

REACH Siem Reap Organisation

Statement of management's responsibility
and
Audited financial statements

as at and for the year ended 31 December 2024



REACH Siem Reap Organisation

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STATEMENT OF MANAGEMENT'S RESPONSIBILITY

STATEMENT OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The management of REACH Siem Reap Organisation (the "Organisation") is responsible for the statement of fund receipts, disbursements and fund balance for the year ended 31 December 2024 which are prepared, in all material respects, in accordance with the accounting policies described in Note 2 to the financial statements.

In preparing these financial statements, management is required to:

- select suitable accounting policies and then apply them consistently in accordance with the presentation and disclosure requirements as described in Note 2 to the financial statements;
- make judgements and estimates that are reasonable and prudent;
- maintain proper financial operations and controls;
- maintain adequacy of the management structure and general control environment;
- ensure that all non-expendable properties are used solely for and by the Association, and maintain proper control over those properties; and,

Management is responsible for ensuring that proper accounting records are kept which enable the financial statements to be prepared in compliance with the basis of accounting described in Note 2 to the financial statements. 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 has confirmed that it has complied with the above requirements in preparing the financial statements.

REACH Siem Reap Organisation NGO #8021

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REACH Siem Reap Organisation

STATEMENT OF MANAGEMENT'S RESPONSIBILITY

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements of the Organisation, which are prepared, in all material respects, to present the Organisation's fund balance as at 31 December 2024, and its receipts and disbursements for the year then ended, in accordance with the accounting policies described in Note 2 to the financial statements.

On behalf of the Organisation's management:



Chea Kosal
Executive Director
REACH Siem Reap Organisation

Siem Reap, Kingdom of Cambodia
05 March 2025



Emily Williamson
Deputy Director
REACH Siem Reap Organisation

Siem Reap, Kingdom of Cambodia
05 March 2025

INDEPENDENT AUDITORS' REPORT

To: The Management of REACH Siem Reap Organisation

Opinion

We have audited the accompanying financial statements of REACH Siem Reap Organisation (the "Organisation") which comprise the statement of fund balance as at 31 December 2024, and its receipts and disbursements for the year ended 31 December 2024 and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements of the Organisation as at 31 December 2024 and for the year then ended are prepared, in all material respects, in accordance with the accounting policies described 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 Organization in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) and the ethical requirements of the Kampuchea Institute of Certified Public Accountants and Auditors' Code of Ethics for Certified Public Accountants and Auditors (KICPAA Code) that are relevant to our audit of the financial report in Cambodia. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of the KICPAA 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 describe the basis of accounting. The financial statements are prepared to assist the Organisation in complying with the financial reporting provision of the Organisation and its applicability to donors. As a result, the financial statements may not be suitable for any other purpose. Our auditor's report is intended solely for the Organisation and donors and should not be distributed to or used by parties other than the Organisation or donors. Our opinion is not modified in respect of this matter.

Responsibilities of Management for the Financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view in accordance with Note 2 to the financial statements, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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 the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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 Company'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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 of REACH Siem Reap Organisation as at and for the year ended 31 December 2024.



Sopheak PEL
Partner

ECOVIS VSDK & Partners Co., Ltd.

Certified Public Accountants

Registered Auditors

Phnom Penh, Kingdom of Cambodia

05 March 2025

REACH Siem Reap Organisation

STATEMENT OF FUND RECEIPTS, DISBURSEMENTS AND FUND BALANCE as at and for the year ended 31 December 2024

	Notes	2024		2023	
		US\$	KHR'000 (Note 2)	US\$	KHR'000 (Note 2)
FUND RECEIPTS					
Fund received from donors	3	415,199	1,690,273	356,230	1,464,105
Other incomes		216	878	165	680
Total fund received		415,415	1,691,151	356,395	1,464,785
EXPENDITURES					
Program costs	4	103,114	419,776	105,544	433,785
Personnel costs	5	182,040	741,085	172,903	710,632
General administration and other expenses	6	110,011	447,853	70,761	290,830
Total expenditures		395,165	1,608,714	349,208	1,435,247
Surplus/(deficit) of source of fund over expenditures		20,250	82,437	7,187	29,538
Beginning fund balance		26,864	109,739	19,677	81,009
Currency translation difference		-	(2,543)	-	(808)
Total fund balance as at 31 December 2024		47,114	189,633	26,864	109,739
Fund balance represented by:					
Cash and cash equivalents	7	42,533	171,195	22,724	92,826
Other asset	8	4,581	18,438	4,140	16,913
Total fund balance as at 31 December 2024		47,114	189,633	26,864	109,739

The attached notes 1 to 9 form part of these financial statements.

REACH Siem Reap Organisation

NOTE TO THE STATEMENT OF FUND RECEIPTS, DISBURSEMENTS AND FUND BALANCE
(continued)
as at and for the year ended 31 December 2024

1. ORGANISATION BACKGROUND

REACH Siem Reap Organisation ("the Organisation") is a non-government international organisation based in Siem Reap, funded by Reach Siem Reap Ltd. (in Australia), philanthropists, other individual donors and charitable foundations/organisations.

