

CAMBODIAN HIV/AIDS EDUCATION AND CARE
HIV/AIDS EDUCATION AND CARE PROJECT
(Formerly Quaker Service Australia - HIV/AIDS
Education and Training Project in Cambodia)

FINANCIAL STATEMENTS
FOR CONTRACT REFERENCE 20040250 G
FOR THE PERIOD COVERING 01 JULY 2004 TO 30 JUNE 2007

**CAMBODIAN HIV/AIDS EDUCATION AND CARE
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(Formerly Quaker Service Australia - HIV/AIDS - Education and
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CAMBODIAN HIV/AIDS EDUCATION AND CARE

DIRECTOR'S REPORT

The Director presents her report and the audited financial statements for the period covering 01 July 2004 to 30 June 2007 of the HIV/AIDS Education and Care Project bearing contract reference 20040250 G ("the Project") implemented by the Cambodian HIV/AIDS Education and Care (formerly Quaker Service Australia - HIV/AIDS Education and Training Project in Cambodia).

Income and expenditure

The statement of income and expenditure for the period is set out on pages 3 and 4. Income and expenditure are recognised on an accruals basis.

Director's responsibilities

The Director is required to prepare the financial statements of the Project in accordance with the basis of accounting set out in Note 2 to the financial statements.

The Director confirms that suitable accounting policies have been used and consistently applied, that reasonable and prudent judgements and estimates have been made and that appropriate accounting standards have been followed in the preparation of the financial statements for the period covering 01 July 2004 to 30 June 2007.

The Director is responsible for the maintenance of proper accounting records, for safeguarding the assets of the Project and for taking all reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

PricewaterhouseCoopers (Cambodia) Limited have indicated their willingness to be re appointed as auditors.

Dr. Kasem Kolnary
 Director

Phnom Penh, Kingdom of Cambodia
 Date: 31 July 2007

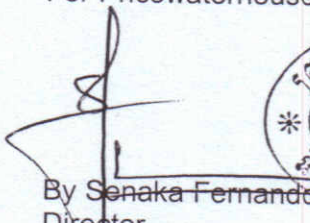


Report of the auditors on the special purpose financial statements

To the Board of Directors of Cambodian HIV/AIDS Education and Care ("Project") (Formerly Quaker Service Australia HIV/AIDS Education and Training Project in Cambodia) and Evangelischer Entwicklungs Dienst ("EED") (Formerly Evangelische Zentralstelle Fur Entwicklungshilfe)

1. We have audited the special purpose financial statements of Cambodian HIV/AIDS Education and Care – HIV/AIDS Education and Care Project ("the Project") for the period covering 01 July 2004 to 30 June 2007. These special purpose financial statements are the responsibility of the Project's management. Our responsibility is to express an opinion on these special purpose financial statements based on our audit.
2. We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on the test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion, these special purpose financial statements have been prepared, in all material respects, in accordance with the basis set out in Note 2.
4. This report is intended solely for the information and use of Cambodian HIV/AIDS Education and Care and Evangelischer Entwicklungs Dienst in connection with the transactions as referred to in the statement of income and expenditure and should not be distributed to other parties. We do not accept or assume responsibility for the use of any other purpose or to any other person to whom this report is shown or into whose hands it may come, except where expressly agreed by our prior consent in writing.

For PricewaterhouseCoopers (Cambodia) Limited


By Senaka Fernando
Director



Phnom Penh, Kingdom of Cambodia
Date: 31 July 2007

**FINANCIAL STATEMENTS
STATEMENT OF INCOME AND EXPENDITURE
FOR THE PERIOD COVERING 01 JULY 2004 TO 30 JUNE 2007**

Project Number and Title:
Partner (Project Holder):

20040250 G/HIV/AIDS Education and Care Project
Cambodian HIV/AIDS Education and Care

I. INCOME

	BUDGETED INCOME		ACTUAL INCOME		
	EURO 1	US\$ 2	Previously reported US\$ 3	01/07/04 - 30/06/07	
				US\$ 4	Total to date US\$ 5
1. Remittances from other funding partners:					
CAFOD (A)	168,152.00	193,375.00	39,345	155,610	194,955
QSA (B)	105,026.00	120,780.00	39,345	83,015	122,360
CCODP (C)	18,393.00	21,152.00	-	21,152	21,152
	44,733.00	51,443.00	-	51,443	51,443
2. Interest/income	-	-	-	-	-
3. Own means (D)	31,848.00	36,625.00	-	24,755	24,755
4. EED remittances for 20040250G (E)	318,000.00	365,700.00	-	342,317	342,317
Grand total	518,000.00	595,700.00	39,345	522,682	562,027

