

Financial statements and independent auditor's report

Clear Cambodia

31 December 2018

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Report of Management

The Organisation

Clear Cambodia ("the Organisation") is a local Christian non-governmental organisation that received official registration from the Ministry of Interior of the Royal Government of Cambodia on 15 October 2010.

The Organisation implements the Water Filter Project ("the Project") which was initiated by Hagar International, an International NGO, in October 1999. On 1 January 2010, the Board of Directors of Hagar International handed over the financial and accounting management of the Project to Clear Cambodia. The mission of the Project is to help the rural Cambodian people in collaborating with community leaders and local authorities to sustainably improve their health through increased access to clean potable water, sanitation facilities, and to a healthy environment.

The Organisation's main source of funding is from Charity: Water ("the Grantor") which is an independent, grassroots organisation based in New York City, USA working to bring clean and safe drinking water to people in developing countries. The Grantor is committed to ensuring that all of the money that it raised for water projects is used on water projects and strives to be completely transparent in how its money is used and accounted for.

On 17 January 2018, the Organisation entered into a grant agreement No. KH.CLR.2H.17.255 with the Grantor for implementing the Project. The Project will deliver approximately 800 new community household BioSand filters, 86 new school BioSand filters, and 27 new institutional packages (water point and latrine block) in schools with total planned number of daily water users to be served of 150,940 in Cambodia from 1 February 2018 to 31 January 2019.

The Project has been implemented in 15 provinces to date (Kampong Chhnang, Pursat, Battambang, Siem Reap, Kampong Thom, Kratie, Kandal, Prey Veng, Svay Rieng, Takeo, Stung Treng, Kampong Cham, Tboung Khmum, Kampong Speu, and Kampot), and installed 240,508 Bio-Sand filters, 658 School Bio-Sand filters, 758 Hand Washing Station, 137 School Latrines and 113 Garbage Kiln (incinerator) that impacted about 1,309,958 beneficiaries and 300,390 students in the selected rural areas. Presently, the Organization actively implements the Project in 6 provinces (Prey Veng, Svay Rieng, Kampong Cham, Tboung Khmum, Battambang and Kampot).

The Organisation's registered office is at No. 86, Street 608, Sangkat Boeung Kak II, Khan Toul Kork, Phnom Penh, Cambodia.

The Organisation has 92 employees as at 31 December 2018 (2017: 92 employees).

Results

The Organisation prepares an annual budget for its expenditures based on available funds in each year. The actual excess and deficit for the year is accumulated with the fund balance.

Surplus of income over expenditure for the year ended 31 December 2018 was USD59,785 (2017: USD23,801).

Management

The members of the Organisation's Management during the year and to the date of this report are as follows:

Name	Position	Date of appointment
Mr. Yim Viriya	Executive Director	1 November 2010
Ms. Ko Sokmean	Operations Manager	1 March 2018
Mr. Chan Monty	Fundraising Manager	1 June 2015
Mr. Mao Savath	Program Manager	1 November 2010
Mr. Nhim Sambath	Human Resource Manager	23 May 2011
Mrs. Vann Chhorvy Vanny	School WASH Program Manager	26 January 2018
Mr. Ky Ka	Water Partnering Service Manager	26 January 2018
Mr. Ly Sok Hun	Finance Manager	1 March 2018
Mrs. Pann Mala	Monitoring and Evaluation Manager	26 January 2018

Auditors

The financial statements for the year ended 31 December 2018 have been audited by Grant Thornton (Cambodia) Limited.

Responsibility of Management in respect of the financial statements

Management is responsible for the financial statements which shows the Organisation's fund balance as at 31 December 2018, and its financial performance and cash flows for the year then ended, prepared, in all material respects, in accordance with the basis of accounting described in note 2 to the financial statements.

In preparing the financial statements, Management is required to:

- select suitable accounting policies and then apply them consistently;
- ensure that proper accounting records are kept which enable the financial statements to be prepared in compliance with the basis of accounting set out in note 2 to the financial statements; and,
- ensure the completeness of information concerning property and goods belonging to the Organisation.

Management is also responsible for safeguarding the assets of the Organisation and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management assumes the responsibility to provide, and has provided, the auditor with all accounting records, supporting and other documents, minutes, and any pertinent information and explanations, either orally or by written confirmation, necessary for the audit.

Approval of the financial statements

We hereby approve the accompanying financial statements set out on pages 7 to 20 which comprise the statement of fund balance as at 31 December 2018, statement of income and expenditure, statement of changes in fund balance and statement of cash flows for the year then ended, prepared, in all material respects, in accordance with the accounting policies as described in note 2 to the financial statements.

