

**THIS LIFE - CAMBODIA FINANCIAL STATEMENTS  
INDEPENDENT AUDITORS REPORT  
FOR THE YEAR ENDED 31<sup>st</sup> AUGUST 2020**



## THIS LIFE - CAMBODIA ORGANISATION INFORMATION

Organisation name:	THIS LIFE – CAMBODIA
Main Donors:	Firetree Trust GHR Foundation International Committee of the Red Cross Manan Trust The Phoenix Foundation Save the Children International Wise Philanthropy Advisors World Childhood Foundation
Registration Date:	20 <sup>th</sup> August, 2009
Registered Office:	463, Group 10, Taphul Village Sangkat Svay Dangcum, Siem Reap City, Kingdom of Cambodia
Current Address:	463, Group 10, Taphul Village Sangkat Svay Dangcum, Siem Reap City, Kingdom of Cambodia
Contact:	Telephone number +855 63 966 050
Board of Directors:	Mihajlo Starcevic – Chair Hayley Alley – Vice Chair Navaka Arachchige – Treasurer Anna Wark – Secretary Jon Blackwell – General Member Kellie McGregor – General Member Oliver Toohey – General Member Stephanie Stephens – General Member
Management Team:	Billy Gorter – Executive Director Se Chhin – Deputy Director
Principle Bankers:	ABA Advanced Bank of Asia – Cambodia Commonwealth Bank of Australia ANZ Bank Australia
Solicitors:	Bunphann International Law Office
Auditors:	APV (Cambodia) Co, Ltd. Certified Public Accountants

## **THIS LIFE – CAMBODIA**

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## **DIRECTORS' REPORT**

The Directors present this report of This Life Cambodia (This Life) for the financial year ended 31<sup>st</sup> August 2020.

### **Principle Activities**

This Life is a not-for-profit, non-government organisation registered in Australia with charity status for taxation purposes. This Life empowers Cambodians to make an impact on complex social justice issues, using community consultation approaches, community development techniques, and strength-based case management for direct service provision to children and families. This Life listens to, engages with and advocates alongside children, families and communities as they define and act on their own solutions. This Life's work is focused on providing and enhancing opportunities for communities to develop the essential infrastructure, skills and knowledge to make positive sustainable change in the lives of children and families who face compound disadvantages resulting from, and contributing to, the cycle of poverty.

This Life currently delivers services under three sectors: Children and Families, Communities and Impact Learning and Effectiveness. The Children and Families section includes This Life Beyond Bars (TLBB), This Life In Family (TLIF), This Life With Choices (TLWC), This Life Reuniting Families (TLRF) and Vocational Training and Social Enterprise (VTSE). The Community section includes This Life In Schools (TLIS) and This Life Without Violence (TLWV). The Impact Learning and Effectiveness section comprises of Research and Policy (R&P), Monitoring, Evaluation, Accountability and Learning (MEAL) and Capacity and Partnership Development (C&PD). This Life's programs evolve organically, building upon its knowledge and strengths in service delivery, filling gaps as communities identify them through its participatory and consultative processes, resulting in its program areas being complementary and interlinked. This Life's strong and emerging partnerships with government enhance both our credibility and capacity to assist addressing Government Plans as well as the Sustainable Development Goals. While This Life continues to engage at the commune level in areas of greatest need, it is changing focus to work more closely with the district level in recognition of the capacity of provincial leaders to be able to impart knowledge and skills to commune authorities.

### **Vision**

This Life's vision is that children, families and communities are supported to access and create opportunities in this life.

### **Mission**

To listen to, engage with and advocate side by side with children, families and communities as they define and act on their own solutions to complex social challenges.

### **Values**

#### **1. We Listen**

This Life was born out of the act of listening, when our founder listened to the fears and hopes of people in a Cambodian community who felt that they were never normally heard, and then helped them to overcome those fears and achieve those hopes. Listening remains a foundational value, whether listening to the people we support in communities, or to each other, or to our supporters or partners.

#### **2. We Collaborate**

Everybody has their own talents and abilities, but we know that these are multiplied when we work together, understanding each other's expertise, respecting each other's contribution and challenging each other to achieve even more. This collaborative approach does not stop at the office door, but extends into the way we work with communities and individuals, and with our partners, donors and supporters.



### **3. We Have Integrity**

We hold ourselves to the highest ethical standards and we are open and accountable to each other, to authorities, to donors and to beneficiaries about what, when, why and how we do things. We keep our promises.

### **4. We Balance**

The growth of This Life over the last twelve years is proof that amazing things can happen when we work together, but while we all love exciting opportunities and new experiences, we also have to recognize that a combination of dynamic growth and high standards can result in very busy staff. For us to continue creating sustainable change it is vital we are mindful of our personal lives and health, so we always find time to look after ourselves and look out for each other.

