

**AZIZA'S PLACE**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE  
FOR THE YEAR ENDED 31 DECEMBER 2018**

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## STATEMENT BY THE MANAGEMENT

We, Anwaar Ahmed, General Manager and Choeun Chanphoumy, Director of Finance & Operation, representing the Management, here by state that in our opinion:

The Accompanying Statement of Receipts, Disbursements and Fund Balance, together with the notes thereto, of Aziza's Place (the "Organisation") as at 31 December 2018 and of its receipts and disbursements for the year then ended is prepared, in all material respects, in accordance with the basis set out in Note 2 to the Statement of Receipts, Disbursements and Fund Balance.

On behalf of the Management,

  
  
Mr. Anwaar Ahmed  
General Manager  
Date: 07 August 2019

  
Ms. Choeun Chanphoumy  
Director of Finance & Operation

## **INDEPENDENT AUDITORS' REPORT TO THE MANAGEMENT OF AZIZA'S PLACE**

We have audited the accompanying statement of receipts, disbursements and fund balance of Aziza's Place (the Organisation) for the year ended 31 December 2018 and a summary of significant accounting policies and other explanatory information. The statement of receipts, disbursements and fund balance are prepared by the management of the Organisation in accordance with the accounting policies set out in note 2.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these statement of receipts, disbursements and fund balance in accordance with accounting policies as described in Note 2 and the financial reporting provisions of the Organisation and its applicable funding agencies, and for such internal control as management determines is necessary to enable the preparation of statement of receipts, disbursements and fund balance that are free of material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

Our responsibility is to express an independent opinion on this statement of receipts, disbursements and fund balance 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 statement of receipts, disbursements and fund balance are free of material misstatement.

An audit involves performing procedure to obtain audit evidence about the amounts and disclosures in the statement of receipts, disbursements and fund balance. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the statement of receipts, disbursements and fund balance, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the statement of receipts, disbursements and fund balance 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 statement of receipts, disbursements and fund balance.

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

**Opinion**

In our opinion, the statement of receipts, disbursements and fund balance of Aziza’s Place (the “Organisation”) as at 31 December 2018 and of its receipts and disbursements for the year then ended is prepared, in all material respects, in accordance with the basis set out in Note 2 to the statement of receipts, disbursements and fund balance and accounting principles generally accepted in Cambodia.

*Basis of accounting and restriction on distribution and use*

We draw attention to note 2 to the statement of receipts, disbursements and fund balance, which described the basis of accounting. The statement of receipts, disbursements and fund balance are prepared to provide information to the Aziza’s Place (the “Organisation”). Consequently, the statement of receipts, disbursements and fund balance might 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 Organisation and its applicable funding agencies.

**Emphasis of Matter**

We draw attention to notes 9 and 10 to the statement of receipts, disbursements and fund balance, the Organisation is in a lawsuit against the former director who left the Organisation in August 2018 without proper handover of his roles and responsibilities to the Organisation and without settlement of his outstanding loan amount US\$23,550 as at 31 December 2018.

  


**AT&C (Cambodia) Co., Ltd.**  
Phnom Penh, Kingdom of Cambodia  
Date: 07 August 2019

**AZIZA'S PLACE**

**STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE  
FOR THE YEAR ENDED 31 DECEMBER 2018**

	<b>Note</b>	<b>Budget 2018 US\$</b>	<b>Actual 2018 US\$</b>	<b>Actual 2017 US\$</b>
<b>RECEIPTS</b>				
Primary Funds	3		109,025	64,059
Grants and walk-in	4		56,221	4,875
Other income	5		4,909	3,550
Coffee Cart Program			-	31
			<b>170,155</b>	<b>72,515</b>
<b>DISBURSEMENTS</b>				
Fundraising and development	6	9,751	7,864	7,609
Administration	7	13,197	11,268	8,960
Program	8	144,860	136,668	115,524
Social Enterprise		-	-	33
		<b>167,808</b>	<b>155,800</b>	<b>132,126</b>
Surplus/ (Deficit) of receipts over disbursements			14,355	(59,611)
Fund balance at the beginning of the year			26,532	86,143
<b>Fund balance at the end of the year</b>			<b>40,887</b>	<b>26,532</b>
<b>Represented by:</b>				
Cash on hand			1,635	463
Cash at bank-Operation	9		7,877	38,394
Deposit rental			7,800	7,800
Project staff advances			-	130
Loan to Program Director	10		23,550	27,250
Other advance			25	-
Deferred grant income			-	(47,505)
			<b>40,887</b>	<b>26,532</b>

The accompanying notes on pages 5 to 9 are an integral part of this statement of receipts, disbursements and fund balance.

