



**BUDDHISM FOR SOCIAL DEVELOPMENT ACTION (“BSDA”)
FINANCIAL STATEMENTS
AND
REPORT OF THE INDEPENDENT AUDITORS
FOR THE PERIOD FROM 1 JANUARY 2013 TO 31 DECEMBER 2013**

BUDDHISM FOR SOCIAL DEVELOPMENT ACTION

ORGANIZATION INFORMATION

Organization name	: Buddhism for Social Development Action ("BSDA")
Main donors	: EcoSolidar Khmer HIV/AIDS NGO Alliance ("KHANA") Deutsche Gesellschaft fur Internationale Zusammenarbeit ("GIZ") GlobeMed Les Engants du Vat Nokor Association Network of Affiliated Monk Movement on Social Accountability ("NAMSA") Family comtesse (Nadja&Phillippe) Switzerland ("FCNPS") Rustic Parthways Courage Population Services Khmer ("PSK") Handicap International
Registration date	: 5 July 2005
Registered office	: House#05, Wat Nokorbachey, Ampileu Village, Ampil Commune, Kampong Siem District, Kampong Cham Province, Kingdom of Cambodia
Current address	: House#06, Village 12, Kampong Cham Commune, Kampong Cham Town, Kampong Cham Province, Kingdom of Cambodia
Contact information	: Telephone number: (855) 43 941 333
Board of Directors	: Mr. Say Savuth - Chairman Mr. Kurt Bredenberg - Vice Chairman Ms. Pen Bopha - Member Mr. Isac Lyne - Member Mr. Han Kosal - Member Ms. Hum Mary - Member Ven. Prom Dy - Member
Management team	: Mr. Thorn Vandong - Executive Director Mr. Srun Sarak - Program Manager Mr. Phoung Sopheab - Program Manager Mr. Nem Chhany - Finance Manager Mr. Sok Vannra - HR and Admin Manager Ms. Hoeng Sodavin - Project Coordinator Mr. Say Sokhouen - Project Coordinator Mr. Aun Kimseng - Project Coordinator Mr. Paul Njoroge - Advisor
Principal Banker	: ACLEDA Bank Plc.
Solicitors	: None
Auditors	: APV (Cambodia) Co., Ltd Certified Public Accountants

BUDDHISM FOR SOCIAL DEVELOPMENT ACTION

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STATEMENT BY THE ORGANIZATION'S MANAGEMENT

Management is responsible for the preparation and the fair presentation of the financial statements in accordance with the basis of accounting policies as set out in Note 3 to the Financial Statements and that this responsibility includes:

- a) Designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- b) Selecting and applying appropriate internal control policies; and
- c) Making accounting estimates that are reasonable in the circumstances.

The Management is also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial information of the Organization.

For and on behalf of Management:



Mr. Thorn Vandong
Executive Director
Kampong Cham, Kingdom of Cambodia

Date: ...17... October 2014

INDEPENDENT AUDITORS' REPORT

Board of Directors and Management

BUDDHISM FOR SOCIAL DEVELOPMENT ACTION ("BSDA")

House#06, Village 12, Kampong Cham Commune,

Kampong Cham Town, Kampong Cham Province, Kingdom of Cambodia

We have audited the accompanying financial statements of Buddhism for Social Development Action ("the Organization"), which comprise of the statement of financial position as of 31 December 2013, the statement of activities, and the statement of cash flows for the period from 1 January 2013 to 31 December 2013, and a summary of significant accounting policies and explanatory notes as set out on pages 7 to 12.

Responsibility of the Organization's Management for the Financial Statements

The Organization's Management is responsible for the preparation and fair presentation of the financial statements in accordance with the basis of preparation and the accounting policies as set out in the Notes to the Financial Statements. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements 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 statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the financial statements 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 Organization'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 statements.

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 statements of Buddhism for Social Development Action give a true and fair view, in all material respects, for the period from 1 January 2013 to 31 December 2013, in accordance with the Organization's accounting policies set out in Note 3 to the Financial Statements.

Emphasis of Matter

Without modifying our opinion, we draw attention to Note 3 to the Financial Statements, which denote the basis of the accounting policies adopted by Buddhism for Social Development Action. The financial statements are prepared for the information and use of the Management and the Donors of the Organization and not for the use of any other parties.