#### **Programs**

This Life runs a number of different programs designed to work with communities to help them find their own solutions to their educational needs. Please find information below to learn more about each program.

#### ***Children and Families Section***

##### This Life Beyond Bars (TLBB)

This Life Beyond Bars aims to increase the skills, knowledge and family connections of children in prison to aid integration into their communities upon release.

##### This Life In Family (TLIF)

This Life In Family aims to support and preserve vulnerable families at risk of separation. This program provides short-term early intervention response for juveniles and parents at point of coming into conflict with the law, long-term service provision and family support for children of parents in prison (income generation, education scholarships etc.), development of a family preservation response model and research and exploration into Kinship Care in Cambodia as a community-based care option.

##### This Life With Choices

This Life With Choices aims to increase and strengthen the reach and accessibility of drug and alcohol treatment and awareness in Cambodia.

##### This Life Reuniting Families (TLRF)

In recent years residential care in Cambodia has been increasingly common and many children have been unnecessarily separated from their families and placed into institutions. The aim of This Life Reuniting Families is to reintegrate children from orphanages with their families and communities. The team uses a strength based holistic case management system in accordance with international best practice to support this process. This program operates in partnership with the U.S. Aid funded Family Care First Initiative.

##### Vocational Training Social Enterprise (VTSE)

This program provides vocational training in motorcycle repair and on-the-job skills building opportunities to help vulnerable young people get started with their own business and/or working in their community.

## **Communities Section**

### This Life Without Violence (TLWV)

This program aims to support communities in developing community wide, sustainable responses to the priority issue of violence against women, focusing both on primary prevention and response.

### This Life In Schools (TLIS)

This Life In Schools aims for communities to be involved in school development so that access to and quality of education in Cambodia is increased.

## **IL&E Section**

### Impact, Learning and Effectiveness (IL&E)

Impact Learning and Effectiveness aims to translate community voices into new knowledge, which can then be used to inform good practice programming and as a tool to advocate for positive change.

## **Results**

Total revenue for the year was USD 1,811,321 (2019: USD 1,300,510), of which USD 1,545,773 (2019: USD 1,042,947) was grant income, USD 90,508 (2019: USD 86,965) was general donations, and the remainder a combination of revenue from consultancy services, monitoring and evaluation and other income.

Total expenditure on This Life programs was USD 1,475,628 (2019: USD 1,235,669) and central office costs amounted to USD 76,936 (2019: 47,399).

Overall, This Life achieved a surplus of USD 258,757 (2019: USD 17,442).

The result in the current year is primarily due to the COVID 19 Pandemic.

## **Review of Operations**

This Life has had to reduce community activities and reduced travel costs due to the COVID situation. The organisation achieved revenue of USD 1,811,321. A natural progression over several years of our activities, from initial research, through a pilot phase, proof of concept and then a scaling up to full activity was achieved then the pandemic came along and a lot of group training activities had to be reduced so that we could ensure we were keeping our beneficiaries safe. In 2019 This Life was awarded 5 awards, which added another level of recognition to the organisation and is further enhancing our ability to raise funds.

Our Awards for 2019-2020 are, 1. Australian Not for Profit Technology Awards 2019 – Best Social Media Campaign, 2. The Social Media Marketing Awards – Best Use of Facebook 2019, 3. The Social Media Marketing Awards – Best Social Good Campaign 2019, 4. Grassroots Justice Prize Public Vote Winner 2019 and 5. Shorty Social and Digital Media Awards Winner – Best Work for Developing Nations 2019. We add these to the shelf with our 2015 Starts Impact Award.

The expenditure on This Life programs has increased and is planned in line with the expansion of our programs and the introduction of This Life With Choices.

The net asset position remains at USD 475,808 (2019: USD 215,336) and is due to non-grant income exceeding non-grant expenditure. We have improved the net asset position available to 6 months of operating costs.

During this financial year we ensured our financial statements were compliant to the standards of ACFID, Australian Council For International Development and this Audit report complies with ACFID Code of Conduct, ACFID Quality Assurance Framework and ACFID Mandatory Financial Guidelines.



### **Future Developments**

Revenue is expected to continue to grow over the next five years and forward planning is in place to manage that growth. We finalised our 5-year Strategic Plan which has kicked off from 1<sup>st</sup> of September 2020.

### **Dividends and Options**

This Life's Constitution does not permit dividends and therefore no dividends have been recommended or paid for the year under review.

### **Auditors' Independence Declaration**

A copy of the Auditors' Independence Declaration as required under section 60 – 45 of the Australian Charities and Not-For-Profits Commission Act 2012.