## **AZIZA'S PLACE**

### **NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE FOR THE YEAR ENDED 31 DECEMBER 2018**

#### **1. GENERAL**

Aziza's Place is a non-political Local Non-Government Organization located at #153, Street 12BT, Sangkat Beoung Tom Poun, Khan Meanchey, Phnom Penh. The organization was registered at the Ministry of Interior on 05 December 2007.

In 2006, Amjad and Fauzia Ghori visited Cambodia to oversee the filming of a documentary about an orphanage in the Tonle Bassac neighborhood of Phnom Penh. At this orphanage they met Nader Ebrahimi, a volunteer. Their meeting led to a dialogue and friendship that culminated in the vision of opening a grassroots children's center that makes a sustainable and meaningful change in the lives of Cambodia's neediest children.

The Primary mission of Aziza's Place is to support vulnerable children mainly coming from the Steung Meanchey municipal dumpsite, through providing a range of social, developmental and educational services in close collaboration with their families and their communities living in and around Phnom Penh. AP operates a Learning and Development centre near the communities it serves and AP compound plays a key role in providing a safe and secure environment in which the children can learn, grow and enjoy the opportunity to behave like children. AP's objectives are to ensure the children receive an education from Primary School through University studies and thereafter assist them in finding meaningful employment to support themselves and their families.

In addition to attending public and private schools in the area, the children also receive supplemental English, Computer, Math and Khmer classes at Aziza's Place, as well as the opportunity to participate in onsite and offsite extra-curricular activities such as Arts, Dance, Swimming, Skateboarding and Karate. All children receive three meals a day, and regular medical and dental attention. The staff is primarily Cambodian with a sprinkling of foreigners in certain roles.

Aziza's Place operated as a Residential Care Center from its opening in February 2007 through mid-2016. In 2014, Aziza's Place started to gradually reintegrate its resident children with their families, while converting the model to a Learning and Development Centre as necessitated by the order of the Ministry of Social Affairs. By July 2016, Aziza's Place successfully reintegrated all resident children while significantly increasing the number of children to benefit from the range of programs offered at the Centre.

In December 2018, Aziza's Place supported over 43 children in its programs.

#### **2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **2.1. Basis of accounting**

The statement of receipts, disbursements and fund balance, expressed in United States Dollars ("US\$"), is prepared under the historical cost convention.

**NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE  
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**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.1. Basis of accounting (Continued)**

Functional and presentation currency

The national currency of Cambodia is the Khmer Riel (“KHR”). However as the Organisation transacts its business and maintains its accounting records primarily in United States Dollars (“US\$”), management has determined the US\$ to be the Organisation’s functional and presentation currency as it reflects the economic substance of the underlying events and circumstances of the Organisation.

The Organisation's policy is to prepare the statement of receipts, disbursements and fund balance under the cash basis of accounting. Under this basis, income is recognized when received rather than when earned, and expenses are recognized when paid rather than when incurred.

**2.2. Fixed assets**

The cost of an item of fixed assets purchased during the year is expensed to the statement of receipts, disbursements and fund balance in the year of purchase.

**2.3. Foreign currency transactions**

Transactions in currencies other than US\$ are translated into US\$ at the rates of exchange prevailing on the date of the transactions.

**2.4 Receipts and Disbursements**

Receipt is primarily defined as the grant income from primary funds and other donors, recorded gross of bank charges, walk in and other income.

Disbursement is defined as costs incurred and paid with respect to the Project’s activities and approved budget.