On behalf of the Organisation's Management:




Yim Viriya
Executive Director

Phnom Penh, Kingdom of Cambodia
1 April 2019



Grant Thornton

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Independent auditor's report

Grant Thornton (Cambodia) Limited
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To the Management of Clear Cambodia

Opinion

We have audited the financial statements of Clear Cambodia ("the Organisation"), which comprise the statement of fund balance as at 31 December 2018, statement of income and expenditure, statement of changes in fund balance and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies prepared in accordance with note 2 to the financial statements.

In our opinion, the accompanying financial statements of the Organisation for the year ended 31 December 2018 are prepared, in all material respects, in accordance with the accounting basis and accounting policies as set out in note 2 to the financial statements.

Basis for 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the Kingdom of Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for 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 describes the basis of accounting and accounting policies adopted by the Organisation. The financial statements are prepared for the information and use of the Management and donors of the Organisation. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Management and donors of the Organisation and should not be distributed to or used by other parties other than the Management and donors of the Organisation. Our opinion is not modified in respect of this matter.



Responsibility of Management for financial statements

Management is responsible for the preparation of the financial statements in accordance with the basis of accounting as described in note 2 to the financial statements and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from 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, disclosing, as applicable, matters related to going concern and using the 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.

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 are 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 these 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 misstatement 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 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 the Management.
- Conclude on the appropriateness of the 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 statements 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 Management 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.

Grant Thornton

GRANT THORNTON (CAMBODIA) LIMITED

Certified Public Accountants

Registered Auditors



Ronald C. Almera

Partner – Audit and assurance

Phnom Penh, Kingdom of Cambodia

1 April 2019

Statement of income and expenditure

	Notes	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Income			
Grant income	3	2,239,438	1,948,249
Earned income	4	145,622	132,778
Contributions by beneficiaries	5	130,800	192,864
Project income (local partners)	6	79,176	-
Other income	7	2,756	11,450
Total income		2,597,792	2,285,341
Expenditure			
Personnel expenses	8	781,478	664,065
Household BioSand filters	9	607,511	601,386
Community BioSand filters	10	356,528	231,424
Well and latrine construction costs	11	340,258	395,045
Transportation costs	12	140,170	135,089
Office running costs	13	124,209	145,670
Ministry project and general activities	14	90,492	32,972
Non-expendable items	15	67,913	48,389
Professional fees	16	14,721	7,500
Water Dam	17	11,737	-
Community pond	18	2,990	-
Total expenditure		2,538,007	2,261,540
Surplus of income over expenditure		59,785	23,801

The accompanying notes are an integral part of these financial statements.

Statement of fund balance

	Notes	31 December 2018 USD	31 December 2017 USD
Fund balance, beginning of the year		533,088	509,287
Surplus of income over expenditure		59,785	23,801
Fund balance, end of the year		592,873	533,088
Represented by:			
Cash and cash equivalents	19	605,663	626,685
Inventories	20	114,215	131,194
Deposits	21	6,156	6,464
Prepayments	22	3,076	3,272
Other receivables	23	36,095	14,193
Provision for life insurance	24	(51,465)	(44,094)
Provident fund	25	(36,962)	(148,230)
13th month salary payable		(35,935)	(32,530)
Taxes payable		(1,693)	(1,805)
Other liabilities	26	(46,277)	(22,061)
		592,873	533,088

Statement of changes in fund balance

	General fund USD	Grant: Charity Water USD	Withholding reserve fund USD	Beneficiaries Contribution (Secondary Production Fund) USD	Major capital expenditure fund USD	National emergency fund USD	Staff Training/ Short Term Staffing Needs USD	Neverthirst Inc USD	Other donors USD	Total USD
Balance 1 January 2018	293,348	65,875	90,031	40,764	7,919	7,000	8,156	3,758	16,237	533,088
Fund receipts	241,429	1,835,313	266	116,659	-	-	-	154,046	250,079	2,597,792
Allocation of fund	-	-	27,596	(40,478)	11,038	-	1,844	-	-	-
Fund used during the year	(194,194)	(1,861,729)	(22,303)	(81,668)	-	-	(8,221)	(146,372)	(223,520)	(2,538,007)
Balance 31 December 2018	340,583	39,459	95,590	35,277	18,957	7,000	1,779	11,432	42,796	592,873
Balance 1 January 2017	242,089	130,247	60,539	49,645	8,267	4,000	-	9,127	5,373	509,287
Fund receipts	189,137	1,629,982	338	169,624	-	-	-	146,581	149,679	2,285,341
Allocation of fund	-	-	29,154	(51,962)	11,652	3,000	8,156	-	-	-
Fund used during the year	(137,878)	(1,694,354)	-	(126,543)	(12,000)	-	-	(151,950)	(138,815)	(2,261,540)
Balance 31 December 2017	293,348	65,875	90,031	40,764	7,919	7,000	8,156	3,758	16,237	533,088

The accompanying notes are an integral part of these financial statements.