Signed in accordance with a resolution of the Board of Directors



Billy Gorter  
Executive Director and Founder  
Siem Reap, Kingdom of Cambodia

Date: 18<sup>th</sup> November 2020



## DIRECTORS' DECLARATION

The Directors declare that in the Directors' opinion:

- (a) there are reasonable grounds to believe that the registered entity is able to pay all of its debts, as and when they become due and payable; and
- (b) the financial statements and notes satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012*.
- (c) Australian Accounting Standards AASB 101 Presentation of Financial Statements

Signed in accordance with subsection 60-45(3)(b) of the ACNC *Australian Charities and Not-for-profits Commission Act 2012* and Not-for-profit Commission Regulation 2013 and full adherence to ACFID, Code Compliant Financial Statements.



Billy Gorter  
Executive Director and Founder  
Siem Reap, Kingdom of Cambodia

Date: 18<sup>th</sup> November 2020

## INDEPENDENT AUDITORS' REPORT

Board of Directors and Management  
463, Group 10, Taphul Village  
Sangkat Svay Dangkum, Siem Reap City,  
Kingdom of Cambodia

### Opinion

We have audited the financial report of This Life Cambodia (the Organisation), which comprises the statement of the financial position as at 31<sup>st</sup> August 2020, the statement of comprehensive income, and the statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies, and the responsible director's declaration.

In our opinion the financial report of This Life - Cambodia has been prepared in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* and Australian Accounting Standards AASB 101 Presentation of Financial Statements including:

- (a) giving a true and fair view of the Organisation's financial position as at 31<sup>st</sup> August 2020 and of its financial performance for the period then ended; and
- (b) complying with Australian Accounting Standards and Division 60-45(3)(b) of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

### Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Organisation in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code. We also verify that the organisation's financial statements are compliant with the ACFID requirement.

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

### Other Information

The Organisation's management is responsible for the other information. The other information comprises the information included in the Organisation's annual report for the year ended 31<sup>st</sup> August 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



### **Responsibilities of the Organisation's Management for the Financial Report**

The Organisation's management is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, Australian Auditing Standards and ACFID Compliance Regulations and for such internal control as the Organisation's management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Organisation's 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 the Organisation's management either intends to liquidate the Organisation or to cease operations, or has no realistic alternative but to do so.

The Organisation's management is responsible for overseeing the Organisation's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Report**

Our objectives are to obtain reasonable assurance about whether the financial report 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 Australian Auditing Standards 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 the financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional skepticism throughout the audit.

We Also:

- Identify and assess the risks of material misstatement of the financial report, 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 Organisation's management.
- Conclude on the appropriateness of the Organisation's management 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 report 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.



- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Organisation's 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.



APV (Cambodia) Co., Ltd.  
Maria Isabelita C. anzon-Cabrera  
Phnom Penh, Kingdom of Cambodia

Date: 18<sup>th</sup> November 2020

## Auditors' Independence Declaration

A copy of the Auditors' Independence Declaration as required under section 60-45(3)(b) of the *Australian Charities and Not-for-profits Commission Act 2012*.

These financial statements comply with the presentation and disclosure requirements of the ACFID Code of Conduct. Please refer to the ACFID Code of Conduct website for further information.



APV (Cambodia) Co., Ltd.  
Maria Isabelita C. Manzon-Cabrera  
Phnom Penh, Kingdom of Cambodia

Date: 18<sup>th</sup> November 2020

THIS LIFE CAMBODIA

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2020

		01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	Notes	USD	USD
<b>A. Revenues</b>			
Grant Income	2	1,545,773	1,042,947
General Donations		90,508	86,965
Monitoring & Evaluation		76,737	65,890
Revenue from Service		16,712	37,530
Motor Doctor Income		16,850	18,481
Other Income		35,495	30,284
Income Released from Capital Grants Fund	16	29,246	18,413
		<b>1,811,321</b>	<b>1,300,510</b>
<b>B. Expenditures</b>			
Central Office	3	76,936	47,399
This Life Beyond Bars	4	145,317	188,869
This Life In Families	5	381,080	260,760
This Life With Choices	6	21,916	-
This Life Reuniting Families	7	78,317	91,912
Vocational Training & Social Enterprise	8	46,551	20,654
This Life Without Violence	9	300,073	239,018
This Life In Schools	10	270,404	237,194
Impact Learning and Effectiveness	11	216,933	160,631
This Life In Community	12	6,514	31,844
Internship Program	13	8,523	4,787
		<b>1,552,564</b>	<b>1,283,068</b>
<b>C. Surplus for the year (A-B)</b>		<b>258,757</b>	<b>17,442</b>
<b>D. Net assets, beginning of the year</b>		215,336	128,973
<b>E. Prior period adjustment</b>		1,715	68,921
<b>F. Net assets, end of the year (C+D+E)</b>		<b>475,808</b>	<b>215,336</b>

These notes form an integral part of these financial statements.