**3. PRIMARY FUNDS**

	<b>2018</b>	<b>2017</b>
	<b>US\$</b>	<b>US\$</b>
The Aziza Ghorri Charitable Foundation US	109,025	59,335
The Aziza Foundation UK	-	4,724
	<b>109,025</b>	<b>64,059</b>

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**NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE  
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**4. GRANTS AND WALK-IN**

	<b>2018</b>	<b>2017</b>
	<b>US\$</b>	<b>US\$</b>
Prepaid Income Global Fund for Children	21,000	1,500
Prepaid Income Mohamed	25,000	-
Prepaid Income Bamati Association	1,505	-
Women International Group (WIG)	2,000	-
Walk-in Donation	742	875
Ben & Maria Mays	-	2,500
Basmati Association	5,051	-
Quintessence company	923	-
	<b>56,221</b>	<b>4,875</b>

**5. OTHER INCOMES**

	<b>2018</b>	<b>2017</b>
	<b>US\$</b>	<b>US\$</b>
ACCI Reintegration Fees	2,000	2,800
Magna-attend AP Program	500	30
Miscellaneous	-	720
Interest income	22	-
Other income	2,387	-
	<b>4,909</b>	<b>3,550</b>

**6. FUNDRAISING AND DEVELOPMENT**

	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	<b>2018</b>	<b>2018</b>	<b>2017</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
Administrative	6,592	4,264	4,296
Education expense	-	533	-
Food and beverage	-	7	-
Utilities	106	92	105
Rental	1,638	1,509	1,566
Supplies	396	383	430
Service	130	356	130
Community outreach program	-	7	-
Other Miscellaneous	889	504	1,082
Reintegration program	-	209	-
	<b>9,751</b>	<b>7,864</b>	<b>7,609</b>

## AZIZA'S PLACE

### NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE FOR THE YEAR ENDED 31 DECEMBER 2018

#### 7. ADMINISTRATION

	<b>Budget 2018 US\$</b>	<b>Actual 2018 US\$</b>	<b>Actual 2017 US\$</b>
Administrative	9,251	6,253	5,162
Education expense	-	533	-
Food and beverage	-	7	-
Health and Hygiene	551	601	476
Utilities	267	234	263
Office rental	1,638	1,771	1,566
Supplies	396	399	430
Service	490	801	374
Community outreach program	-	7	-
Miscellaneous	604	403	689
Reintegration program	-	259	-
	<b>13,197</b>	<b>11,268</b>	<b>8,960</b>

#### 8. PROGRAMME

	<b>Budget 2018 US\$</b>	<b>Actual 2018 US\$</b>	<b>Actual 2017 US\$</b>
Reintegration Program	12,587	11,226	11,950
Education Program	43,469	48,425	33,064
Health Care Program	20,262	18,701	17,985
Community Outreach Program	14,370	10,190	10,523
Food & Nutrition Program	24,733	23,167	20,436
Arts Program	9,189	7,985	7,065
Sport Program	10,042	7,845	6,709
Safety Program	10,208	9,129	7,792
	<b>144,860</b>	<b>136,668</b>	<b>115,524</b>

## AZIZA'S PLACE

### NOTES TO THE STATEMENT OF RECEIPTS, DISBURSEMENTS AND FUND BALANCE FOR THE YEAR ENDED 31 DECEMBER 2018

#### 9. CASH AT BANK

	<b>2018</b>	<b>2017</b>
	<b>US\$</b>	<b>US\$</b>
ANZ Bank for operation	519	38,394
Aceda Bank for staff salary(Payroll)	7,358	-
	<b><u>7,877</u></b>	<b><u>38,394</u></b>

The Former Executive Director who is the sole signatory for the account with ANZ Bank and Aceda Bank amount US\$**7,877** as at 31 December 2018, has left the Organization without proper handover of his roles and responsibilities to the Organization.

#### 10. LOAN TO FORMER AP EXECUTIVE DIRECTOR

On 02 April 2015, Aziza's Place, hereinafter referred to as "the Lender" entered into a loan agreement with Mr. Say Socheat, Program Director of Aziza's Place, hereinafter referred to as "the Borrower" the sum of US\$41,000 with a maturity period off 68 months without loan interest and collateral.

	<b>2018</b>	<b>2017</b>
	<b>US\$</b>	<b>US\$</b>
Opening balance	27,250	30,000
Add: Loan drawdown	-	-
Less: Loan repayment	(3,700)	(2,750)
<b>Closing balance</b>	<b><u>23,550</u></b>	<b><u>27,250</u></b>

The Organization is in a lawsuit against the former Executive Director who left the Organization in August 1, 2018 without settlement of his loan outstanding amount \$23,550 as at 31 December 2018.