

COOPERATION COMMITTEE FOR CAMBODIA (CCC)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

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**STATEMENT OF MANAGEMENT’S RESPONSIBILITY
FOR THE FINANCIAL STATEMENT**

The management of Cooperation Committee for Cambodia (CCC), (“the Organization”) is responsible for all information and representations contained in the statement income and expenditure for the year ended 31 December 2014. The financial statement has been prepared in conformity with accounting principles set out in note 2 to financial statement and the financial reporting provisions of the Organization and its applicable funding agencies and reflect amounts that are based on best estimates and informed judgment with an appropriate consideration to materiality.

In this regard, management maintains a system of accounting and reporting which provides for the necessary internal controls to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized. The management likewise discloses to its external auditor: (i) all significant deficiencies in the design or operation of internal controls that could adversely affect its ability to record, process, and report financial data; (ii) material weaknesses in the internal controls; (iii) any fraud that involves management or other employees who exercise significant roles in internal controls.

The management team reviews the financial statement before such statement is approved and submitted to the members of the Organization.

Fontamillas, Donasco & Co., Ltd. the independent auditing firm appointed by the management, has examined the financial statement of the Organization in accordance with International Standards on Auditing and has expressed its opinion on the fairness of presentation upon completion of such examination, in its report to the Executive Committee.

On behalf of the Executive Committee:

Mr. Soeung Saroeun
Executive Director
Cooperation Committee for Cambodia (CCC)
Date: 06 March 2015

Mr. Khorn Bunthong
Head of Operations
Cooperation Committee for Cambodia (CCC)
Date: 06 March 2015

INDEPENDENT AUDITORS' REPORT

TO THE EXECUTIVE COMMITTEE OF COOPERATION COMMITTEE FOR CAMBODIA (CCC)

House 9-11, Street 476, Toul Tompoung I, Chamkamorn, P.O. Box 885, Phnom Penh,
Kingdom of Cambodia.

We have audited the accompanying financial statement of Cooperation Committee for Cambodia (CCC), ("the Organization"), which is the statement of income and expenditure for the year ended 31 December 2014, and a summary of significant accounting policies and other explanatory notes. The financial statement has been prepared on the basis set out in note 2 to the financial statement and the financial reporting provision of the Organization and its applicable funding agencies.

Management Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement on the basis described in note 2 to financial statement. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the statements of income and expenditure that are free from material misstatements, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amount and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatements of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design the audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

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

Opinion

In our opinion, the financial statement of Cooperation Committee for Cambodia (CCC) for the year ended 31 December 2014 is prepared in all material respects, in accordance with the accounting principles set out in note 2 to financial statement and the financial reporting provision of the Organization and its applicable funding agencies.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to note 2 to financial statement, which describe the basis of accounting. The financial statement is prepared to comply with the financial reporting provisions of the Organization 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 Organization and its applicable funding agencies and should not be distributed to or used by parties other than Organization and its applicable funding agencies.

Other Matter

The financial statement of the Organization for the year ended December 31, 2013, was audited by another auditor who expressed an unqualified opinion on those statement on 17 March 2014.

FOR FONTAMILLAS, DONASCO & CO., LTD.



RONALD A. DONASCO, FAIA, CPA
Managing Director
Registered Auditor and CPA
Phnom Penh, Kingdom of Cambodia
Date: 06 March 2015



COOPERATION COMMITTEE FOR CAMBODIA (CCC)

STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	For the year ended 31 December 2014 US\$	For the year ended 31 December 2013 US\$
I FUND BALANCE AT THE BEGINNING OF THE YEAR		<u>257,479</u>	<u>224,204</u>
II INCOME			
Fund receipts from donors	4	479,006	529,272
Other income	5	113,964	115,899
Management fee	6	32,305	94,103
Interest		1,205	1,889
		<u>626,480</u>	<u>741,163</u>
		<u>883,959</u>	<u>965,367</u>
III EXPENDITURE			
Personnel costs	7	400,420	374,696
Program costs	8	192,424	178,092
Management fee	6	32,304	94,103
Administrative costs	9	30,322	48,688
Monitoring and evaluation costs	10	5,990	8,700
Communication costs		3,360	3,609
		<u>664,820</u>	<u>707,888</u>
IV FUND BALANCE AT THE END OF THE YEAR		<u>219,139</u>	<u>257,479</u>
V CLOSING FUND BALANCE REPRESENTED BY			
Cash on hand		615	134
Cash at bank	11	318,680	340,531
Advances		453	-
Deposit		2,374	2,364
Receivable NGO Forum		6,033	2,103
Staff pension fund liability	12	(84,131)	(65,257)
Other payables	13	(24,885)	(22,396)
		<u>219,139</u>	<u>257,479</u>

The accompanying notes on pages 5 to 17 form part of this financial statement.

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

1. BACKGROUND INFORMATION

Cooperation Committee for Cambodia (CCC), ("the Organization") was registered in Cambodia as a local Non-Government Organization (NGO) under the Ministry of interior on 18 October 2011. It is governed by Board of Management whose members do not receive any compensation.

The Cooperation Committee for Cambodia (CCC) is the longest-established membership organization in Cambodia. Since 1990, it has played a unique role in strengthening the cooperation, professionalism, accountability, governance, and development effectiveness of the Civil Society Organizations (CSOs) working across diverse sectors in Cambodia.

CCC's vision is sustainable development for Cambodia. Through the Governance Hub Program (GHP), CCC's pledges are to work with a broad range of actors, including our esteemed members, so that CSO's work and voice truly serve the needs and demand of the poor and vulnerable people of Cambodia in a society where democratic values live up to international standards.

Vision

Sustainable development for Cambodia.

Mission

We provide high quality services to civil society and influence Cambodia's development actors.

Goal

A strong and capable civil society, cooperating and responsive to Cambodia's development challenges.

The registered office of the Organization is House 9-11, Street 476, Toul Tompoung I, Chamkamorn, P.O. Box 885, Phnom Penh, Kingdom of Cambodia.

The Organization has thirty two (32) employees as at 31 December 2014.

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

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

2.1 Basis of Preparation

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

The Organization's policy is to prepare the statement of income and expenditure on modified cash receipts and disbursements basis in accordance with CCC internal accounting policies. Significant accounting policies are outlined below.

2.2 Income and expenditure

Income is defined as the funds received by the Organization from donors and own means of income generation. These sources of income are accounted for when received, and recorded at gross amounts of bank charges.

Expenditure represents all costs paid and accrued in meeting the Organization's objectives.

Project costs share on rental, utilities and other expenditure are recognized as CCC general sources (income) and cost (expenditure) by each donor. The income and expenditure is not eliminated rather it is shown separately as management fee.

2.3 Fixed assets

The cost of fixed assets purchased during the year is treated as expenditure in the statement of income and expenditure in the year of purchase. All items of fixed assets with value of more than US\$ 250 are recorded in the fixed assets register for control purposes.

2.4 Inventories

The cost of materials purchased during the year is expensed in the statement of income and expenditure and no value is carried forward for any unutilized inventory at the year end. A list of books and newsletters is maintained for control purposes.

2.5 Income taxation

No provision for income tax has been raised as the Organization is registered as local Non-Government Organization (NGO) and not-for-profit Organization and is exempt from income tax under Article 9 of the Cambodian Tax Law.

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

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

2.6 Cash and bank balances

Cash and bank consist of cash on hand and bank balances with insignificant risk of changes in value.

2.7 Foreign exchange

The operational currency of the Organization is US\$ and transactions in currencies other than US\$ are converted into US\$ using the market exchange rate on the date of the transaction. Any exchange differences are recorded in the statement of income and expenditure.

2.8 Staff pension fund and thirteen month salary

The Organization has set up a bank account for the staff pension fund. Payments made by the Program to the staff pension fund bank account are recognized as expenditure. The contribution amount is equivalent to 10% of the monthly salary and contributions will be made for members of staff who have rendered at least one year of service to the Program.