THIS LIFE CAMBODIA

STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2020

		31 <sup>st</sup> Aug 2020	31 <sup>st</sup> Aug 2019
	Notes	USD	USD
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	14	1,432,168	1,538,837
Other Receivables	15	95,611	166,700
<b>Total Current Assets</b>		<b>1,527,779</b>	<b>1,705,537</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	16	131,341	87,269
<b>Total Non-Current Assets</b>		<b>131,341</b>	<b>87,269</b>
<b>TOTAL ASSETS</b>		<b>1,659,120</b>	<b>1,792,806</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accruals		46,427	78,252
Taxes Payable		2,266	1,474
Deferred Grant	2	955,146	1,358,018
<b>Total Current Liabilities</b>		<b>1,003,839</b>	<b>1,437,744</b>
<b>Non-Current Liabilities</b>			
Staff Saving Scheme		50,629	57,258
<b>Total Non-Current Liabilities</b>		<b>50,629</b>	<b>57,258</b>
<b>TOTAL LIABILITIES</b>		<b>1,054,468</b>	<b>1,495,002</b>
<b>NET ASSETS</b>			
Net Assets		475,808	215,336
Capital Grants Fund	17	128,844	82,468
<b>Total Net Assets</b>		<b>604,652</b>	<b>297,804</b>
<b>Total Liabilities &amp; Net Assets</b>		<b>1,659,120</b>	<b>1,792,806</b>

These notes form an integral part of these financial statements.

**THIS LIFE CAMBODIA**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2020**

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020
	USD	USD
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Surplus for the Year	258,757	17,442
Adjustments to Reconcile Change in Net Assets:		
Depreciation during the Year	31,551	21,073
Decrease (Increase) in Current Assets	71,089	(54,572)
Increase (Decrease) in Liabilities	(440,535)	787,114
Net Cash from Operating Activities	<b>(79,138)</b>	<b>771,057</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of Property & Equipment	(75,622)	(80,814)
Net Cash from Investing Activities	<b>(75,622)</b>	<b>(80,814)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase (Decrease) in Capital Grants Fund	46,376	61,751
Net cash from financing activities	<b>46,376</b>	<b>61,751</b>
<b>Net Increase (Decrease) in Cash</b>	<b>(108,384)</b>	<b>751,994</b>
<b>Fund, Brought Forward from Last Year</b>	<b>1,538,837</b>	<b>717,881</b>
<b>Prior Period Adjustment</b>	<b>1,715</b>	<b>68,962</b>
<b>CASH, END OF YEAR</b>	<b><u>1,432,168</u></b>	<b><u>1,538,837</u></b>

These notes form an integral part of these financial statements.



## THIS LIFE CAMBODIA

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2020

#### 1. Summary of Significant Accounting Policies

##### a) **Statement of Compliance**

The financial report is a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and Interpretations, and complies with other requirements of the law and the Australian Charities and Not-for-profit Commission Act 2012. This Life or the Organisation is a not-for-profit entity for the purpose of preparing the Financial Statements.

A Statement of Compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) cannot be made due to the Group applying not-for-profit specific requirements contained in the Australian Accounting Standards.

The Financial Statements for the year ended 31<sup>st</sup> August 2020 were approved and authorised for issue by the Board of Director on 18<sup>th</sup> November 2020.

##### b) **Basis of Preparation**

The financial statements have been prepared on an accruals basis and are based on historical costs.

##### c) **Changes in Accounting Policies**

The basis of preparation for the Financial Statements for the year ended 31<sup>st</sup> August 2020 has not changed from the accruals basis. For the year ended 31<sup>st</sup> August 2020 the accruals basis has continued to be applied to ensure compliance with the Australian Charities and Not-for-profit Commission Act 2012.

##### d) **Significant Accounting Judgments and Estimates**

When preparing the Financial Statements, management undertakes a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. These estimates and assumptions are based on historical information and other factors which management consider reasonable. The accounts affected by these are accruals, revenue recognition of grants income, the useful lives of depreciable assets and inventory valuation.

##### e) **Currency and Foreign Exchange**

The functional and presentational currency of This Life is the United States Dollar (USD). The official currency in Cambodia is the Khmer Riel. However, the USD is widely used and transacted. The Organisation maintains its accounting records in USD, which is considered and treated as the measurement and presentation currency.

