

**AGIR POUR LES FEMMES EN SITUATION PRECAIRE - AFESIP
CAMBODIA**

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2011**



AGIR POUR LES FEMMES EN SITUATION PRECAIRE - AFESIP CAMBODIA

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2011**

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AFESIP CAMBODIA

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STATEMENT BY THE BOARD OF MANAGEMENT

On behalf of the Board of Management of Agir Pour Les Femmes En Situation Precaire-AFESIP Cambodia ("the Organisation"), we do hereby state that in my opinion:

The accompanying statement of income and expenditure, together with the notes thereon, of Agir Pour Les Femmes En Situation Precaire – AFESIP Cambodia ("the Organisation") for the year ended 31 December 2011 has been prepared, in all material respects, in accordance with the accounting policies described in Note 2 to the statement of income and expenditure.

On behalf of the Board of Management

Mr. Sao Chhoeurth
Executive Director and CEO

Phnom Penh, Kingdom of Cambodia

Date: 31 JUL 2012



Independent auditor's report

To the Board of Management of Agir Pour Les Femmes En Situation Precaire - AFESIP Cambodia

We have audited the accompanying statement of income and expenditure of Agir Pour Les Femmes En Situation Precaire - AFESIP Cambodia ("the Organisation") for the year ended 31 December 2011, and a summary of significant accounting policies and other explanatory information (together the "financial statement"). The financial statement has been prepared by management in accordance with the accounting policies described in note 2 to the financial statement.

Management's responsibility for the financial statement

Management is responsible for the preparation of this financial statement in accordance with the accounting policies described in note 2 to the financial statement, for determining that the basis of preparation is acceptable in the circumstances and for such internal control as management determines is necessary to enable the preparation of financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with Cambodian International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statement 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

PricewaterhouseCoopers (Cambodia) Ltd.

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Opinion

In our opinion, the financial statement of AFESIP Cambodia for the year ended 31 December 2011 has been prepared, in all material respects, in accordance with the accounting policies described in note 2 to the financial statement.

Basis of accounting and restriction on distribution and use

Without modifying our opinion, we draw attention to note 2 to the financial statement, which describes the basis of accounting. The financial statement is prepared to provide information to AFESIP Cambodia. As a result, the financial statement may not be suitable for another purpose. Our report is intended solely for AFESIP Cambodia and should not be distributed to or used by parties other than AFESIP Cambodia.

For PricewaterhouseCoopers (Cambodia) Ltd.


By Benilda C. Fernando
Director



Phnom Penh, Kingdom of Cambodia
Date: 31 July 2012

AGIR POUR LES FEMMES EN SITUATION PRECAIRE - AFESIP CAMBODIA

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	2011 US\$	2010 US\$
INCOME			
Grant income	3	1,152,191	972,380
Other incomes	4	21,195	3,489
		<u>1,173,386</u>	<u>975,869</u>
EXPENDITURE			
Residential centre	5	620,265	383,770
Salaries	6	174,432	168,231
AIDS education and social work	7	134,970	114,523
Re-integration	8	99,565	73,502
Transportation	9	69,441	72,065
Administration	10	59,501	72,811
Premises	11	41,730	124,796
Investigation and rescue	12	33,549	23,814
Kumnit Thmey	13	29,314	344
Other expenditures	14	8,325	10,179
		<u>1,271,092</u>	<u>1,044,035</u>
DEFICIT OF INCOME OVER EXPENDITURE FOR THE YEAR		(97,706)	(68,166)
FUND BALANCE AT THE BEGINNING OF THE YEAR		146,533	250,389
REFUND TO DONORS		<u>(6,588)</u>	<u>(35,690)</u>
FUND BALANCE AT THE END OF THE YEAR		<u>42,239</u>	<u>146,533</u>
<u>REPRESENTED BY:</u>			
Cash on hand and at bank	15	51,730	144,524
Due to/from staff		<u>(9,491)</u>	<u>2,009</u>
		<u>42,239</u>	<u>146,533</u>

The accompanying notes on pages 5 to 11 form an integral part of this statement of income and expenditure.

AGIR POUR LES FEMMES EN SITUATION PRECAIRE - AFESIP CAMBODIA

NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2011

1. GENERAL INFORMATION AND ACTIVITIES

Agir Pour Les Femmes En Situation Precaire - AFESIP Cambodia ("the Organisation") is a not-for-profit organisation that was registered on 18 April 1996 in Phnom Penh, the Kingdom of Cambodia. The Organisation's mission is to combat trafficking of women and children for sex slavery, to care for and rehabilitate those rescued from prostitution, to provide occupational skills and to reintegrate those rescued into the community in a sustainable and innovative manner. The Organisation also seeks to combat the causes and effects of trafficking and sex slavery through outreach work in AIDS prevention and through advocacy and campaigning, through representation and participation at national, regional and international forums on women's issues. The Organisation is funded by grants and contributions from its donors, which comprise both Cambodian and international non-government organisations.