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

Date: 17 OCTOBER 2014

BUDDHISM FOR SOCIAL DEVELOPMENT ACTION

STATEMENT OF ACTIVITIES

FOR THE PERIOD FROM 1 JANUARY 2013 TO 31 DECEMBER 2013

	Note	January 2013 to December 2013 USD	January 2012 to December 2012 USD
A. Support & revenues			
Grant receipts	4	409,233	240,410
Sale revenues	5	125,768	96,581
Private donations	6	13,688	11,909
Other incomes		3,358	3,675
		552,047	352,575
B. Expenses			
Program costs	7	131,446	121,398
Personnel costs	8	115,689	85,072
Indirect costs	9	90,325	55,621
Infrastructure and other equipment	10	146,845	24,054
Cost of sale	11	60,075	44,408
		544,380	330,553
C. Change in net assets (A-B)		7,667	22,022
D. Net assets, beginning of year		55,583	34,471
E. Fund returned to donor		(4,390)	(910)
F. Net assets, end of year (C+D+E)		58,860	55,583

The notes on pages 7 to 12 form an integral part of these financial statements.

BUDDHISM FOR SOCIAL DEVELOPMENT ACTION

STATEMENT OF FINANCIAL POSITION AS OF 31 DECEMBER 2013

	Notes	January 2013 to December 2013 USD	January 2012 to December 2012 USD
ASSETS			
Cash and cash equivalents	12	45,916	38,797
Advances		0	8,889
Deposit	13	5,280	480
Loan receivables	14	8,331	7,417
Inter project balances		0	0
Total assets		59,527	55,583
LIABILITIES			
Tax payables		387	0
Total liabilities		387	0
NET ASSETS			
Net assets		58,860	55,583
Prior period adjustment	15	280	0
Total net assets		59,140	55,583
Total liabilities & net assets		59,527	55,583

The notes on pages 7 to 12 form an integral part of these financial statements.

BUDDHISM FOR SOCIAL DEVELOPMENT ACTION

STATEMENT OF CASH FLOWS

FOR THE PERIOD FROM 1 JANUARY 2013 TO 31 DECEMBER 2013

	January 2013 to December 2013	January 2012 to December 2012
	USD	USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	7,667	22,022
Adjustments to reconcile change in net assets		
Increase (decrease) in tax and other payables	387	0
Decrease (increase) in other current assets	3,175	(10,741)
Prior period adjustment	280	
Fund return	(4,390)	(910)
Net cash provided by operating activities	7,119	10,371
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property & equipment	0	0
Net cash used in investing activities	0	0
CASH FLOW FROM FINANCING ACTIVITIES		
Principal payment on contract payable	0	0
Net cash used in financing activities	0	0
Net increase (decrease) in cash	7,119	10,371
Fund, brought forward from last year	38,797	28,426
Cash, end of year	45,916	38,797

The notes on pages 7 to 12 form an integral part of these financial statements.

BUDDHISM FOR SOCIAL DEVELOPMENT ACTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2013 TO 31 DECEMBER 2013

1. General information

Buddhism and Society Development Association (“BSDA”) was fully registered as a national NGO with Ministry of Interior on 5 July 2005 under the reference number 612 SCN. It was then re-registered with the Ministry of Interior on 25 June 2012 under the name of Buddhism for Social Development Action (“BSDA”) with reference number of #80026. Currently, the BSDA has 11 donors, 7 board members and 68 staffs.

The Organization’s mission is to empower and support women, children and marginalized people in social development processes especially health, education and livelihood promotion.

The main goals of the Organization are as follows:

- To improve and support education for communities by providing technical skills, vocational training, life skills, scholarships and social morality activities.
- To enhance community health through partnership with the government to strengthen the community health care service and sustainable livelihoods of vulnerable people.
- To improve social accountability and transparency to achieve democratic development at the sub-national level.
- To participate in climate change programs and to promote agriculture practices which support community livelihoods and adaptation to environmental changes.

2. Statement of compliance

The financial statements, in United States Dollars (“USD”), are prepared under the historical cost convention, and in compliance with the Organization’s significant accounting policies. These accounting policies do not produce the financial statements that are compatible with the Cambodian International Financial Reporting Standards.

3. Significant accounting policies

a) Basis of preparation

The financial statements have been prepared under the modified cash basis, using the historical cost convention. Under the modified cash basis, revenue and expenses are recognized when cash is received and disbursed, with the exception of certain conditions relating to closing of the year-end accounts.

