,259	1,497	1,155	7,149	7,270
Depreciation	564	1,910	1,910	2,035	1,965	8,384	15,126
Training	-	-	5	166	595	766	626
Legal and professional fees	2,462	-	-	-	-	2,462	6,193
Office costs	3,801	1,770	1,760	1,937	1,785	11,053	12,608
Bank charges	187	-	-	-	-	187	1,159
	<u>45,853</u>	<u>194,934</u>	<u>40,565</u>	<u>47,668</u>	<u>54,434</u>	<u>383,454</u>	<u>276,898</u>

Notes to the financial statements *(continued)*

7 Governance costs

	2013	2012
	\$	\$
Independent examiner's fee	4,111	3,993
	4,111	3,993

8 Trustees' remuneration and benefits

No Trustee received remuneration or benefits in the year ended 31 December 2013 (2012: 0 trustees - \$Nil).

Trustees' expenses

No Trustee received reimbursement of expenses in the year ended 31 December 2013 (2012: 0 trustees - \$Nil).

9 Staff costs

	2013	2012
	\$	\$
Wages and salaries	125,140	123,618
	125,140	123,618

No employee received remuneration in excess of \$98,928 (£60,000). The average number of employees during the year was 16 (2012; 16).

10 Tangible fixed assets

	Computer equipment \$	Office equipment \$	Plant and machinery \$	Vehicles \$	Total \$
Cost					
At 1 January 2013	4,147	4,712	850	43,490	53,199
Additions	1,335	468	-	-	1,803
Disposals	-	-	(850)	-	(850)
	5,482	5,180	-	43,490	54,152
Depreciation					
At 1 January 2013	(3,074)	(3,419)	(850)	(34,141)	(41,484)
Charge for year	(915)	(813)	-	(7,120)	(8,848)
On disposals	-	-	850	-	850
	(3,989)	(4,232)	-	(41,261)	(49,482)
Net book value					
At 31 December 2013	1,493	948	-	2,229	4,670
At 31 December 2012	1,073	1,293	-	9,349	11,715

11 Debtors

	2013	2012
	\$	\$
Other debtors	3,561	3,721
	3,561	3,721

Notes to the financial statements *(continued)*

12 Creditors: Amounts falling due within one year

	2013	2012
	\$	\$
Other creditors	12,250	7,385
	12,250	7,385

13 Movement in funds

	Balance at 1 Jan 13	Incoming resources	Resources expended	Transfers between funds	Balance at 31 Dec 13
	\$	\$	\$	\$	\$
<i>Unrestricted funds</i>					
Field Support	19,328	52,308	(49,964)	23,593	45,265
	19,328	52,308	(49,964)	23,593	45,265
<i>Restricted funds</i>					
Infrastructure Programme	166,904	199,214	(194,934)	-	171,184
Children's Education Programme	-	24,503	(47,668)	56,407	33,242
Income Generation Programme	114,257	25,448	(40,565)	(80,000)	19,140
Health Programme	110,810	91,270	(54,434)	-	147,646
	391,971	340,435	(337,601)	(23,593)	371,212
Total funds	411,299	392,743	(387,565)	-	416,477

Restricted funds

Infrastructure Programme

Funded in 2013 by 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 2013 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 2013 by Deutsche Bank, 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, the programme aims to complement the existing public health system in target areas.

Year end fund balances

Included within the restricted funds balances are the following amounts of funding which were received towards the end of the financial year. This funding will be used to fund activities in 2014:

- \$85,000 of funding from CLSA for the Health Programme and the Infrastructure Programme;
- \$110,000 of funding from the Maitri Trust for the Infrastructure Programme; and
- \$6,362 of funding from Deutsche Bank for the Income Generation Programme.

Notes to the financial statements *(continued)*

14 Transfers between funds

During the year a transfer of \$80,000 has been made from the Adult Education and Vocation Project (AEVP) to the Children's Education Project (CEP). In 2010, the charity received \$80,000 of unrestricted monies from Goldman Sacks to be used towards education projects. Trustees initially allocated this to AEVP but have now agreed that these monies would be of better use in the CEP fund, hence the transfer of these monies during 2013.

Last year \$23,593 was transferred from unrestricted funds to CEP to meet the deficit arising on the fund at the year end. Income received during 2013 has meant that this deficit was only temporary and therefore the \$23,593 has been returned to unrestricted funds.