

PONLEU NEY KDEY SANGKHUM (PNKS)

**Report of the board of directors
and
Audited financial statements**

For the year ended 31 December 2019

PONLEU NEY KDEY SANGKHUM (PNKS)

Financial Statements

For the year ended 31 December 2019

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ORGANISATION INFORMATION

Legal Status

The Organisation is registered as a Local Non-Government Organisation (NGO) under the Ministry of Interior on 30 January 2001 to improve community welfare and dignity for vulnerable groups, especially people with disability, women, children and youth through empowerment, and capacity development of community networks and local authorities with a focus on health, natural resource management, food security, democracy and good governance.

Executing Agency Ponleu Ney Kdey Sangkhum (PNKS)

Board of Directors Ms. Barbara Soung, Deputy Chair Board
Mr. Mark Smith, Secretary
Mr. Ly Yasak, Member
Ms. Kem KeoThyda, Member
Ms. Cho Cho Myaing, Treasurer

Organisation Management Mr. Leak Chowan, Program Development Manager
Ms. Mok Sopheakveary, Finance Manager
Mr. Long Doeun, Project Manager
Mr. Sun Chanthou, Project Manager

Address

#19B, St. 145 Phnom Penh
Kingdom of Cambodia

Banker

Foreign Trade Bank of Cambodia
ACLEDA Bank Plc.
Amret Bank

Auditors

Donasco & Co., Ltd.
Certified Public Accountants

Office Register Address: House No. 344, Street 10BT
Boeung Tumpun, Khan Meanchey
Phnom Penh, Kingdom of Cambodia

Current Office Address: Building 53, 1st floor, Room 1A,
Street 446, Toul Tumpung 1, Khan Chamkarmorn, Phnom Penh
and Kingdom of Cambodia

Registration Information

Registration No. ០៩៦សដ ៧៧
30 January 2001



អង្គការពង្រីកជីវភាពរស់នៅ
លេខ: ០១៦៩/២០ ពនកស

REPORT OF THE BOARD OF DIRECTORS

For the year ended 31 December 2019

The Board of Directors of Ponleu Ney Kdey Sangkhum (PNKS), (“the Organisation”) submits its report together with the audited financial statements for the year ended 31 December 2019 (“the period”).

THE ORGANISATION

The Organisation was registered in Cambodia as a local Non-Government Organisation (NGO) under the Ministry of Interior on 30 January 2001 with register number 096សជណ.

PNKS goal for 2017 to 2019 includes individual, group and systemic change. Central is people in our target areas seeing opportunities for improved living conditions, freedom, environment, and hope, are accessible and the future is in their own hands. These BP will connect and empower individuals, groups and whole villages to define and find ways to realize their aspirations. VDAs can best do this if they have strong relationships with their VL, CC and SSCs and the behavior attitudes relationships and policies of these organizations is aligned towards grass roots participatory village development. The systemic dimension of PNKS’ goal therefore is strong relationships and common direction amongst VDA, CDA, VL, SSC and CC.

STATEMENT OF MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Organisation’s management is responsible for the preparation of the financial statements for the year ended 31 December 2019, which is prepared, in all material respects, to show the fund received and disbursed for the period and fund balance.

In preparing these financial statements, management is required to:

- select suitable accounting policies and then apply them consistently; and
- make judgments and estimates that are reasonable and prudent.

Management is responsible for ensuring that proper accounting records are kept which enables the Organisation to prepare financial statements in accordance with the accounting policies described in Note 2 to the financial statements. Management is also responsible for safeguarding the assets of the Organisation and hence, taking reasonable steps for the prevention and detection of fraud and other irregularities.