The accumulated contributions will be given to the staff at the end of their employment period, together with any interest earned.

The Organization provides a thirteen month salary, which is equal to one month's salary, to staff in March every year.

2.9 Receivables from and payables to suppliers

Receivables from suppliers are advance payment to suppliers for purchase of goods and services, and the share of office costs with NGO Forum.

Payables to suppliers are the expenses for which the Organization purchases goods and services from suppliers and goods and services have been received and invoices are billed.

2.10 Advances

Outstanding cash advances are recorded as receivable and recognized as expenses upon liquidation.

2.11 Fund balance

Fund balance represents the cumulative donors and general/reserve fund balance of the Organization.

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

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

2.12 Reserved fund

The reserve fund was created as the result of any own income generated by the Organization. This reserve fund is used for contingencies, emergencies and non-budgeted expenditure in accordance with CCC's reserves policy.

Appropriate approvals from the Executive Committee must be obtained in order to use this reserve fund for another purpose.

2.13 Comparative figures

Where necessary, comparative figures have been reclassified to conform with changes presentation in the current year.

3. MANAGEMENT'S SIGNIFICANT ACCOUNTING JUDGMENT AND ESTIMATES

Judgments. The preparation of the Organization's financial statements requires management to make estimates and assumptions that affect the amounts reported in the Organization's financial statements and accompanying notes. The estimates and assumptions used in the Organization's financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Organization'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 Organization'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.

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

4. FUND RECEIPTS FROM DONORS

	For the year ended 31 December 2014 USD	For the year ended 31 December 2013 USD
Oxfam Novib	100,000	75,000
DCA/CA	87,320	76,533
BftW	44,639	155,911
NPA	36,000	30,000
Coordination SUD	32,087	-
PLAN	25,000	50,000
Oxfarm America	20,000	33,607
ICNL-Advocate Laws and Regulation	16,000	-
DAIKONIA	14,075	-
KEPA	13,450	12,890
Other donations	12,611	-
Oxfam America-KHM 002/ 15	12,000	-
CIVICUS-SPA	10,530	-
PATTIRO	10,258	-
UN (Micro-capital)	9,500	-
Danmission	8,630	-
Save the Children	8,455	-
Common Advocacy Stra. to IIEC	7,000	-
GCAP	5,408	-
CIVICUS	3,200	8,800
Concord-National Lead Agencies	2,843	4,700
AusAid	-	61,331
AAI	-	10,000
CRS	-	5,500
Trocaire	-	5,000
	479,006	529,272

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

5. OTHER INCOME

	For the year ended 31 December 2014 USD	For the year ended 31 December 2013 USD
Membership fee	76,149	82,117
Other income	28,428	25,842
Annual fee for certified NGO	9,387	7,940
	113,964	115,899

6. MANAGEMENT FEE

Management oversight fees are costs sharing for rental, utilities and other expenditures, recognized as CCC general reserves and costs by each donors, respectively.

The Management oversight fees are charged based on the approved budgets.

7. PERSONNEL COSTS

The personnel costs consist of the salaries and wages, thirteen-month bonus, and other short-term benefits.

8. PROGRAM COSTS

	For the year ended 31 December 2014 USD	For the year ended 31 December 2013 USD
Workshop and meetings	131,213	85,350
Travelling costs	14,770	17,690
Training costs	23,728	33,000
Consultants	10,061	30,539
Communication	7,888	6,062
Program material and supplies	4,764	5,451
	192,424	178,092

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

9. ADMINISTRATIVE COSTS

	For the year ended 31 December 2014 USD	For the year ended 31 December 2013 USD
Office rental	10,395	10,396
Meeting and retreat	1,306	12,293
Utilities	5,521	6,207
Stationary and Office Supplies	4,445	3,097
Equipment	4,212	10,170
Security	2,455	2,346
Miscellaneous	1,731	2,209
IT maintenance	257	980
Publication	-	990
	30,322	48,688