On 1 May 2011, AFESIP entered into a contract with Lotus Culture Ltd to form a new project called "Kumnit Thmey". The objective of this project is to provide employment opportunities on a sustained basis for girls with sewing skills.

The operations are widespread, with offices located in eight municipalities and provinces: Phnom Penh, Poi Pet (Banteay Meanchey), Anlong Veng (Udor Meanchey), Pailin, Siem Reap, Koh Kong, Stung Treng and Rattanakiri.

The Organisation's head office is located at No. 62CEo, Street 598, Sangkat Boeung Kok II, Khan Tuol Kork, Phnom Penh, and the Kingdom of Cambodia

As at 31 December 2011, the Organisation had 99 employees (31 December 2010: 96 employees).

2. SIGNIFICANT ACCOUNTING POLICIES

a. *Basis of preparation*

The statement of income and expenditure expressed in United States dollars ("US\$") has been prepared under the historical cost convention.

The Organisation's policy is to prepare the statement of income and expenditure on the cash basis except for advances. On this basis, income is recognised when received rather than when earned and expenditure, except for advances, is recognised when paid rather than when incurred.

b. *Foreign currency transactions*

Transactions in currencies other than the US\$ are translated into US\$ at the rate of exchange prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the translation of cash and bank balances and advances in currencies other than the US\$ at the year-end exchange rate are recognised in the statement of income and expenditure.

AGIR POUR LES FEMMES EN SITUATION PRECAIRE - AFESIP CAMBODIA

NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2011

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c. *Income and expenditure*

The primary sources of income are grants from donors and individual donations through bank transfers, and the income is recorded gross of bank charges. Expenditure represents all costs paid in line with the Organisation's objectives.

d. *Fixed assets*

The cost of fixed assets purchased during the year is expensed in the statement of income and expenditure in the year of purchase.

e. *Due to/from staff*

Due from staff is recorded as receivable in the statement of income and expenditure and recognised as expenditure upon liquidation. Due to staff arises when expenditure reported upon liquidation exceeds advance received.

3. GRANT INCOME

	<u>2011</u> <u>US\$</u>	<u>2010</u> <u>US\$</u>
Somaly MAM Foundation	567,294	397,847
US Department of State Office To Monitor and Combat Trafficking in Persons (G/TIP)	139,335	147,000
Credit Lyonnais Securities Asia (CLSA)	104,404	100,150
SMF Gap/Computer Project	76,974	-
Other individuals (*)	62,131	83,379
Lotus House Kampong Cham	50,000	-
Lotus Culture	46,412	2,500
Project Futures	31,882	-
Foundation for International Development/Relief (FIDR)	27,000	27,000
Connecting Hands	19,120	-
Isabell	10,139	-
Equity Now	10,000	10,000
Living Hope	7,500	-
Foundation for Women's Dignity and Rights (PPR Foundation)	-	97,423
No Child Abuse	-	52,421
Hammer Project	-	20,087
New Day Foundation	-	14,770
Egedal Kommune	-	12,251
C-Right	-	5,552
Transcultural Psychosocial Organisation (TPO/THI)	-	2,000
	<u>1,152,191</u>	<u>972,380</u>

(*) This income was received through donations to the Organisation's bank accounts held at the Foreign Trade Bank of Cambodia. Due to the nature of the receipts, the majority of donors could not be identified and some individuals specifically requested to be anonymous.

AGIR POUR LES FEMMES EN SITUATION PRECAIRE - AFESIP CAMBODIA

**NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2011**

4. OTHER INCOMES

	2011	2010
	US\$	US\$
Self generated income (*)	13,416	-
Advance payment from customer	5,250	-
Interest income	775	783
Training workshop	656	365
Proceeds on fixed assets disposal	-	2,080
Other incomes	1,098	261
	<u>21,195</u>	<u>3,489</u>

(*) This represents the income generated from sale of hand-made products produced by victim. This is a new project starting May 2011.