Foreign currency transactions are translated to USD at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to USD at the exchange rate ruling at that date, with foreign exchange differences recognised in Profit or Loss. Khmer Riel to USD is at a rate of 4000 Riel per \$1 USD.



**THIS LIFE CAMBODIA**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2020**

**f) Cash and Cash Equivalents**

Cash and cash equivalents are comprised of cash on hand, cash in bank, and other financial assets with maturity of three months or less.

**g) Revenue Recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Organisation, the revenue can be reliably measured, and the specific criteria are met as follows:

**i. Grant Income**

Where conditions are attached to a grant which must be satisfied before the Organisation gains the right to receive the contribution, recognition of the grant as revenue is deferred until those conditions are satisfied.

Where such conditions are not attached to a grant, the revenue is recognised when the Organisation obtains control of the funds, economic benefits are probable and the amount can be measured reliably.

The expenditure, to which the grant relates, is expensed as incurred and may not correlate to the timing of grant receipts.

In circumstances where the terms of the grant stipulate that any unexpended funds are to be returned to the sponsor these unexpended funds are held as deferred income until such time as they are returned to the funding body.

**ii. General Donations**

General donations consist of donations from corporations, businesses and individuals. Amounts donated can be recognised as revenue only when the Organisation gains control, economic benefits are probable and the amounts can be measured reliably.

**iii. Monitoring and Evaluation**

Income from monitoring and evaluation of the programs implemented by This Life. Donors contribute grant funding to cover the cost of monitoring and evaluation of the program by the MEAL team. This income is disclosed separately in the financial statements as Monitoring and Evaluation.

**iv. Revenue from Service**

Revenue from service is the income received from motorcycles repair service to customers and external consultancy services. Revenue is recognised when the service has been provided.

## **THIS LIFE CAMBODIA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2020**

#### **v. Sale of Goods**

Sale of goods is the income received from the sale of goods to customers in the motorcycle repair shop. Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and it can be measured reliably. Risks and rewards are considered passed to the buyer at the time of delivery of the goods to the customer.

#### **vi. Other Income**

Other income consists of income from bank interest earned and other sales.

#### **h) Expenditure**

Expenditure represents all expenses paid in line with the Organisation's objectives. Expenditure is recognised when it is incurred.

#### **i) Cash Advances**

Cash advances consist of advances to staff for organisational activities including travel. Cash advances shall be cleared within ten working days of the completion of the program expenses, either by reimbursement or by submission of valid receipts covering the amount advanced with adequate supporting documents, or a combination of the two.

#### **j) Property, Plant and Equipment**

Property, plant and equipment is capitalised and depreciated on a straight-line basis over the estimated useful life of the asset. The useful life for the classes of property, plant and equipment are as follows:

Vehicles	5 years
Office Equipment	5 years
Computer and Software	3 years
Office Renovation	10 years

#### **k) Capital Grants Fund**

When fixed assets are purchased with donor grants, the capital expenditure is charged to the donor fund and transferred to the capital grants fund. Depreciation of donor funded assets is charged through the general fund which is replenished by an equal transfer from the capital grants fund. The value on the capital grants fund represents the net book value of donor funded fixed assets.



## **THIS LIFE CAMBODIA**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2020**

#### **l) Inventory**

Inventory represents goods purchased for sale in the Moto Doctor shop. Inventory is valued at the lower of cost and net realisable value.

#### **m) Staff Saving Scheme**

The purpose of the saving scheme is to provide employees with financial incentives and encouragement to save for their future. All staff members are entitled to join the saving scheme after successfully passing the probationary period of employment.

Considering severance pay in Cambodian Labor Law, article 73, Employer is required to pay severance pay for at least 5% of the wages paid during the length of the contract. Through this policy This Life is complying with article 73 of Cambodian Labor Law.

Tier 1: Employees earning a monthly salary of USD 200 or less are eligible to contribute

5% of their salary to the fund and, upon doing so, will receive a 10% savings contribution from the Organisation.

Tier 2: Employees earning a monthly salary over USD 200 are eligible to contribute 10% of their salary to the fund and, upon doing so, will receive a 10% savings contribution from the Organisation.

#### **n) Net Assets**

Net assets represent the accumulated fund balance from recognised revenue over expenditure.

#### **o) Income Tax**

The Organisation is a non-profit entity that is exempt from income tax under article 9 (new) of Law on Tax of Cambodia. The income tax rate of 20% is required for a Social Enterprise registered under a private limited liability enterprise.

In Australia, the Organisation is exempt from paying income tax due to being a charitable institution in terms of section 50(5) of the Income Tax Assessment Act 1997. The Organisation is also registered as a deductible gift recipient for tax.

#### **p) Rounding**

The amounts presented in the financial statements have been rounded to the nearest dollar.