The organisation was initially registered as a local NGO with the Ministry of Interior and the Royal Government of Cambodia signed on November 29th, 2019 and is located in Thlok Andoung Village, Sla Kram Commune, Siem Reap town, Siem Reap Province. On the 21st of January 2020, a Memorandum of Understanding in recognition of the organizations Education activities was also drawn up with the Ministry of Education.

The Organisation aims to provide intervention and support for children and their families to break out of the cycle of poverty and improve their living conditions. REACH supports more than 100 families in the community through 8 projects such as; Education, Health and Nutrition, Outreach, Rice Rewards, Youth Pathways, REACH Riders Club, REACH Repair Shop and Computer Literacy.

Education

- Free supplementary English, Sport, Art Ethics lessons to impoverished children and youth aged 5-18 years old.
- Ongoing monitoring of students' public-school grades and personal development through workshops and mentoring.

Health and Nutrition

- Free daily nutritious meals, clean drinking water, multi-vitamins, toothbrushing station and soap supplies.
- Vegetables supplemented from REACH's sustainable garden. Students are also encouraged to grow food at home.

Outreach

- Free crisis community outreach support (emergency medical treatment, dental treatments, food distribution, family planning, minor housing repairs & emergency provisions).
- Regular life-skills workshops hosted by REACH and local NGO partners to equip guardians with technical skills and coping mechanisms to overcome social challenges.

Rice Rewards

- All student enrolled are rewarded 10kg of rice & 10 eggs each month for maintaining high attendance rates at both REACH and their public school. Due to widespread unemployment, these provisions have been amplified since 2020, through our Outreach program.

REACH Siem Reap Organisation

NOTE TO THE STATEMENT OF FUND RECEIPTS, DISBURSEMENTS AND FUND BALANCE
(continued)
as at and for the year ended 31 December 2024

1. ORGANISATION BACKGROUND (continued)

Youth Pathways

- Supporting teenagers during their critical years of development to succeed in vocational training or to graduate high school.
- Stipends provided to support selected youth with the basic costs associated with their public-school education including lesson fees, uniforms and stationery.
- REACH Role Models club with give-back program for youths to learn leadership skills, gain experience and volunteer within the school and local community.

REACH Riders Club

- Reach Riders Club regular mountain bike rides for youth, to promote safety on the roads, teamwork, physical and mental wellbeing.
- Selected youths from this elective physical education program are selected to ride 200kms in 2 days every January for their community in the Side by Side ride.

REACH Repair Shop

- Reach Repair Shop training program for youths to learn to repair, maintain, refurbish and distribute bicycles for REACH beneficiaries in urgent need.

Computer Literacy

- Computer literacy courses for children and youth enrolled in our Education Program.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The Organisation's financial statements, expressed in United States Dollar (USD), are prepared on a modified cash basis of accounting. This is the basis of accounting that is designed to meet the requirements of the Organisation; it is not designed to produce financial statements that are compatible with any generally accepted accounting principles.

The translation of the US\$ amounts into Khmer Riel ("KHR") is presented in the special purpose financial statements using the closing and average rate for the year then ended, as announced by the Accounting and Auditing Regulator ("ACAR").

The special purpose financial statements are presented in KHR based on the following applicable exchange rates per US\$1:

	2024	2023
Closing rate	4025	4,085
Average rate for the year	4071	4,110

REACH Siem Reap Organisation

NOTE TO THE STATEMENT OF FUND RECEIPTS, DISBURSEMENTS AND FUND BALANCE
(continued)
as at and for the year ended 31 December 2024

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

The significant policies adopted in the preparation of these financial statements are set out below.

Recognition of fund receipt

Source of fund is the grant received from various donors including bank interests received on these funds.

Funds are recognised as a source when cash is recorded in the Organisation's designated account rather than when committed or budgeted.

Recognition of expenditures

Expenditure under each component is recognised when incurred and when the documents substantiating the Organisation's transactions are approved.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances held at banks that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

Other assets

Other assets comprise deposit which is stated at transaction price and included in the fund balance in the statement of fund receipts, disbursements and fund balance. It is recognised as expenditures upon liquidation.

Foreign exchange differences

Disbursements and withdrawals in foreign currencies are converted into USD at the prevailing exchange rates at the date of transactions. Monetary items denominated in foreign currencies are translated into USD for reporting purposes at the closing exchange rate prevailing at the reporting date.