BUDDHISM FOR SOCIAL DEVELOPMENT ACTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2013 TO 31 DECEMBER 2013

g) Fixed Assets

Acquisition of a fixed asset is recognized as an expense and recorded in the appropriate account in the statement of activities and there is no depreciation charged. The separate fixed assets register is maintained and the reconciliation of all fixed assets and physical assets is done every year.

h) Net assets

Net assets represent the fund balance and are classified based on absence or existence and nature of donor-imposed restriction as follows:

- Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.
- Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that can be fulfilled by actions of the Organization pursuant to those stipulation or that expire by the passage of time.
- Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. Generally, the donors of such assets permit the Organization to use all or part of the income earned on the assets.

i) Rounding off the amounts

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

BUDDHISM FOR SOCIAL DEVELOPMENT ACTION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2013 TO 31 DECEMBER 2013

4. Grant receipts

	January 2013 to December 2013	January 2012 to December 2012
	USD	USD
EcoSolidar	266,596	98,323
Khmer HIV/AIDS NGO Alliance ("KHANA")	95,000	57,830
Population Services Khmer ("PSK")	27,773	0
Les Enfants de Vat Nokor Association	8,109	3,465
Handicap International	4,483	0
Rustic Pathways	3,264	6,080
GlobeMed	1,500	2,995
Family comtesse (Nadja & Phillipe) Switzerland ("FCNPS")	1,388	1,725
Deutsche Gesellschaft für Internationale Zusammenarbeit ("GIZ")	1,120	1,486
Network of Affiliated Mond Movement on Social Accountability ("NAMSA")	0	51,116
Kampuchean Action for Primary Education ("KAPE")	0	17,390
	409,233	240,410

5. Sale revenues

	January 2013 to December 2013	January 2012 to December 2012
	USD	USD
Smile restaurant	105,769	80,896
Angkor school fees	11,763	10,152
Traditional dance show and music	4,558	2,982
Handmade gift shop	2,825	1,742
Computer course	853	809
	125,768	96,581

6. Private donation

Private donations represent the contribution from other private/individual donors who came to visit the Organization's community.

BUDDHISM FOR SOCIAL DEVELOPMENT ACTION

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1 JANUARY 2013 TO 31 DECEMBER 2013

7. Program costs

	January 2013 to December 2013	January 2012 to December 2012
	USD	USD
Project implementation costs	62,003	82,250
Scholarship expense	25,010	25,896
Staff capacity building	6,729	8,501
Preparatory school	30,357	1,942
Monitoring and evaluation	7,347	2,809
	131,446	121,398

8. Personnel costs

	January 2013 to December 2013	January 2012 to December 2012
	USD	USD
Staff salaries	111,429	84,479
Staff benefits	4,260	593
	115,689	85,072

9. Indirect costs

	January 2013 to December 2013	January 2012 to December 2012
	USD	USD
Administration costs	27,719	26,091
Overhead charges	38,775	15,608
Rentals	13,025	7,055
Travel	7,170	4,300
Professional fee	3,636	2,567
	90,325	55,621

10. Infrastructure and other equipment

	January 2013 to December 2013	January 2012 to December 2012
	USD	USD
Vehicles	0	11,995
Infrastructure	126,012	7,504
Office equipment	20,704	3,246
Coffee machine	0	1,000
Health equipment	129	309
	146,845	24,054

BUDDHISM FOR SOCIAL DEVELOPMENT ACTION

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 1 JANUARY 2013 TO 31 DECEMBER 2013**

11. Cost of sales

Cost of sales represent costs of food, drinks, snacks and other products sold at the Smile Restaurant and other community business of social enterprises.

12. Cash and cash equivalents

	January 2013 to December 2013	January 2012 to December 2012
	USD	USD
Cash on hand	2,796	3,814
Cash in bank	43,120	34,983
	<u>45,916</u>	<u>38,797</u>

13. Deposits

This represents the rent deposits for Smile restaurant amounting to USD 4,800 as well as for Samaki restaurant which amounts USD 480.

14. Loan receivables

	January 2013 to December 2013	January 2012 to December 2012
	USD	USD
Smile lend to Samaki restaurant and students	5,059	5,167
MKK lend to graduated students	3,272	2,250
	<u>8,331</u>	<u>7,417</u>

15. Subsequent events

Subsequent events have been evaluated through 17 October 2014 which is the date the audited financial statements were available to be issued.