THIS LIFE CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> AUGUST 2020

2. Deferred Grant

The Organisation has received grants amounting to USD 1,142,901 (2019: USD 1,909,487). The balance remaining in the deferred grant income account as at 31<sup>st</sup> August 2020 is USD 955,146 (2019: USD 1,358,018). During the year, the Organisation recognised grant revenue of USD 1,545,773 (2019: USD 1,042,947) for the activities performed.

The movement of deferred grant and grant income are described in the tables below:

	AVE Fenix Pacific			
	Anonymous Foundation	Foundation Limited	Firetree Foundation	GHR Foundation
	USD	USD	USD	USD
Deferred grant as at 1 <sup>st</sup> September 2018	20,020	-	-	87,865
Grant received during the year	89,974	-	699,993	194,814
Expenditure	(59,254)	-	(168,439)	(70,920)
Transferred to donor/ Transferred to Capital Grant Fund	-	-	(53,585)	-
Adjustment/ Transferred among donors	-	-	-	-
Deferred grant as at 31 <sup>st</sup> August 2019	50,740	-	477,969	211,759
Deferred grant as at 1 <sup>st</sup> September 2019	50,740	-	477,969	211,759
Grant received during the year	20,000	28,787	-	276,691
Expenditure	(30,185)	(10,771)	(387,017)	(190,600)
Adjustment/ Transferred among donors	(40,555)	-	-	-
Deferred grant as at 31 <sup>st</sup> August 2020	-	18,016	90,952	297,850

  

	International			
	Great Pond Productions Inc.	Committee of the Red Cross	Kadoorie Charitable Foundation	Manan Trust
	USD	USD	USD	USD
Deferred grant as at 1 <sup>st</sup> September 2018	-	10,654	44,453	233,159
Grant received during the year	-	38,368	94,035	248,905
Expenditure	-	(45,204)	(71,283)	(171,859)
Transferred to donor/ Transferred to Capital Grant Fund	-	(2,323)	-	(24,779)
Adjustment/ Transferred among donors	-	-	-	-
Deferred grant as at 31 <sup>st</sup> August 2019	-	1,495	67,205	285,426
Deferred grant as at 1 <sup>st</sup> September 2019	-	1,495	67,205	285,426
Grant received during the year	8,680	9,705	19,909	248,912
Expenditure	(5,124)	(36,329)	(59,259)	(252,019)
Adjustment/ Transferred among donors	-	-	(27,855)	-
Deferred grant as at 31 <sup>st</sup> August 2020	3,556	(25,129)	-	282,319

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	Oxfam Novib VOICE	The Phoenix Foundation	Save the Children International	Swiss Philanthropy Foundation
	USD	USD	USD	USD
Deferred grant as at 1 <sup>st</sup> September 2018	41,261	75,349	(6,925)	-
Grant received during the year	43,878	200,010	107,064	-
Expenditure	(53,336)	(166,987)	(95,950)	-
Transferred to donor/ Transferred to Capital Grant Fund	-	(1,360)	-	-
Adjustment/ Transferred among donors	-	-	6,925	-
Deferred grant as at 31 <sup>st</sup> August 2019	<b>31,803</b>	<b>107,012</b>	<b>11,114</b>	-
Deferred grant as at 1 <sup>st</sup> September 2019	31,803	107,012	11,114	-
Grant received during the year	49,925	218,777	103,990	60,000
Expenditure	(52,969)	(168,447)	(95,957)	(7,739)
Adjustment/ Transferred among donors	-	-	-	-
Deferred grant as at 31 <sup>st</sup> August 2020	<b>28,759</b>	<b>157,342</b>	<b>19,147</b>	<b>52,261</b>

	UBP	University of NewCastle	Wise Philanthropy Advisors	World Childhood Foundation	TOTAL
	USD	USD	USD	USD	USD
Deferred grant as at 1 <sup>st</sup> September 2018	(145)	75,639	33,401	27,803	642,534
Grant received during the year	-	-	152,290	40,156	1,909,487
Expenditure	-	-	(100,512)	(39,203)	(1,042,947)
Transferred to donor/ Transferred to Capital Grant Fund	-	-	(440)	-	(82,487)
Adjustment/ Transferred among donors	145	(75,639)	-	-	(68,569)
Deferred grant as at 31 <sup>st</sup> August 2019	-	-	<b>84,739</b>	<b>28,756</b>	<b>1,358,018</b>
Deferred grant as at 1 <sup>st</sup> September 2019	-	-	84,739	28,756	1,358,018
Grant received during the year	-	17,525	80,000	-	1,142,901
Expenditure	-	(48,168)	(93,658)	(39,121)	(1,477,363)
Adjustment/ Transferred among donors	-	-	-	-	(68,410)
Deferred grant as at 31 <sup>st</sup> August 2020	-	<b>(30,643)</b>	<b>71,081</b>	<b>(10,365)</b>	<b>955,146</b>