រៀបចំ: ផ្ទះលេខ១៩បេ ផ្លូវ១៤៥ ផ្សារដើមថ្កូវ ចំការមន ០២៣ ២១៩ ៥៥៤ pnksinfo@online.com.kh	ត្រួតពិនិត្យ: ភូមិជម្រុះ ឃុំវិចិត្រ ស្រុកព្រះស្តេច ០១២ ១៩៧ ៦៦៩៦ pnksinfo@online.com.kh	កំពង់ឆ្នាំង: ភូមិព្រះបួង ឃុំការីមានជ័យ ស្រុកបរសេដ្ឋ ០២៥ ៦៦៦ ៦៦១២ pnksinfo@online.com.kh	ព្រះវិហារ: ភូមិស្នាង ឃុំស្នាង ស្រុកជ័យសែន ០៦៦ ២១៩ ៥៥៤ pnksinfo@online.com.kh
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ដើម្បីការរស់នៅប្រសើររបស់អ្នកក្រ
Committed to better living for the poor

អង្គការពន្លឺនៃភ្នំសង្ឃឹម
លេខ: ០១៦៣/២៦ ពនកស

REPORT OF THE BOARD OF DIRECTORS (Continued)
For the year ended 31 December 2019

Management has confirmed that the Organisation has complied with the above requirements in preparing the financial statements.

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements of the Organisation as set out on pages 7 to 21 which are prepared, in all material respects, to present the Organisation's financial position as at 31 December 2019, and the results of its operation for the year ended 31 December 2019, in accordance with the accounting policies described in Note 2 to financial statements, and comply with the related financial agreements.

On behalf of the Organisation's Board of Directors:



Ms. Cho Cho Myaing
Treasurer
Ponleu Ney Kdey Sangkhum (PNKS)
Date: 21 February 2020

Mr. Chowan Leak
Program Development Manager
Ponleu Ney Kdey Sangkhum (PNKS)
Date: 21 February 2020

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Ponleu Ney Kdey Sangkhum (PNKS)
#19B, St. 145 Phnom Penh, Kingdom of Cambodia

Opinion

We have audited the financial statements of Ponleu Ney Kdey Sangkhum (PNKS) ("the Organisation"), which comprise the statement of financial position as at 31 December 2019, the statement of income, expenses and fund balance, and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Organisation as at 31 December 2019 and for the year then ended are prepared, in all material respects, in accordance with the accounting principles set out in Note 2 to the financial statements and the financial reporting provision of the Organisation and its applicable funding agencies.

Basis of Opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing (CISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Organisation in accordance with the ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 to the financial statements, which describe the basis of accounting. The financial statements are prepared to assist the Organisation in complying with the financial reporting provisions of the Organisation and its applicable funding agencies. As a result, the financial statement may not be suitable for another purpose. Our report is intended solely for the Organisation and its applicable funding agencies and should not be distributed to or used by parties other than the Organisation and its applicable funding agencies. Our opinion is not modified in respect of this matter.

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of the Project and its applicable funding agencies and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organisation's ability to continue as a going concern basis of accounting unless management either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organisation's financial reporting process.

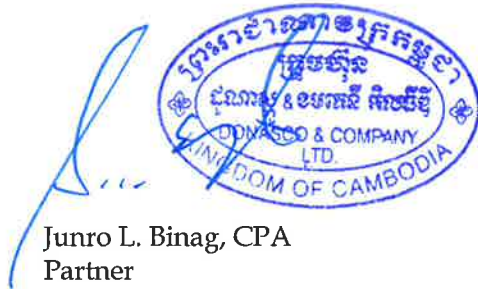
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial statements.

As part of an audit in accordance with CISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organisation to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Junro L. Binag, CPA
Partner

Donasco & Co., Ltd.
Certified Public Accountants
Registered Auditors

Office Register Address: House No. 344, Street 10BT
Boeung Tumpun, Khan Meanchey
Phnom Penh, Kingdom of Cambodia

Current Office Address: Building 53, 1st floor, Room 1A,
Street 446, Toul Tumpung 1, Khan Chamkarmorn, Phnom Penh
and Kingdom of Cambodia

Date: 21 February 2020

PONLEU NEY KDEY SANGKHUM (PNKS)

Statement of financial position As at 31 December 2019

	Notes	2019 USD	2018 USD
ASSETS			
Current assets			
Cash	4	171,759	194,232
Prepaid expenses		110	110
		171,869	194,342
TOTAL ASSETS			
		171,869	194,342
LIABILITIES			
Current liabilities			
Payable to supplier	5	18,355	-
Accrued expenses	6	2,228	12,134
Tax payable	7	566	406
Supplier deposit		-	1,070
		21,149	13,610
Non-current liabilities			
Staff pension fund	8	12,746	47,361
Car replacement	9	23,235	15,691
		35,981	63,052
TOTAL LIABILITIES			
		57,130	76,662
NET ASSETS			
		114,739	117,680
FUND BALANCE			
Fund balance, beginning		117,680	76,650
Surplus (deficit) for the year		(2,941)	41,030
TOTAL FUND BALANCE			
		114,739	117,680

The accompanying notes on pages 10 to 21 form part of these financial statements.