Appendix I - Statement of Receipts, Disbursements and Fund balance by Donor 2013

		2013														Total January 2013 to December 2013		Total January 2012 to December 2012			
		USD														USD		USD			
Notes	Courage	Ecosolidar		KHANA- GF-SSF		KHANA- GF-SSF		KHANA- GF-SSF		PSK- Phnumonia	PSK- Diabrea	GIZ	GlobeMed	NAMSA	Handicap International	LE ENFANTS	Rustic Pathways	Private donation	Smile restaurant	Social enterprises	Total
		MKK	GWYP	GFR7- OYC	GFR7- DHIA	GFR7- PLHIV	USAID	Phnumonia	Diabrea												
A. Support & revenues																					
4	0	262,960	3,636	11,258	12,136	24,264	47,342	6,611	21,162	1,120	1,500	0	4,483	8,109	3,264	1,388	0	0	0	409,233	
5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	105,769	19,999	125,768		
6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13,688	
	0	1,705	0	0	24	0	13	0	25	0	14	10	2	37	11	5	1,071	441	3,358	3,675	
	0	264,665	3,636	11,258	12,160	24,264	47,355	6,611	21,187	1,120	1,514	10	4,485	8,146	3,275	15,081	106,840	20,440	552,047	352,575	
B. Expenses																					
7	0	48,668	906	5,561	4,338	17,015	22,313	0	1,052	250	1,362	13,933	4,455	4,220	4,182	2,484	617	0	0	131,446	
8	0	31,516	1,400	4,527	5,158	3,932	21,810	4,525	12,930	0	0	3,054	0	0	0	0	16,891	9,946	115,689		
9	10	38,795	965	1,170	2,354	1,200	3,107	1,331	4,584	770	0	1,196	3	0	0	4,039	25,932	4,869	85,072		
10	0	126,512	0	0	129	0	0	0	0	0	0	0	0	0	0	6,523	12,583	1,098	55,621		
11	0	0	0	0	0	0	0	0	299	0	0	0	0	0	0	0	57,235	2,541	146,845		
	10	245,491	3,361	11,258	11,979	22,147	47,230	5,856	18,865	1,020	1,562	18,183	4,458	4,220	4,182	13,046	113,258	18,454	60,075	44,408	
	(10)	19,174	275	0	181	2,117	125	755	2,322	100	152	(18,173)	27	3,926	(907)	2,035	(6,418)	1,986	7,667	330,553	
C. Change in net assets (A-B)																					
D. Net assets, beginning of year																					
	253	3,542	0	0	329	0	71	0	0	0	40	18,244	0	519	2,368	6,062	22,433	1,722	55,583	34,471	
E. Fund returned to donor																					
	0	0	0	0	(510)	(2,117)	(71)	0	0	(100)	0	0	0	0	0	(1,592)	0	0	0	(910)	
F. Net assets, end of year (C+D+E)																					
	243	22,716	275	0	0	0	125	755	2,322	0	192	71	27	4,445	1,461	6,505	16,015	3,708	58,860	55,583	

Appendix II - Statement of financial position by Donor 2013

		2013															Total January 2013 to December 2013		Total January 2012 to December 2012	
																	USD		USD	
	Notes	Courage	Ecosolidar- MKK	Ecosolidar- GWVP	KHANA- GF-SSF OVC	KHANA- GF-SSF GFR7- DHA	KHANA- GF-SSF GFR9- PLHIV	KHANA- USAID	PSK- Pneumonia	PSK- Diabrea	GIZ	GlobeMed	NAMSA	Handicap International	LE ENFANTS	Rustic Pathways	Private donation	Smile restaurant	Social enterprises	Total
ASSETS																				
	12	243	19,498	275	0	0	0	125	755	2,322	0	192	71	27	4,445	1,461	6,892	5,902	3,708	38,797
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45,916
	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,280	0	8,889
	14	0	3,272	0	0	0	0	0	0	0	0	0	0	0	0	0	0	5,059	0	5,280
		0	(174)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	174	0	8,331
	Total assets	243	22,596	275	0	0	0	125	755	2,322	0	192	71	27	4,445	1,461	6,892	16,415	3,708	480
																				59,527
																				48,166
LIABILITIES																				
		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	387	-	0	387
	Total liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	387	-	0	387
NET ASSETS																				
	Net assets	243	22,716	275	0	0	0	125	755	2,322	0	192	71	27	4,445	1,461	6,505	16,015	3,708	58,860
	Prior period adjustment		(120)															400		280
	Total net assets	243	22,596	275	0	0	0	125	755	2,322	0	192	71	27	4,445	1,461	6,505	16,415	3,708	59,140
		243	22,596	275	0	0	0	125	755	2,322	0	192	71	27	4,445	1,461	6,892	16,415	3,708	55,863
	Total liabilities & net assets	243	22,596	275	0	0	0	125	755	2,322	0	192	71	27	4,445	1,461	6,892	16,415	3,708	59,527