Statement of cash flows

	Notes	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Operating activities			
Surplus of income over expenditure		59,785	23,801
Changes in:			
Inventories		16,979	(115,969)
Deposits		308	45,393
Prepayments		196	6,193
Other receivables		(21,902)	642
Provident fund	25	(111,268)	27,318
Provision for life insurance	24	7,371	7,239
13th salary payable		3,405	4,610
Taxes payable		(112)	(236)
Other liabilities	26	24,216	(1,001)
Net cash used in operating activities		(21,022)	(2,010)
Net change in cash and cash equivalents		(21,022)	(2,010)
Cash and cash equivalents, beginning of year		626,685	628,695
Cash and cash equivalents, end of year	19	605,663	626,685

Notes to the financial statements

1. The Organisation

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The Organisation's registered office is at No. 86, Street 608, Sangkat Boeung Kak II, Khan Toul Kork, Phnom Penh, Cambodia.

The Organisation has 92 employees as at 31 December 2018 (2017: 92 employees).

2. Summary of significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements of the Organisation, expressed in United States dollar ("USD"), have been prepared based on the historical cost convention under the modified cash basis of accounting. Under this basis, income is recognised when received rather than when earned, and expenditure is recognised when paid rather than when incurred, except for deposits, prepayments, other receivables, inventories, staff compensation related accruals, taxes payable, and liabilities to suppliers, which are accounted for.

The accounting policies set out below have been consistently applied by the Organisation during the year.

2.2 Fiscal year

The Organisation's fiscal year starts on 1 January and ends on 31 December.

2.3 Foreign currency transactions

The Organisation executes transactions and maintains its accounting records primarily in USD. Transactions in currencies other than USD are converted into USD at the rate of exchange prevailing on the transaction date. Fund balances denominated in currencies other than USD at the reporting date are translated into USD at the open market rates of exchange ruling at that date. Exchange differences are recognised in the statement of income and expenditure.

2.4 Recognition of revenue

Income

The Organisation classifies its income into five categories: grant income, donations, contributions by beneficiaries, earned income, and other income. Income is recognised when cash is actually received.

Grant income

This represents fund received from the Grantor according to the grant agreement entered between the Organisation and the Grantor.

Donations

Donations are funds received from visitors or individuals interested in supporting general and specific activities of the Organisation. None have been received during the year.

Contributions by beneficiaries

This represents contributions by beneficiaries for the construction cost of BioSand filters, latrines, wells and hand washing tools. Amounts to be contributed by beneficiaries are defined in the agreement with the Grantor, as follows:

- 20,000 Cambodian Riel or USD5 per BioSand filter
- 120,000 Cambodian Riel or USD30 per latrine
- 160,000 Cambodian Riel or USD40 per well

A portion of contributions by beneficiaries for the construction of BioSand filter in the previous year is allocated to Reserved fund, Disaster relief fund/National emergency fund, Major capital expenditure fund and Social venture fund accounts in the following year based on specific percentages approved by the Grantor.

Earned income

This account represents income generated from sale of BioSand filters, wells, latrines, sand, management fees, and other income generated from other activities.

2.5 Recognition of expenditure

Expenditure is recognised in the statement of income and expenditure when cash is paid rather than when incurred, except for the following which are accrued:

- Staff benefits which include 13th month salary, provident fund;
- Contracted supplies which include rental, BioSand filter construction materials and fuel; and,
- Taxes which include tax on salary and withholding tax on rental.

2.6 Cash and cash equivalents

Cash consists of cash on hand and in banks that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

2.7 Receivables

Deposits

Deposits represent amounts deposited or advanced to contractors for services to be rendered in the future, such as rental and electricity.

Prepayments

Prepayments represent amounts prepaid to contractors, but services and goods are not yet received.

2.8 Provident fund

Provident fund comprises accumulated fund and interest set aside in separate bank account for the staff in the event of job termination or retirement. The fund is accrued monthly at 6% of employees' salary for employees with 3 years or less in service, 7% for 3-7 years of service, 8% for 7-11 years of service, 9% for 11-15 years of service and 10% for 15-20 years of service. The fund is also used to provide advances up to 50% of the remaining balance to support the needs of employees such as death of a family member, medical expenses or natural disaster.