PONLEU NEY KDEY SANGKHUM (PNKS)

Statement of income and expenses For the year ended 31 December 2019

	NOTES	TOTAL 2019 USD	TOTAL 2018 USD
INCOME			
Funds received from donors	10	540,445	581,970
Other income	11	2,824	2,041
		543,269	584,011
EXPENSES			
Staff costs	12	242,021	252,853
Administrative costs	13	97,348	83,911
VDA a strong self-reliance CBO	14	50,810	65,561
SSC function for school	15	54,627	43,468
Boundary partner development	16	35,338	13,569
CDA the people voice represent	17	20,102	29,027
CC adopt pro-poor	18	15,351	9,064
Livelihood programme		10,907	10,167
Capital costs	19	8,764	24,799
VL Democratic Leadership		3,615	6,151
Open civic space		2,484	-
Community initiative		2,065	1,247
Social accountability		1,902	3,122
Other expense		876	42
		546,210	542,981
SURPLUS (DEFICIT) FOR THE YEAR		(2,941)	41,030
FUND BALANCE, BEGINNING		117,680	76,650
FUND BALANCE, ENDING		114,739	117,680

The accompanying notes on pages 10 to 21 form part of these financial statements.

PONLEU NEY KDEY SANGKHUM (PNKS)

**Statement of cash flows
For the year ended 31 December 2019**

	NOTES	2019 USD	2018 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Surplus (deficit) for the year		(2,941)	41,030
(Increase) decrease in:			
Staff loans		-	7,506
Prepaid expenses		-	(110)
Increase (decrease) in:			
Staff pension fund		(34,615)	(33,425)
Car replacement		7,544	1,880
Payable to supplier		18,355	-
Accrued expenses		(9,906)	9,352
Tax payable		160	(12)
Supplier deposit		(1,070)	961
Cash flows provided by operating activities		(22,473)	27,182
NET INCREASE (DECREASE) IN CASH		(22,473)	27,182
CASH BALANCE, BEGINNING		194,232	167,050
CASH BALANCE, ENDING	4	171,759	194,232

The accompanying notes on pages 10 to 21 form part of these financial statements.

PONLEU NEY KDEY SANGKHUM (PNKS)

Notes to financial statements

For the year ended 31 December 2019

1. NATURE OF OPERATIONS

Ponleu Ney Kdey Sangkhum (“PNKS” or “the Organisation”) was registered in Cambodia as a local Non-Government Organisation (NGO) under the Ministry of Interior on 30 January 2001 with Registration No. 096៧៧៧៧. The Organisation is governed by Governance Board whose members do not receive compensation.

VISION

People with a deep sense of hope and freedom because they see opportunities in their lives to express themselves and their own aspirations. Communities would be characterized by respectful and loving relationships, sharing of resources and ideas and peace on individual and group levels. People would feel well off if they have enough money but also opportunities, inclusive relationships a strong sense of community and a healthy, sustainable environment around them.

MISSION

PNKS mission is bringing hope and freedom to people in our target areas. We see hope as arising from people having the possibility of changing their circumstances and having some control over this change. From experience over our history this can best come about through strong, well-functioning civil society organizations with community oriented values working in a context where they can effectively initiate actions and express their values.

PNKS mission is to support and strengthen VDAs in communities so that they can open opportunities for individuals, groups and communities to define what they would like to change and help them access resources to effect those changes. Practically this means PNKS will support VDAs with resources and capacity in various areas of community development as well as working with them on their own organization and governance and vision and values.