10. MONITORING AND EVALUATION COSTS

	For the year ended 31 December 2014 USD	For the year ended 31 December 2013 USD
Professional fee	5,990	7,000
Monitoring and evaluation	-	1,700
	5,990	8,700

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

11. CASH AT BANK

	AS AT 31 DECEMBER 2014 USD	AS AT 31 DECEMBER 2013 USD
Aclea Bank-Saving account	229,663	271,478
Aclea Bank-Fixed deposit -Pension fund	60,000	10,000
Aclea Bank-Saving account (Pension fund)	24,131	55,218
Canadia Bank-Saving account (Khmer Riel)	4,786	3,735
Aclea Bank-Current account	100	100
	318,680	340,531

Current accounts are non-interest bearing, and saving account bearing interest at the rate of 0.50 % per annum for ACLEDA Bank Plc. And 2% per annum for account Khmer Reil at Canadia Bank Plc.

Pension fund is divided into two accounts; these are saving account which bears interest at rate of 0.50 % per annum and interesting bearing six months for fixed deposit at the interest rate of 0.75 % per annum.

12. STAFF PENSION FUND LIABILITY

The staff pension fund liability is a fund of the Organization has set up a bank account for the staff pension fund. Payments made by the Program to the staff pension fund bank account are recognized as expenditure. The contribution amount is equivalent to 10% of the monthly salary and contributions will be made for members of staff who have rendered at least one year of service to the Program.

Movements of the staff pension fund bank account and the fund itself for the year are as follows:

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

	As at 31 December 2014 USD	As at 31 December 2013 USD
Notes		
As at 01 January	65,257	51,325
Deposit to the staff pension fund	32,617	29,009
Interest	261	1,532
Reserve to CCC general sources	a -	(893)
Payments to staff at the end of their employment	(14,004)	(15,716)
As at 31 December	84,131	65,257

- a. During the year, there were staffs who resigned and were not entitled to receive pension fund. The balance had been reversed as CCC general reserves but the cash has not been transferred.

13. OTHER PAYABLES

This represents accrual of staff bonus, salary tax payment and others as of 31 December 2014. Details are shown below:

	AS AT 31 DECEMBER 2014 USD	AS AT 31 DECEMBER 2013 USD
Accrued staff bonus	19,537	18,309
Project Payable	3,103	1,394
Salary tax payable	1,933	1,824
Withholding tax payable	312	869
	24,885	22,396

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO FINANCIAL STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2014

14. EXPENDITURE SUPPORTED BY DANCHURCHAID AND CHRISTIAN AID
(DCA/CA)

	2014 USD	2013 USD
INCOME		
Governance Hub Program		
Fund received	87,320	76,533
Interest Income	117	102
	<u>87,436</u>	<u>76,635</u>
EXPENDITURES		
Component 1		
Staff salary and benefit	18,146	16,736
Increased NGOs certified	4,731	2,284
Update and review guideline	2,964	2,392
Coaching and mentoring applicant NGOs	194	-
Administration	-	6,902
Equipment and maintenance	-	1,567
Evaluation and audit fee	-	1,000
	<u>26,035</u>	<u>30,881</u>
Component 2		
Staff salary and benefit	13,639	342
Improve enabling environment of CSO	8,668	-
Promote learning forum and e-learn	7,286	2,468
Administration	-	4,455
Capacity development needs of NGO sector	-	4,213
	<u>29,593</u>	<u>11,478</u>
Component 3		
Staff salary and benefit	28,188	18,385
Increase CSO collaboration	2,259	-
Contribution Development of Cambodia	1,050	-
Evaluation and audit fee	195	1,000
Administration	117	4,185
View from CSO to stakeholder	-	6,086
Equipment and maintenance	-	4,620
Alliance for governance issue	-	-
Share NGO voice and position	-	-
	<u>31,809</u>	<u>34,276</u>
	<u>87,436</u>	<u>76,635</u>
FUND BALANCE	<u>-</u>	<u>-</u>