2.9 Provision for life insurance

This is a private life insurance fund established by the Organisation internally in the event of staff member's death with a sum assured amounting to USD5,000 to be paid by the Organisation. The Organisation contributes USD70 annually for each staff member into the fund which is separately maintained in a bank account.

2.10 Unearned income

The grant received during the year is recognised as unearned income if the grant agreement specifies that the fund will be used for the next accounting period.

2.11 Payable and accrual

Payable and accrual are recognised for amounts to be paid in the future for goods and services received from contracted suppliers.

2.12 Fixed assets

The cost of fixed assets is expensed in the statement of income, expenditure and fund balance in the year of purchase. The Organisation maintains a fixed assets register for control and monitoring purposes, which includes land, vehicles, furniture and fittings, computers and office equipment.

2.13 Inventories

Inventories represent sawyer filters, stainless steel filters and NUF filters. Inventories are stated at the lower of cost or net realizable value. Cost is determined on a first-in, first-out basis. Net realizable value is the estimated selling price in the ordinary course of business, less selling expenses.

2.14 Funding management

The Organisation categorises its funds into three major types, which are Restricted fund, General fund and Reserve fund.

Restricted fund

Restricted fund is the fund received from the Grantor based on grant agreement and general donations to support specific projects or activities of the Organisation.

General fund

General fund is established using income generated from contributions by beneficiaries for latrines and wells, project management fees, surplus from income generating activities, general donations and other income. The Organisation established another three specific funds through allocation from the General fund as follows:

- Disaster relief fund/National emergency fund shall be used when there are requests from the Government of Cambodia for national emergency support.
- Major capital expenditure fund shall be used to acquire necessary major assets which are not funded or partly funded by the Grantor
- Social venture fund shall be used for income generating activities to raise more funds or income for sustainability of the Organisation.

Reserve fund

The Reserve fund is established through allocation from the BSF contribution's fund for the emergency needs such as fund shortages or curtailment of fund by the Grantor for the Organization to continue funding to staff and program operations. The reserve fund shall be kept at a maximum amount of USD250,000 for 2 months of staff and program operations.

2.15 Contingencies

Contingent liabilities are not recognised in the financial statements but are disclosed in the notes unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognised in the financial statements but are disclosed in the notes when inflows of economic benefits are probable.

3. Grant income

Grant income represents fund received from the following:

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Charity Water		
Fund transferred	1,835,313	1,649,000
Unused fund transferred back	-	(19,018)
Neverthirth Inc	154,046	146,581
Samaritan's Purse Canada	-	352
Income (from other donors)	250,079	171,334
	2,239,438	1,948,249

4. Earned income

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Sale of water filters	80,501	132,778
Sale of Media Sand and Gravel	65,121	-
	145,622	132,778

5. Contributions by beneficiaries

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Contribution from BioSand filters	119,708	124,918
Contribution from Household latrines	11,092	67,946
	130,800	192,864

6. Project income (local partners)

	For the year ended 31 December 2018 USD
PNKS	26,850
Chip Mong Insee Cement Corporation	20,280
Cambodian Mine Action Centre	16,369
World renew	15,677
	79,176

7. Other income

Other income includes bank interest and gain from translation of cash held in Khmer Riel to USD.

8. Personnel expenses

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Salaries	664,880	587,100
Staff benefits/award	48,359	44,887
Insurance	40,854	30,179
Workshop and staff training	27,385	1,899
	781,478	664,065

9. Household BioSand filters

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Training activities	151,810	141,666
Media sand and gravel	99,341	90,834
Cement	84,397	85,730
Diffuser plate	69,693	73,377
Water storage container	46,349	35,335
Fabrication and small tools	32,730	34,069
Lid	28,837	31,340
Printed materials	20,528	20,121
Construction gravel	19,842	19,833
Pipe components	19,660	17,239
Construction sand	17,085	16,642
Monitoring system (i-Form)	12,394	10,171
Lubricant	2,917	3,201
Water sampling test kits	1,796	-
Audio and visual equipment	132	6,291
Monitoring and evaluation	-	9,921
Plastic tap	-	5,616
	607,511	601,386

10. Community BioSand filters

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Concrete support frame	81,007	43,340
Training activities	76,558	61,643
Water storage container	75,953	43,067
Hand washing station	67,765	-
Fabrication and small tools	18,937	41,221
Media sand and gravel	17,286	31,267
Water sampling test kits	7,279	-
Pipe components	6,407	2,810
Printed materials	4,291	5,795
Monitoring system (i-Form)	1,045	2,281
	356,528	231,424