As well as supporting VDAs PNKS sees its mission as contributing to the context in which VDAs operate, making it more conducive to change. Therefore, PNKS will also work to connect VDAs in different villages and support collective action by them. PNKS will also work on the way VL, CDA, CC and SSCs think, how they behave, the kinds of policy they make and their relationships with VDAs and each other. Our mission is to have all these actors working, from where they are, with a common vision of community led development based in justice, equality and sustainability.

GOAL

PNKS goal for 2017-19 includes individual, group and systemic change. Central is people in our target areas seeing opportunities for improved living conditions, freedom, environment, and hope, are accessible and the future is in their own hands. These BP will connect and empower individuals, groups and whole villages to define and find ways to realize their aspirations.

PONLEU NEY KDEY SANGKHUM (PNKS)

Notes to financial statement For the year ended 31 December 2019

1. NATURE OF OPERATIONS (CONT'D)

GOAL (CONT'D)

VDAs can best do this if they have strong relationships with their VL, CC and SSCs and the behaviour attitudes relationships and policies of these organizations is aligned towards grass roots participatory village development. The systemic dimension of PNKS' goal therefore is strong relationships and common direction amongst VDA, CDA, VL, SSC and CC.

CORE VALUES

Love

We believe true love is not merely a feeling or a concept. We believe love should be put into action. The story of the Good Samaritan has touched our hearts and encouraged us to put love into action.

Humility

We believe God created all men equal. No matter how rich or poor, young or old, no matter what our educational background, our social class - we are all equal. We value and respect people we work with and all the people around us.

Prayer

We believe God answers our prayers and He leads us in our decision-making. We believe that God is with us in our day to day life.

Accountability

We are obligated to accept our responsibilities. We are accountable for our actions, our decisions and for the money we spend, not just to our supporters but also to those we serve.

Commitment

We are accustomed to being in positions of responsibility; we are self-motivated, and willing to set goals and work to achieve them, never assuming the other person is responsible.

Honesty

We believe 'honesty' is a key to strength. Honesty includes 'being transparent'. We want to let people, including staff, donors, boundary partners, stakeholders and beneficiaries, know what they are supposed to know, promoting the sharing of information and practices, whether good or bad, to improve learning and understanding.

Cooperation

We believe 'cooperation' is a key to success. We get people involved. We value people's involvement in planning and problem-solving.

The current office of the Organisation is #19B, St. 145 Phnom Penh, Kingdom of Cambodia

The Organisation has thirty-three (33) and thirty-six (36) member staff as at 31 December 2019 and 31 December 2018, respectively.

PONLEU NEY KDEY SANGKHUM (PNKS)

Notes to financial statement For the year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies and practices of the Organisation are set forth to facilitate the understanding of the financial statements:

2.1 Basis of preparation

The financial statements, expressed in United States Dollars (USD), is prepared under the historical cost convention.

The Organisation's policy is to prepare the financial statements on the modified cash basis. On this basis, receipts are recognized when received rather than when earned, and disbursements or expenses are recognized when paid rather than when incurred except for advance payments to staff, partners and contractors some accruals of project expenses and staff severance pay.

All fundamental accounting assumptions relating to going concern are followed in the financial statements except the cost of property and equipment are charged to expenses in the statement of income and expenses, instead of depreciation before arriving at the excess of income over expenses for the year.

The basis of accounting and accounting assumption used is designed to meet the requirements of the Organisation and financial reporting provision of the applicable funding agencies which is the comprehensive basis of accounting of the Organization; it is not designed to produce financial statements that are compatible with International Financial Reporting Standards.

Furthermore, the preparation of the financial statements requires management use of certain critical accounting estimates and the exercise of its judgment in the process of applying the Organisation's accounting policies.

The measurement bases and areas involving a higher degree of judgment or areas where assumptions and estimates are significant to the financial statements are more fully discussed in note 3.

2.2 Cash

Cash consists of cash on hand and cash in designated bank accounts for implementation of program activities of the Organisation.

Cash are stated at face value. Cash includes cash in bank and cash on hand. Cash in bank in savings accounts earn interest at the respective bank deposit rates and these are deposits held at call with banks.