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**Grant Income**

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	USD	USD
Anonymous Foundation	70,740	59,254
AVE Fenix Pacific Foundation	10,771	-
Firetree Foundation	387,017	168,439
GHR Foundation	190,600	70,920
Great Pond Production Inc.	5,124	-
International Committee of the Red Cross	36,329	45,204
Kadoorie Charitable Foundation	87,114	71,283
Manan Trust	252,019	171,859
Oxfam Novib – VOICE	52,969	53,336
The Phoenix Foundation	168,447	166,987
Save the Children International	95,957	95,950
Swiss Philanthropy Foundation	7,739	-
University of NewCastle	48,168	-
Wise Philanthropy Advisors	93,658	100,512
World Childhood Foundation	39,121	39,203
	<b>1,545,773</b>	<b>1,042,947</b>

**3. Central Office - Expenditure**

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	USD	USD
Direct Salaries	1,069	6,480
Travel Costs	49	403
Program Activity Costs/Materials Costs	12,365	18,167
Other Related Costs (Set Up Program Cost)	1,356	12,477
Indirect Salaries	4,493	1,806
Indirect Staff Capacity Building	44	73
Overheads	57,560	7,993
	<b>76,936</b>	<b>47,399</b>

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4. This Life Beyond Bars – Expenditure

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	USD	USD
Direct Salaries	75,311	85,735
Direct Staff Capacity Building	138	7,789
Travel Costs	6,792	6,956
Program Activity Costs/Materials Costs	29,501	40,468
Other Related Costs (Set Up Program Cost)	5,601	1,668
Monitoring and Evaluation	5,250	3,000
Indirect Salaries	16,567	33,320
Indirect Staff Capacity Building	14	128
Overheads	6,143	9,805
	<b>145,317</b>	<b>188,869</b>

5. This Life In Families – Expenditure

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	USD	USD
Direct Salaries	122,036	84,715
Direct Staff Capacity Building	185	4,876
Travel Costs	6,518	4,997
Program Activity Costs/Materials Costs	86,542	45,806
Other Related Costs (Set Up Program Cost)	36,033	35,702
Monitoring and Evaluation	39,282	26,148
Indirect Salaries	68,272	47,463
Indirect Staff Capacity Building	275	189
Overheads	21,937	10,864
	<b>381,080</b>	<b>260,760</b>

6. This Life With Choices

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	USD	USD
Direct Salaries	14,448	-
Program Activity Costs/Materials Costs	1,858	-
Indirect Salaries	3,901	-
Overheads	1,709	-
	<b>21,916</b>	<b>-</b>



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**7. This Life Reuniting Families - Expenditure**

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	USD	USD
Direct Salaries	35,186	58,986
Travel Costs	14	-
Program Activity Costs/Materials Costs	23,002	13,822
Other Related Costs (Set Up Program Cost)	3,296	-
Indirect Salaries	13,403	15,553
Indirect Staff Capacity Building	125	136
Overheads	3,291	2,865
	<b>78,317</b>	<b>91,912</b>

**8. Vocational Training and Social Enterprise - Expenditure**

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	USD	USD
Direct Salaries	22,686	17,526
Direct Staff Capacity Building	100	230
Travel Costs	315	407
Program Activity Costs/Materials Costs	21,351	1,394
Other Related Costs (Set Up Program Cost)	2,099	158
Indirect Salaries	-	935
Indirect Staff Capacity Building	-	4
	<b>46,551</b>	<b>20,654</b>

**9. This Life Without Violence - Expenditure**

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	USD	USD
Direct Salaries	107,612	104,099
Direct Staff Capacity Building	602	4,464
Travel Costs	10,192	7,816
Program Activity Costs/Materials Costs	57,378	47,410
Other Related Costs (Set Up Program Cost)	12,351	10,490
Monitoring and Evaluation	19,603	18,097
Indirect Salaries	64,135	36,990
Indirect Staff Capacity Building	336	114
Overheads	27,864	9,538
	<b>300,073</b>	<b>239,018</b>

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10. This Life In Schools - Expenditure

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	USD	USD
Direct Salaries	121,222	105,318
Direct Staff Capacity Building	157	3,679
Travel Costs	26,973	24,385
Program Activity Costs/Materials Costs	27,407	33,486
Other Related Costs (Set Up Program Cost)	19,213	673
Monitoring and Evaluation	12,602	17,573
Indirect Salaries	48,401	40,777
Indirect Staff Capacity Building	114	76
Overheads	14,315	11,227
	<b>270,404</b>	<b>237,194</b>