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2014

15. EXPENDITURE SUPPORTED BY GCAP

Budget Code	Strategic Activities	Unit	Quantity	Frequency	Unit Cost	Total Cost USD	Requested to GCAP (USD)	Requested to GCAP Euro	Actual Income and Expenditure (USD)	Actual Income and Expenditure (Euro)
Income										
	First Installment from GCAP								5,408.00	3,979.75
	Interest Income								3.51	2.58
	Total Income								5,411.51	3,982.33
Expense										
A	Work with youth organization, informal groups and other key related organization to do campaign(s) on "Action/2015: iMove against Corruption for Poverty Reduction"					8,450.00	3,858.00	2,834.00	3,987.21	2,934.19
	Transport for staffs	Lump sum	2	1	200	400.00	200.00	147.00	235.00	172.94
	Conduct campaign "Action/2015: iMove against Corruption for Poverty Reduction"	Lump sum	1	1	5000	5,000.00	2,500.00	1,840.00	2,424.61	1,784.27
	Publish stickers and relevant materials	Copy	3000	1	0.8	2,400.00	800.00	590.00	1,201.60	884.26
	Launch of the campaign "Action/2015: iMove against Corruption for Poverty Reduction"	Lump sum	1	1	500	500.00	300.00	220.00	126.00	92.72
	Others	Lump sum	1	1	150	150.00	58.00	37.00	-	-

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2014

15. EXPENDITURE SUPPORTED BY GCAP (CONT'D)

Budget Code	Strategic Activities	Unit	Quantity	Frequency	Unit Cost	Total Cost USD	Requested to GCAP (USD)	Requested to GCAP Euro	Actual Income and Expenditure (USD)	Actual Income and Expenditure (Euro)
B	Coordinating with national and sub national NGO network produce joint position on post 2015 development agenda					1,750.00	708.00	516.00	528.28	388.76
	Information gathering and printout	Lump sum	500	1	1	500.00	100.00	74.00	135.78	99.92
	Transport for staffs	Person	1	1	200	200.00	100.00	74.00	30.00	22.08
	Meeting to plan national campaign	Lump sum	1	1	350	350.00	150.00	110.00	142.50	104.87
	Meeting to coordinate joint mobilization among national and sub-national network	Lump sum	1	1	300	600.00	300.00	221.00	210.00	154.54
	Others	Item	1	1	100	100.00	58.00	37.00	10.00	7.36
C	National staff salary and benefit					9,000.00	3,600.00	2,650.00	3,604.14	2,652.29
	One national offer	Month	10	1	900	9,000.00	3,600.00	2,650.00	3,604.14	2,652.29
E=A+B+C	Total					19,200.00	8,166.00	6,000.00	8,119.63	5,975.24
	Fund balance Surplus/(Deficit)								(2,708.12)	(1,992.91)

Exchange rate as of 19 June 2014 1 USD = 0.7359 Euro

COOPERATION COMMITTEE FOR CAMBODIA (CCC)

NOTES TO STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2014

16. FINANCIAL SUPPORTED BY DANMISSION

	Budget 2014 USD	Actual 2014 USD
INCOME		
Fund Received	8,630.00	8,630.00
	<u>8,630.00</u>	<u>8,630.00</u>
EXPENDITURES		
Personnel Costs		
Staff	500.00	480.00
Professional Fee		
Hire a consultant to conduct an analysis on the potential impact on the three judiciary laws and the updated agriculture land law	2,000.00	-
Publicity and Promotion		
Conduct radio talk shows	150.00	44.00
Produce articles on local newspaper	150.00	-
Produce sticker for advocacy	400.00	2,643.52
Training, Meeting and Conferences		
Conduct meeting with various stakeholders: government, UN agencies, DP, CSOs, youth group, and communities to advocate on the eight laws	300.00	1,902.71
Support provincial networks to conduct public forums	2,000.00	2,126.00
Conduct meeting / workshop / consultation	2,500.00	803.77
Miscellaneous Expense		
Project management oversight	630.00	630.00
Total Expense	<u>8,630.00</u>	<u>8,630.00</u>
Fund balance	<u>-</u>	<u>-</u>