Cash on hand is intended as working funds for a small amount of such as periodicals, reproduction cost, transportation, etc.

PONLEU NEY KDEY SANGKHUM (PNKS)

Notes to financial statement

For the year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Staff loan

Other receivables, if any, include loan to officers and employees. Other receivables are recognized initially at its transaction cost, and subsequently measured at amortized cost less provision for impairment.

This pertains to long term loans receivable of the Organization with its staff. Loans provided to staff pertain to personal or emergency loan. Repayment of the loan is through monthly salary deduction.

2.4 Cash advance

Other receivables, if any, include advances to officers and employees. Other receivables are recognized initially at its transaction cost, and subsequently measured at amortized cost less provision for impairment.

2.5 Employee benefit plan

Seniority pay

Seniority fund is the organization's funds which are given to staff two times a year for assisting staff when they have no job because they are affected by termination of employment that is initiated by the employer. Follow the amendment of Cambodia labour law article 87, PNKS will pay the seniority fund to employee is working as below:

- Employee signed contract under Contract of Employment (Fixed Duration Contract): PNKS will pay seniority payment 5% of their salary received in the period of contract. This seniority payment will be pay by the end of contract period.
- Employee signed contract under Contract of Permanent (Unspecified Duration Contract): PNKS will pay seniority payment 15days a year. This seniority payment will pay 7.5days in June and 7.5days in December of follow year.

Staff pension

The Organisation has accrued for staff pension equal to 4.17% of the monthly salary but will be withheld and kept in a special bank account solely for the purpose of the pensions. PNKS will pay into the government pension scheme once it is functioning.

2.6 Tax payable

Tax payable pertains to withholding tax payable for the office rental and the salaries of the staff. Staff salaries and withholding tax were withheld with related salary tax as required by the Cambodian Tax Law.

PONLEU NEY KDEY SANGKHUM (PNKS)

Notes to financial statement For the year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 Accrued Expenses

Accrued expenses pertain to expense recognized in the books such as the audit fee, consultancy and a project expense before it is paid for. It is a liability, and is usually current. These expenses are typically periodic and documented on the Organization's financial position due to the high probability that they will be collected.

2.8 Income taxation

No provision for income tax has been raised as the Organisation is registered not-for-profit non-government Organisation under the Ministry of Interior and is exempt from income tax under Article 9 of the Law on Taxation in Cambodia.

2.9 Capital expenditures

Capital expenditures are charged to expense when incurred. This practice differs from International Accounting Standards which require the capitalization and depreciation of property and equipment. Fixed asset register is maintained to control and monitor the assets acquired by the Organisation.

2.10 Recognition of receipt

Receipts or income are recognized when received in the Organisation's designated account rather than when earned, committed or budgeted.

2.11 Recognition of disbursements or expenditure

Disbursements or expenses are recognized when paid rather than when incurred except for advance payments to staff, partners and contractors which are initially recognized as advances and recognized as expenditure when they are liquidated by presentation of supporting invoices and some accruals of project expenses.

2.12 Local currency transactions

Measurement currency

The financial statements are presented in USD, which is the functional and widely accepted and used currency in the Kingdom of Cambodia.

Transactions and balances

Transactions are translated into the measurement currency using the exchange rates prevailing at the date of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income and expenses.

PONLEU NEY KDEY SANGKHUM (PNKS)

Notes to financial statement

For the year ended 31 December 2019

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.13 Impairment of assets

The carrying amounts of the Organisation's assets are reviewed at each date of statement of financial position to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The impairment loss is charged to the statement of income and expenses unless it reverses a previous revaluation in which case it will be charged to equity. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

3. MANAGEMENT'S SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

Judgments. The preparation of the Organisation's financial statements requires management to make estimates and assumptions that affect the amounts reported in the Organisation's financial statements and accompanying notes. The estimates and assumptions used in the Organisation's financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Organisation's financial statements. Actual results could differ from such estimates, judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates. In the application of the Organisation's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not easily apparent from other source. The estimates and associated assumption are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in period of revision and future periods if the revision affects both current and future periods.