3. FUND RECEIVED FROM DONORS

	2024		2023	
	US\$	KHR'000 (Note 2)	US\$	KHR'000 (Note 2)
Fund received from:				
General	163,069	663,851	112,610	462,828
REACH Siem Reap Limited	252,130	1,026,422	243,620	1,001,277
Total fund received	415,199	1,690,273	356,230	1,464,105

REACH Siem Reap Organisation

NOTE TO THE STATEMENT OF FUND RECEIPTS, DISBURSEMENTS AND FUND BALANCE
(continued)
as at and for the year ended 31 December 2024

4. PROGRAM COSTS

	2024		2023	
	US\$	KHR'000 (Note 2)	US\$	KHR'000 (Note 2)
Computer literacy program	1,862	7,579	1,179	4,846
Education program	6,657	27,100	7,372	30,300
Fundraising program	12,322	50,162	15,995	65,741
Nutrition program	28,988	118,011	33,720	138,590
Outreach program	10,051	40,918	8,048	33,077
REACH riders club	4,277	17,412	4,662	19,160
Youth employment pathways	5,379	21,893	6,254	25,705
Rice rewards program	24,427	99,444	19,691	80,928
Reach repair shop program	1,400	5,700	2,793	11,480
Geoffrey wilson scholarship	4,958	20,182	3,480	14,303
Volunteer program	1,011	4,117	933	3,833
Kindergarten program	436	1,774	123	508
Garden program	1,021	4,158	633	2,602
REACH Role Models Club program	102	417	517	2,121
Electives Program	-	-	144	591
Program management	223	909	-	-
Total program costs	103,114	419,776	105,544	433,785

5. PERSONNEL COSTS

	2024		2023	
	US\$	KHR'000 (Note 2)	US\$	KHR'000 (Note 2)
Admin staff	15,376	62,596	21,792	89,564
Computer literacy program staff	2,734	11,130	4,798	19,718
Education program staff	42,947	174,835	48,993	201,360
Fundraising staff	33,239	135,315	24,832	102,058
Nutrition program staff	3,058	12,448	5,884	24,182
Outreach program staff	10,807	43,994	10,044	41,279
Reach rider club staff	5,691	23,169	5,152	21,176
Volunteer program staff	7,767	31,622	8,049	33,083
Youth employment pathways staff	13,496	54,940	9,368	38,504
Kindergarten program staff	6,494	26,437	6,066	24,932
Garden program staff	2,005	8,168	2,116	8,697
Reach repair shop program staff	6,391	26,018	6,985	28,710
Other operating staff	11,923	48,537	13,295	54,642
Rice rewards staff	694	2,824	2,102	8,638
REACH Role Models Club staff	3,227	13,137	2,722	11,188
Program management staff	16,191	65,915	-	-
Electives Program staff	-	-	705	2,901
Total personnel costs	182,040	741,085	172,903	710,632

REACH Siem Reap Organisation

NOTE TO THE STATEMENT OF FUND RECEIPTS, DISBURSEMENTS AND FUND BALANCE
(continued)
as at and for the year ended 31 December 2024

6. GENERAL ADMINISTRATION AND OTHER EXPENSES

	2024		2023	
	US\$	KHR'000 (Note 2)	US\$	KHR'000 (Note 2)
Employee medical insurance	3,988	16,236	3,804	15,634
Staff uniforms	529	2,152	508	2,088
Employee training	2,382	9,699	1,174	4,826
Land rental	16,560	67,416	14,640	60,170
Utilities expense	3,182	12,956	2,465	10,130
Communications expense	1,609	6,551	1,791	7,360
Office stationery	-	-	228	936
Sundry equipment	1,243	5,059	2,265	9,308
Transportation expense	1,259	5,126	905	3,720
Repairs and maintenance	1,924	7,831	1,741	7,155
Bank charges	525	2,138	418	1,716
Professional fee	4,462	18,166	4,759	19,559
Tax and compliance	9,117	37,114	7,977	32,783
Visas / Permits / Registrations	2,008	8,176	2,345	9,640
Construction cost	12,647	51,484	4,721	19,408
Others operating expense	48,576	197,749	21,020	86,397
Total general administration and other expenses	110,011	447,853	70,761	290,830

7. CASH AND CASH EQUIVALENTS

	2024		2023	
	US\$	KHR'000 (Note 2)	US\$	KHR'000 (Note 2)
Cash on hand	2,703	10,881	282	1,152
Cash at banks	39,830	160,314	22,442	91,674
Total cash and cash equivalents	42,533	171,195	22,724	92,826

REACH Siem Reap Organisation

NOTE TO THE STATEMENT OF FUND RECEIPTS, DISBURSEMENTS AND FUND BALANCE
(continued)
as at and for the year ended 31 December 2024

8. OTHER ASSET

	2024		2023	
	US\$	KHR'000 (Note 2)	US\$	KHR'000 (Note 2)
Land rental deposit*	4,140	16,664	4,140	16,913
Staff advance	441	1,774	-	-
Total other asset	4,581	18,438	4,140	16,913

*Land rental deposit amounting to USD 2,700 for 10 years land rental agreement from 01 January 2020 to 31 December 2029. Whereas the land rental deposit amounting to USD 1,440 for 6 years and 4 months land rental agreement from 05 April 2023 to 05 August 2029. Pursuant to the agreement, both deposits will be returned to the organization (lessee) upon expiration of the agreement.

9. SUBSEQUENT EVENTS

No other significant events occurred after the end of the reporting period and the date of authorization of these special purpose financial statements, which would require adjustments or disclosures to be made in the special purpose financial statements.