11. Impact, Learning and Effectiveness - Expenditure

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	USD	USD
Direct Salaries	99,505	84,128
Direct Staff Capacity Building	218	233
Travel Costs	1,937	573
Program Activity Costs/Materials Costs	86,795	554
Other Related Costs (Set Up Program Cost)	5,068	45,384
Monitoring and Evaluation	-	476
Indirect Salaries	13,777	24,328
Indirect Staff Capacity Building	39	41
Overheads	9,594	4,914
	<b>216,933</b>	<b>160,631</b>



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12. This Life In Community-Expenditures

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	USD	USD
Direct Salaries	-	12,556
Direct Staff Capacity Building	-	458
Travel Costs	-	1,259
Program Activity Costs/Materials Costs	-	8,483
Other Related Costs (Set Up Program Cost)	6,514	-
Indirect Salaries	-	7,100
Indirect Staff Capacity Building	-	16
Overheads	-	1,972
	<b>6,514</b>	<b>31,844</b>

13. Internships Program - Expenditure

	01 <sup>st</sup> Sept 2019 To 31 <sup>st</sup> Aug 2020	01 <sup>st</sup> Sept 2018 To 31 <sup>st</sup> Aug 2019
	USD	USD
Direct Salaries	6,590	1,751
Direct Staff Capacity Building	986	583
Program Activity Costs/Materials Costs	947	2,409
Overheads	-	44
	<b>8,523</b>	<b>4,787</b>

14. Cash and Cash Equivalents

	31 <sup>st</sup> Aug 2020	31 <sup>st</sup> Aug 2019
	USD	USD
Cash on hand	1,238	1,058
Cash in bank	1,430,930	1,537,779
	<b>1,432,168</b>	<b>1,538,837</b>

15. Other Receivables

	31 <sup>st</sup> Aug 2020	31 <sup>st</sup> Aug 2019
	USD	USD
Grant receivable	37,759	94,302
Staff advance	24,533	14,630
Rental deposit	18,431	22,400
Prepayment	14,888	35,368
	<b>95,611</b>	<b>166,700</b>

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16. Property, Plant and Equipment

	Vehicle USD	Office equipment, Computer & Software USD	Office Renovation USD	Total USD
<b>Cost</b>				
At 1 <sup>st</sup> September 2019	111,900	14,223	-	126,123
Additions	-	20,213	55,409	75,622
<b>At 31<sup>st</sup> August 2020</b>	<b>111,900</b>	<b>34,436</b>	<b>55,409</b>	<b>201,745</b>
<b>Accumulated Depreciation</b>				
At 1 <sup>st</sup> September 2019	33,282	5,571	-	38,853
Charge for the year	22,380	6,505	2,666	31,551
<b>At 31<sup>st</sup> August 2020</b>	<b>55,662</b>	<b>12,076</b>	<b>2,666</b>	<b>70,404</b>
<b>Net Book Value</b>				
At 31 <sup>st</sup> August 2020	56,238	22,360	52,743	131,341
At 31 <sup>st</sup> August 2019	78,618	8,651	-	87,269

17. Capital Grants Fund

The fixed assets amounting to USD 189,385 have been purchased with donor's grants (donor fund), the purchase was charged to the donor fund and transferred to the capital grants fund. Depreciation of donor funded assets is charged through the general fund which is replenished by an equal transfer from the capital grants fund. The value on the capital grants fund represents an equal transfer from the capital grants fund. The value on the capital grants fund represents the net book value of donor funded fixed assets. The movement of capital grants fund is as following:

	31 <sup>st</sup> Aug 2020 USD	31 <sup>st</sup> Aug 2019 USD
Capital grants fund as at 1 <sup>st</sup> September	82,468	20,717
Fixed asset purchase during the year	75,622	80,164
Depreciation released to statement of activities	(29,246)	(18,413)
<b>Capital grants fund as at 31<sup>st</sup> August</b>	<b>128,844</b>	<b>82,468</b>

18. Subsequent Events

Subsequent events have been evaluated through to 18<sup>th</sup> November 2020, which is the date the audited financial statements were available to be issued. The major impact to operations and underspend of budgeted projects activities and travel has been impacted by COVID-19. This has had an impact on financial statements for this reporting year and is expected to continue for the next financial year.



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19. Key Management Personnel

The key management personnel of the Organisation are defined as the members of the Management Team, as disclosed in Organisation Details. The total employee benefits of the Management Team in the year was USD 113,226 (2019: USD 107,274)

No Directors received any remuneration for services and members of the Board of Directors, and no travelling expenses were reimbursed for travelling to and from meetings.