5. RESIDENTIAL CENTRE

	2011	2010
	US\$	US\$
Food/clothes/domestic/gas-wood	166,585	134,233
Project staff salary/fringe benefit	150,519	98,786
Center operating cost	131,819	-
Vocational training and life skills	115,434	86,719
Psycho and medical support	32,711	30,912
Social recreational/gardening costs	23,197	33,120
	<u>620,265</u>	<u>383,770</u>

6. SALARIES

	2011	2010
	US\$	US\$
Local staff	126,078	108,748
Staff operational cost	48,354	59,483
	<u>174,432</u>	<u>168,231</u>

AGIR POUR LES FEMMES EN SITUATION PRECAIRE - AFESIP CAMBODIA

NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2011

7. AIDS EDUCATION AND SOCIAL WORK

	2011	2010
	US\$	US\$
Project staff salary/fringe benefit	47,352	41,950
Condoms	32,925	23,170
Clinic and provincial rental	11,400	11,640
Travel cost for social workers	7,861	8,080
Medical supplies and consumable for clinic	7,661	4,554
Lubricant gel and hygiene materials	7,639	7,435
Peer educators and quarterly meeting	5,840	3,484
Leaflets	2,829	3,494
Strengthen Collaboration	2,777	3,026
Utilities expenses	2,275	-
Entrance victims expenses/support	1,972	1,102
Field monitoring and evaluation	1,870	2,520
Office equip/mats for HIV	1,685	2,113
Maintenance repair motorbike/tuk tuk	625	-
Equipment and materials for clinic	259	1,955
	<u>134,970</u>	<u>114,523</u>

8. RE-INTEGRATION

	2011	2010
	US\$	US\$
Staff travel and per-diem	36,007	28,233
Micro-business	32,275	23,003
Project staff salary/fringe benefit	19,348	11,430
Other support to victims	11,935	10,836
	<u>99,565</u>	<u>73,502</u>

9. TRANSPORTATION

	2011	2010
	US\$	US\$
Purchase of vehicles	27,890	9,237
Fuel cost	20,633	27,367
Business travel	10,770	15,522
Repairs and maintenance	10,148	19,939
	<u>69,441</u>	<u>72,065</u>

AGIR POUR LES FEMMES EN SITUATION PRECAIRE - AFESIP CAMBODIA

NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2011

10. ADMINISTRATION

	2011	2010
	US\$	US\$
Running cost	19,286	18,501
Purchase of equipment	13,564	27,426
Communication	12,525	14,727
Public relation	9,063	8,975
Consumables – sundries	4,100	2,156
Repairs and maintenance	963	1,026
	<u>59,501</u>	<u>72,811</u>

11. PREMISES

	2011	2010
	US\$	US\$
Building repairs and maintenance	17,149	88,509
Rental of land and building	14,750	15,500
Utilities expenses	9,831	20,787
	<u>41,730</u>	<u>124,796</u>

12. INVESTIGATION AND RESCUE

	2011	2010
	US\$	US\$
Project staff salary/fringe benefit	13,704	11,160
Legal cost	6,664	3,815
Rescue and repatriation cost	5,832	1,985
Investigation cost	4,028	3,720
Intelligence for investigation	1,339	1,343
Fuel for investigation	691	366
Investigation/legal supplies	655	293
Communication fee	636	530
Investigation equipment and materials	-	602
	<u>33,549</u>	<u>23,814</u>

AGIR POUR LES FEMMES EN SITUATION PRECAIRE - AFESIP CAMBODIA

NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE
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13. KUMNIT THMEY

	2011	2010
	US\$	US\$
Office and sewing equipments	6,859	-
Production costs	6,649	-
Operational costs	6,582	344
Personnel costs	5,344	-
Marketing and shipping costs	2,877	-
Product prototypes	983	-
Bank charge	20	-
	<u>29,314</u>	<u>344</u>

14. OTHER EXPENDITURES

	2011	2010
	US\$	US\$
Professional fees	5,735	8,755
Bank charge	1,926	1,410
Others	664	14
	<u>8,325</u>	<u>10,179</u>

15. CASH ON HAND AND AT BANK

	2011	2010
	US\$	US\$
Cash on hand	2,753	5,954
Cash at bank	48,977	138,570
	<u>51,730</u>	<u>144,524</u>

Cash at banks represents an interest bearing saving account with interest ranging from 0.5% to 0.75% p.a. and non-interest bearing current accounts held at local commercial banks.

AGIR POUR LES FEMMES EN SITUATION PRECAIRE - AFESIP CAMBODIA

NOTES TO THE STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 DECEMBER 2011

16. RELATED-PARTY TRANSACTIONS

The President of AFESIP Cambodia also sits on the Board of Directors of Somaly MAM Foundation based in the US, one of the major donors supporting AFESIP Cambodia's project activities.

The following transactions were carried out with a related party:

i) Grant income

	2011	2010
	US\$	US\$
Somaly MAM Foundation	567,294	397,847
SMF Gap/Computer Project	76,974	-
	<u>644,268</u>	<u>397,847</u>

17. COMMITMENTS

As at 31 December 2011, the Organisation has capital commitment of US\$1,374 for the cottage on pond at Kampong Cham Centre and back yard of head office.