PONLEU NEY KDEY SANGKHUM (PNKS)

Notes to financial statement For the year ended 31 December 2019

4. CASH

This account consists of:

	Notes	2019 USD	2018 USD
Cash on hand			
Petty cash-PP	a	500	500
Petty cash-PV	a	500	500
Petty cash-KS	a	500	500
Cash on hand-PP	a	1,042	84
Cash on hand-PV	a	1,328	440
Cash on hand-KS	a	325	1,111
Cash in bank			
Current Account-FTB-Bank-PP	b	68,195	75,826
Savings Account- FTB-Bank-SWF	b	12,746	40,428
Current Account- Acleda-Bank-PP	b	7,145	1,782
Current Account- Acleda-Bank-PV	b	1,303	7,024
Current Account- Acleda-Bank-KS	b	2,714	4,875
Current Account- Acleda-Bank-Danmission	b	3,516	696
Savings Account- Amret-Bank-Reserve Fund	b	48,710	46,435
Savings Account- Amret -Bank-Car replacement	b	23,235	14,031
		171,759	194,232

- Cash on hand represents cash fund of the Organisation. The cash on hand is mainly used for daily operation or for project expenses of the Organisation.
- Cash in bank compose of current and savings accounts. Current account ears zero interest rate while savings account earns 4% per year.

5. PAYABLE TO SUPPLIER

This pertain to the payable to Clear Cambodia for the payment of School WASH project amounting to 18,355.00 USD, which will be settled after the final checking from the PNKS.

6. ACCRUED EXPENSES

This account consists of:

	2019 USD	2018 USD
Professional fee	2,225	2,002
Printing services	3	869
Pond digging	-	9,012
Contribution of community for pond digging in Kampong Trach District	-	251
	2,228	12,134

PONLEU NEY KDEY SANGKHUM (PNKS)

Notes to financial statement For the year ended 31 December 2019

7. TAX PAYABLE

This account consists of:

	2019	2018
	USD	USD
Salary tax	309	269
Withholding tax	257	137
	566	406

8. STAFF PENSION FUND

This account consists of:

The Organisation has accrued for staff pension fund was changed equal to 4.17% of the monthly salary but will be withheld and kept in a special bank account solely for the purpose of the pensions. PNKS will pay into the government pension scheme once it is functioning.

	TOTAL	TOTAL
	2019	2018
	USD	USD
Beginning of the year	47,361	80,786
Contributions during the year	7,000	13,848
Interest income	92	264
Staff loan	-	(7,417)
Payment to staff (a)	(41,707)	(40,120)
	12,746	47,361

a. The organization made payments for Seniority pay last February 2019 for thirty-four (34) staff amounting to 41,707 USD.

9. CAR REPLACEMENT

This car replacement is pertaining to the yearly computation of the vehicle depreciation expenses according to its estimated useful life set by the Organization less the expected salvage value at the end of its life. The Organization reserved certain amount and charge to each donor base on the percentage of usage per donor so that they will not request big amount of funds when its time to replace their vehicle.

PONLEU NEY KDEY SANGKHUM (PNKS)

Notes to financial statement For the year ended 31 December 2019

10. FUNDS RECEIVED FROM DONORS

This account consists of:

	2019	2018
	USD	USD
Mission Alliance (MA)	232,088	202,835
Transform Aid International (TAI)	113,693	160,024
TEAR Fund Australia	146,483	133,496
Danmission	33,912	70,432
Diaconaat	14,269	15,183
	540,445	581,970

11. OTHER INCOME

This account consists of:

	2019	2018
	USD	USD
Income from office sharing	2,824	720
Bank interest	-	1,218
Others	-	78
Sale of assets	-	25
	2,824	2,041

12. STAFF COSTS

This account consists of:

	2019	2018
	USD	USD
Direct Costs		
Staff salary	162,616	169,139
Staff insurance and benefits	24,092	21,346
Staff Capacity Development		
Strengthen organization	15,156	20,591
Group capacity	9,190	12,483
Capacity individual TNA-based	960	1,122
Connect PNKS to networks	300	300
Indirect Costs		
Salary costs-PP	25,964	24,499
Staff insurance and benefits-PP	3,743	3,373
	242,021	252,853