11. Well and latrine construction costs

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
School latrines	286,993	272,358
Garbage Kiln	28,762	-
Household latrines	24,264	122,687
Monitoring system (i-Form)	239	-
	340,258	395,045

12. Transportation costs

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Fuel and maintenance	96,872	84,098
Meal and lodging	32,853	38,342
Project site travel	7,345	9,506
Third party vehicle insurance	3,100	3,143
	140,170	135,089

13. Office running costs

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Occupancy	53,213	45,977
Logistic operations	20,669	40,255
Communication	16,734	16,208
Utilities	11,873	12,397
Computer maintenance	8,071	18,358
Bank charges	6,419	6,050
Stationeries	6,266	6,425
Office rental	964	-
	124,209	145,670

14. Ministry project and general activities

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Water storage container	23,512	4,836
Media sand and gravel	21,004	-
Concrete support frame	14,078	3,467
Training activities	7,013	21,635
Hand washing station	6,486	-
Garbage kiln	6,397	-
Fabrication and small tools	5,235	1,972
Water sampling test kits	2,765	-
Household latrines	2,190	-
Pipe components	1,028	-
Monitoring system (i-Form)	426	-
Printed materials	358	987
Diffuser plate	-	75
	90,492	32,972

15. Non-expendable items

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Vehicles	39,996	9,700
Stainless Steel filters	9,900	-
Computers and printers	6,746	4,498
Office equipment	4,193	21,534
Sawyer filters	3,781	-
NUF filters	3,297	-
Land	-	12,657
	67,913	48,389

16. Professional fees

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Technical consultancy	8,221	1,000
Internal and external audit fees	6,500	6,500
	14,721	7,500

17. Water Dam

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Water Dam	11,630	-
Training activities	107	-
	11,737	-

18. Community pond

	For the year ended 31 December 2018 USD	For the year ended 31 December 2017 USD
Community pond	2,346	-
Training activities	644	-
	2,990	-

19. Cash and cash equivalents

	31 December 2018	31 December 2017
	USD	USD
Cash in banks	605,663	626,397
Cash on hand	-	288
	605,663	626,685

20. Inventories

	31 December 2018	31 December 2017
	USD	USD
Stainless steel filters	83,852	93,752
NUF filters	22,218	25,515
Sawyer filters	8,145	11,927
	114,215	131,194

21. Deposits

This account represents deposits for office rental, contractors, suppliers of construction materials and use of electricity.

22. Prepayments

This account represents prepayments for office rental, water testing kits, and telecommunications expenses.

23. Other receivables

	31 December 2018	31 December 2017
	USD	USD
Cash advance for project implementation	32,743	13,773
Cash advance for office use	3,352	420
	36,095	14,193

24. Provision for life insurance

Movements of provision for life insurance provision are as follows:

	31 December 2018	31 December 2017
	USD	USD
As at 1 January	44,094	36,855
Contributions	7,210	7,082
Interest	175	163
Payments	(14)	(6)
As at 31 December	51,465	44,094

25. Provident fund

Movements of provident fund are as follows:

	31 December 2018 USD	31 December 2017 USD
As at 1 January	148,230	120,912
Contributions	41,657	34,855
Interest	1,132	9,916
Payments	(154,057)	(17,453)
As at 31 December	36,962	148,230

26. Other liabilities

	31 December 2018 USD	31 December 2017 USD
Accrued expenses	46,277	21,774
Other payables	-	287
	46,277	22,061

Accrued expenses represent amounts owed to consultants, contractors, suppliers of construction materials, printing houses and others.

27. Tax contingency

The taxation system in Cambodia is characterised by numerous taxes and frequently changing legislation which is often unclear, contradictory and subject to interpretation. Often, differing interpretations exist among numerous taxation authorities and jurisdictions. Taxes are subject to review and investigation by a number of authorities, who are enabled by law to impose severe fines, penalties and interest charges. These facts may create tax risks in Cambodia substantially more significant than in other countries. Management believes that it has adequately provided for tax liabilities based on its interpretation of current tax legislations. However, the relevant authorities may have differing interpretations and the effects since the incorporation of the Organisation could be significant.

28. Post-reporting date events

No adjusting or significant non-adjusting events have occurred between 31 December 2018 until the date of authorisation of these financial statements.

29. Approval of the financial statements

The financial statements for the year ended 31 December 2018 were approved by the Management of the Organisation on 1 April 2019.