(A) The funds received from CAFOD represent the fund for project with identification KAM036 amounting to US\$120,780 under the project title "HIV/AIDS Training and Education Programme for Community Groups and Health Workers" and for the period covering 01 July 2004 to 30 June 2007. The Project only received and recorded US\$119,886 and US\$2,474 was paid for training to PLWHA in Preah Sdech.

(B) The money received from QSA "Quaker Service Australia" represents funding support amounting to US\$23,000 under the project title "HIV/AIDS Education and Care" and for the period covering 01 July 2004 to 30 June 2005. The Project only received and recorded US\$21,152.

(C) The funds received from CCODP represent the fund amounting to US\$51,443 under the project title "HIV/AIDS Education and Care" for one year from 01 July 2005 to 30 June 2007.

(D) The balance amounting to US\$24,755 represents the funds from CHEC for its own contribution for 3 years from 01 July 2004 to 30 June 2007.

(E) The money received from EED represents funds for the project bearing reference number 20040250 G under the project title "HIV/AIDS Education and Care" amounting to US\$342,317 for the period covering 01 July 2004 to 30 June 2007. This also includes an amount of US\$1,367 that represents the balance due to be received from EED (Note 3 (*)).

These US\$ figures do not represent the fixed US\$ amount which will be received by CHEC. These are estimates based on the rates of exchange shown in the letter of approval from the donor. Exchange rate used: EURO1 = US\$ 1.15

II. EXPENDITURE

Item	TOTAL BUDGETED		ACTUAL EXPENDITURE			
	EURO	US\$	Previously reported US\$	1/01/07 - 30/06/07 US\$	Total to date US\$	
	1	2	3	4	5	
1. Program costs						
1.1 Training Program	213,700.00	245,755.00	-	249,845.00	249,845.00	
1.1.1 Allowances	115,600.00	132,940.00	-	134,134.00	134,134.00	
1.1.2 Travel and monitoring	49,400.00	56,810.00	-	53,958.00	53,958.00	
1.1.3 Administration costs	20,900.00	24,035.00	-	24,241.00	24,241.00	
1.2 Media Production Costs	45,300.00	52,095.00	-	55,935.00	55,935.00	
1.2.1 Radio spot	96,300.00	110,745.00	-	113,646.00	113,646.00	
1.2.2 TV spot	3,200.00	3,680.00	-	3,817.00	3,817.00	
1.2.3 Video drama	13,900.00	15,985.00	-	16,295.00	16,295.00	
1.2.4 TV forum	36,000.00	41,400.00	-	39,475.00	39,475.00	
1.3 Equipment	43,200.00	49,680.00	-	54,059.00	54,059.00	
2. Personnel cost	1,800.00	2,070.00	-	2,065.00	2,065.00	
2.1 Salaries	184,700.00	212,405.00	-	214,313.00	214,313.00	
2.2 Additional costs for personnel	144,700.00	166,405.00	-	176,674.00	176,674.00	
3. Co-ordination costs	40,000.00	46,000.00	-	37,639.00	37,639.00	
3.1 Office rent	58,100.00	66,815.00	-	66,233.00	66,233.00	
3.2 Communication, administration, insurance, equipment	21,900.00	25,185.00	-	21,569.00	21,569.00	
4. Audit fees	36,200.00	41,630.00	-	44,664.00	44,664.00	
5. External consultancy, evaluation	7,600.00	8,740.00	-	12,638.00	12,638.00	
6. Reserve	12,500.00	14,375.00	-	14,581.00	14,581.00	
7 Training to PLWHAs (*)	41,400.00	47,610.00	-	0.00	0.00	
8 Computer cost (**)	-	-	-	2,474.00	2,474.00	
				1,942.00	1,942.00	
Total expenditure	518,000.00	595,700.00	-	562,026	562,026	

(*) This amount is covered by CAFOD

(**) This amount is covered by EED

BALANCE OF PROJECT FUNDS AND CASH STATUS

1. Balance of Project funds at the start of the reporting period (Note 6)
2. Add: total income during the reporting period (Page 3, column 4)
3. Less: total expenditure during the reporting period (Page 4, column 4)
4. Project deficit at the end of the reporting period