PONLEU NEY KDEY SANGKHUM (PNKS)

Notes to financial statement For the year ended 31 December 2019

13. ADMINISTRATIVE COSTS

This account consists of:

	2019	2018
	USD	USD
Direct Costs		
Transportation costs	25,554	27,958
Premises costs	24,318	22,523
Monitoring and evaluation	28,994	19,211
Visiting project	3,627	-
Indirect Costs		
PP Office supplies and communication	4,087	4,411
PP rent and utilities	3,412	3,159
External financial audit	4,000	3,800
PP transportation	2,249	2,191
Governing Board of Directors	1,107	658
	97,348	83,911

14. VDA A STRONG SELF-RELIANCE CBO

This account consists of:

	2019	2018
	USD	USD
Build knowledge to VDA member	16,416	29,399
Support the initiative of VDA	18,624	17,089
Enhance VDA& EC regular meeting	5,458	9,569
Build community trust toward	10,312	9,504
	50,810	65,561

15. SSC FUNCTION FOR SCHOOL

This account consists of:

	2019	2018
	USD	USD
Support SSC for school improvement	50,920	37,529
Strengthen SSC M&E, Advocacy	3,707	5,939
	54,627	43,468

PONLEU NEY KDEY SANGKHUM (PNKS)

Notes to financial statement For the year ended 31 December 2019

16. BOUNDARY PARTNER DEVELOPMENT

This account consists of:

	2019	2018
	USD	USD
Enhance Community Peace by BP	19,113	-
Strengthen BP good governance	9,994	5,121
Strengthen BP network	5,444	-
Increase CCA & strengthen environment	787	8,448
	35,338	13,569

17. CDA THE PEOPLE VOICE REPRESENTS

This account consists of:

	2019	2018
	USD	USD
Link CDA network	13,936	12,177
Develop CDA capacity governance	4,114	10,417
Enhance CDA & EC regular meeting	2,052	6,433
	20,102	29,027

18. CC ADOPT PRRO-POOR

This account consists of:

	2019	2018
	USD	USD
Strengthen CC capacity governance	8,855	3,774
Promote freedom political view	4,139	3,309
Promote CC inclusive development	2,357	1,981
	15,351	9,064

19. CAPITAL COSTS

This account consists of:

	2019	2018
	USD	USD
Equipment and furniture	6,714	2,819
Motorbike	2,050	1,980
Vehicle	-	20,000
	8,764	24,799

PONLEU NEY KDEY SANGKHUM (PNKS)

Notes to financial statement

For the year ended 31 December 2019

20. ABBREVIATION

MA: Mission Alliance

TAI: Transform Aid International

VDA: Village Development Association

CBO: Community Based Organization

SSC: School Support Committee

CDA: Commune Development Association

CC: Commune Councilor

VL: Village Leader

EC: Executive Committee

PONLEU NEY KDEY SANGKHUM (PNKS)

Statement of income, expenses and fund balance by donor FY 2019
For the year ended 31 December 2019

	Notes	Transform Aid		Mission Alliance- Somleng Project		Mission Alliance- Somleng Prey Lang		Tear Fund Australia		TOTAL	
		International USD	Danmission USD	Diaconaat USD	Somleng USD	Prey Lang USD	Australia USD	Other USD	2018 USD	2019 USD	TOTAL 2018 USD
INCOME											
Funds received from donors	10	113,693	33,912	14,269	150,365	81,723	146,483	-	540,445	581,970	
Other income	11	-	-	-	-	-	-	2,824	2,824	2,041	
		113,693	33,912	14,269	150,365	81,723	146,483	2,824	543,269	584,011	
EXPENSES											
Staff costs	12	62,495	16,632	4,069	63,290	29,500	66,035	-	242,021	252,853	
Administrative costs	13	15,743	8,451	14	26,860	11,802	34,478	-	97,348	83,911	
VDA a strong self-reliance CBO	14	20,899	4,162	-	15,009	-	10,740	-	50,810	65,561	
SSC function for school	15	3,412	4,301	-	32,923	-	13,991	-	54,627	43,468	
Boundary partner development	16	-	537	-	-	32,298	2,503	-	35,338	13,569	
CDA the people voice represent	17	3,531	2,630	-	7,927	-	6,014	-	20,102	29,027	
CC adopt pro-poor	18	4,990	1,374	-	4,391	-	4,596	-	15,351	9,064	
Livelihood programme		-	-	7,756	1,681	-	1,470	-	10,907	10,167	
Capital costs	19	1,770	770	-	646	2,848	2,730	-	8,764	24,799	
VL Democratic Leadership		1,259	161	-	1,119	-	1,076	-	3,615	6,151	
Open civic space		-	74	-	-	2,154	256	-	2,484	-	
Community initiative		-	-	-	-	2,065	-	-	2,065	1,247	
Social accountability		-	-	1,902	-	-	-	-	1,902	3,122	
Other expense		-	-	-	-	-	-	876	876	42	
		114,099	39,092	13,741	153,846	80,667	143,889	876	546,210	542,981	
SUPLUS (DEFICIT) FOR THE YEAR											
FUND BALANCE, BEGINNING		(406)	(5,180)	528	(3,481)	1,056	2,594	1,948	(2,941)	41,030	
FUND BALANCE, ENDING		46,094	6,031	82	8,726	388	9,536	46,823	117,680	76,650	
		45,688	851	610	5,245	1,444	12,130	48,771	114,739	117,680	

PONLEU NEY KDEY SANGKHUM (PNKS)

Statement of income, expenses and fund balance by donor FY 2018
For the year ended 31 December 2019

	Transform Aid		Mission Alliance- Somleng Project		Mission Alliance- Somleng Prey Lang		Tear Fund Australia		Other		TOTAL	
	International USD	Danmission USD	Diaconaat USD	Somleng USD	Prey Lang USD	Somleng USD	Australia USD		USD	USD	2017 USD	2018 USD
INCOME												
Funds received from donors	160,024	70,432	15,183	140,742	62,093	133,496	-	-	-	-	426,276	581,970
Other income	-	-	-	-	-	-	-	-	2,041	-	6,284	2,041
	160,024	70,432	15,183	140,742	62,093	133,496			2,041		432,560	584,011
EXPENSES												
Staff Costs	56,976	33,873	5,080	66,886	14,811	75,227	-	-	-	-	230,136	252,853
Administrative costs	20,368	11,378	15	22,087	9,976	20,086	-	-	-	-	66,325	83,911
VDA a strong self-reliance CBO	18,417	9,262	-	20,657	-	17,226	-	-	-	-	58,964	65,561
SSC function for school	3,613	4,201	-	12,458	-	23,196	-	-	-	-	23,311	43,468
CDA the people voice represent	11,596	3,484	-	5,205	-	8,742	-	-	-	-	28,635	29,027
Capital costs	-	115	-	1,552	22,702	430	-	-	-	-	8,364	24,799
Boundary partner development	-	600	-	-	12,969	-	-	-	-	-	-	13,569
Livelihood programme	-	605	7,013	1,008	-	1,541	-	-	-	-	-	10,167
CC adopt pro-poor	6,144	750	-	1,103	-	1,067	-	-	-	-	4,676	9,064
VL Democratic Leadership	3,980	137	-	1,074	-	960	-	-	-	-	6,064	6,151
Social accountability	-	-	3,122	-	-	-	-	-	-	-	25,000	3,122
Community initiative	-	-	-	-	1,247	-	-	-	-	-	-	1,247
Other expense	-	-	-	-	-	-	-	-	42	-	-	42
	121,094	64,405	15,230	132,030	61,705	148,475			42		454,020	542,981
SURPLUS (DEFICIT) FOR THE YEAR												
FUND BALANCE, BEGINNING	38,930	6,027	(47)	8,712	388	(14,979)	-	-	1,999	-	(21,460)	41,030
FUND BALANCE, ENDING	7,164	4	129	14	-	24,515	44,824	46,823	9,536	117,680	76,650	
	46,094	6,031	82	8,726	388	9,536	46,823	117,680	46,823	117,680	76,650	