US\$	
36,868	
522,682	
(562,026)	
<u>(2,476)</u>	A

5. Cash status

Cash on hand
Cash at bank (*)

3,311	
75,388	
<u>78,699</u>	B

Total

Difference between A and B

(81,175)

Explanation for the difference between A and B

Prepayments and deposits (Note 3)
Accounts payable (Note 4)
Accruals (Note 5)

1,767	
(79,392)	
(3,550)	
<u>(81,175)</u>	

(*) This balance includes the funds received from EED and SCIAF amounting to US\$40,294 and US\$26,714 respectively. Please see detail in note 4 (*), 4 (**).

It is hereby confirmed that the income of the project have been used exclusively and directly for the agreed budget.

Phnom Penh, Kingdom of Cambodia, 31 July 2007
(Place, Date)



Dr. Kasem Kolnary
Director

**CAMBODIAN HIV/AIDS EDUCATION AND CARE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR CONTRACT REFERENCE 20040250 G
FOR THE PERIOD COVERING 01 JULY 2004 to 30 JUNE 2007**

1. GENERAL

On 21 July 2004, an agreement between Evangelischer Entwicklungs Dienst ("EED"), previously known as Evangelische Zentralstelle für Entwicklungshilfe ("EZE") and Cambodian HIV/AIDS Education and Care was signed covering the period from 01 July 2004 to 30 June 2007.

The principal activities of the Project are to provide the following courses/workshops.

- HIV/AIDS and Community Approach Workshop.
- Infection Control Workshop.
- Professional Counseling Course.
- HIV/AIDS Community Management Workshop.
- Training of Trainers.
- TB/HIV and ARV.

2. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of accounting

The financial statements of the HIV/AIDS Education and Care Project in respect of contract reference 20040250 G ("the Project"), expressed in United States dollars (US\$), is prepared under the historical cost convention.

The Project's policy is to prepare the financial statements on the accrual basis. On this basis, receipts are recognised when earned rather than when received and disbursements are recognised when incurred rather than when paid.

b. Non expendable equipment

Non-expendable equipment and items of an inventory nature are charged as expenditure when incurred.

c. Foreign currency transactions

The financial statements are expressed in US\$. The operational currencies of the Project are US\$ and Cambodian Riel. Transactions in Cambodian Riel are converted into US\$ using the market exchange rate on the date of the transaction.

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3. PREPAYMENTS AND DEPOSITS

	30 June 2007
	US\$
Due to receive from EED (*)	1,367
Telephone deposit	150
Job announcement for HBC officer	150
Email deposit	100
	<u>1,767</u>

(*) This balance represents the balance due to be received from EED as the project ended on 30 June 2007 and EED has not transferred up to the agreed percentage share of actual expenses.

4. ACCOUNTS PAYABLE

	30 June 2007
	US\$
Fund received from EED (*)	40,294
Fund received from SCIAF (**)	26,714
CHEC fund contribution (***)	12,087
Printed newsletter #23	297
	<u>79,392</u>

(*) This represents the fund received from EED for the project bearing reference number 20070240G G under the project title "HIV/AIDS Education and Care" for the period covering 01 July 2007 to 30 June 2010.

(**) This represents the fund received from SCIAF for project with identification CMB - 15/1/2/3 for covering year 1 (01 July 2007 to 30 June 2008) of the whole Project covering the period from 01 July 2007 to 30 June 2010.

(***) All the funds that CHEC earned from their own training have been contributed to the project. However, as the project ended on 30 June 2007, the balance amounting to US\$12,087 represent the fund over contributed to the project which is subject to be carried forward to the next period.

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5. ACCRUALS

	30 June 2007
	<u>US\$</u>
Audit fees	2,900
Communication	400
Utilities	<u>250</u>
	<u>3,550</u>

6. OPENING BALANCE

The opening balance of the Project is represented by:

	01 July 2004
	<u>US\$</u>
Cash at bank	39,323
Cash on hand	567
Prepayments and deposits	<u>6,034</u>
	<u>45,924</u>
Accounts payable	(8,256)
Accruals	<u>(800)</u>
	<u>(9,056)</u>
	<u>36,868</u>