

2021



**ANNUAL
REPORT**

Prepared for you by:

SUE HANNA

*Executive Founder
Flame Cambodia*



ANNUAL REPORT

*For year ended
31 December 2021*

Registrations

New Zealand Government:

CC53748

Cambodian Government:

K009-901800528

OFFICE:

New Zealand

*84 Ladies Mile, Remuera,
Auckland, 1050*

Cambodia

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Cambodia*

TRUSTEES:

Brian Trebilco

Meredith Brocklebank

Susan Hanna

Dr Christopher Fawcet

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AUDITORS:

*Donasco & Co, Ltd.
Phnom Penh,
Cambodia*

Annual report designed by Thai So

CHILDREN OF URBAN POOR
BECOMING LEADERS

Vision



flame

Identify · Grow · Launch

Mission

WE IDENTIFY, GROW
& LAUNCH LEADERS



CONTENTS

MESSAGE FROM:

● BOARD CHAIR	5
● FOUNDER	7
● COUNTRY DIRECTOR	8

THEORY OF CHANGE

● PROBLEM	11
● IDENTIFY	13
● GROW	15
● LAUNCH	15
● IMPACT	19

STAFF

FINANCES

● FINANCIAL STATEMENTS	27
● STATEMENT OF ACCOUNTING POLICIES	30
● NOTES TO THE ACCOUNTS	34
● AUDITORS REPORT	39



MESSAGE FROM BRIAN

BOARD CHAIR

It's been an "off and on" year worldwide, and Cambodia has been no exception. Despite that, FLAME has come through the year in a good position, thanks largely to the staff and YOU, our supporters. With their commitment and "out of the box" thinking during the lockdown, the staff come up with ways to connect with and support families/children. You, our supporters, continue to believe in and get behind FLAME in these uncertain and stressful times. THANK YOU.

A milestone for 2021 was the successful completion of the Sen Sok building project. This has been a significant achievement and gives FLAME a base that it owns with the financial and security benefits that come with that. Thanks to our Singapore friends who initiated the vision and many others who have contributed to getting it over the line and complete.

As ever, we are indebted to Sue. Her passion drives this ministry she established; with Vandeth, our in-Country Director, they make a formidable team.

Well done, guys. We are BLESSED.





flame

MESSAGE FROM SUE

FOUNDER

Just when I thought my pride in Flame staff, students, families and you, the donors, couldn't get any higher – this year saw it skyrocket again! Despite challenging times, restrictions and hardships that could destroy children, businesses and families – you have stepped up and given, prayed, persevered, encouraged and stunned us with your generosity and committed partnership.

We are deeply grateful and are aware that we do this together with you every day.



MESSAGE FROM VANDETH

COUNTRY DIRECTOR

2021 was a stressful time for both the people we serve and us. BUT you turned all our stresses into delight during this challenging time. Because of your generosity, we could feed more than 5,000 people who were desperate for food. Because of your generosity, we could provide emergency support to 15 families who were dangerously close to being evicted.

Your generosity of giving has restored hope and provided loving care to many people.

Thank you for always standing with us.



THEORY OF CHANGE

Problem:

Urban poor families often struggle with social issues which prevent them from lifting themselves out of poverty. Because of this, their children are forced to earn a livelihood for the family and therefore they cannot access education. This leads to them having limited opportunities to reach their potential and to develop as caring and competent leaders.

Identify:

We identify urban poor communities in Cambodia where children are not in school but want to learn.



Impact:

The welfare of urban poor families is improved, and their children are supported to access and succeed in education and also given training in soft skills and leadership. This results in their children having the opportunity to reach their full potential.

Grow:

We help children grow through education.

Launch:

We assist young leaders launch into serving and contributing to their families, communities and beyond.

PROBLEM

in 2021

Urban low-income families are often one difficulty away from disaster, and for many of Flame's families, COVID was that difficulty.

HOWEVER... due to your loyal support to Flame and our commitment to provide dedicated support to the children and their families, this was a difficulty that did not lead to disaster.





Family Support

As with any difficulty, COVID has allowed us to learn and grow. Despite severe hardship, we have still been able to walk alongside families, assisting them in finding answers and implementing impactful solutions.

The impact Flame has had this year defies predicted trends because of the committed relationships and wise support of Flame's Case Work and Education teams.

Numbers

$56 + 7 + 808 + 100 = 971$

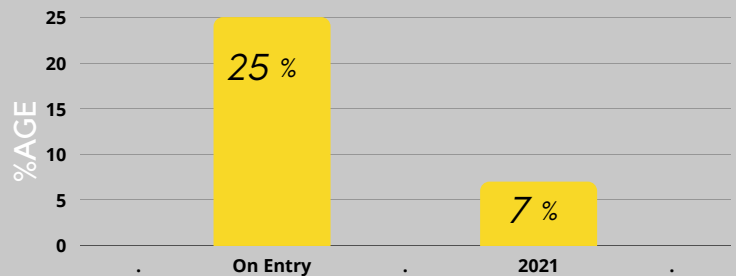
- 56 supported families of full sponsored students
- 7 students receiving school fee support
- 808 families received a one-month emergency food package during COVID lockdowns
- 100 children Flame is not yet working with received a nutritious lunch for one month during the worst COVID lockdown time.

YOU are bringing life change to urban poor families

Impact

The casework team's hard work among the families is reaping the rewards for the families. The number of families on entry into Flame's programs that are reliant on Flame for the income for their daily needs has gone from 25% to just 7% in 2021.

Families fully reliant on Flame support



SOKNENG

Real Life Impact

Sokneng is 18 years old, in Grade 12, living with his family in the Bong Trabek slum in Phnom Penh. Despite the problems with COVID and his mother being sick, Sokneng remained fiercely committed to his studies online and working part-time to help his family. He was pressured to give up studying, but because of the strong encouragement from Sopheap, his case worker, he decided to stay and keep learning hard.

This is an impact YOU can be proud of



GROW

Education

During COVID restrictions, Flame's teachers intentionally built strong relationships with the students and gave out thousands of homework packs to keep the student's passion for study strong. It has paid off. We have kids lining up at the doors of Flames After School centres excited to learn who previously were not even in school. Momentum is building, relationships are solidly strong, and children feel a sense of belonging in a Flame centre. This is the perfect environment for a child to grow in.

Staff are also growing through specialist trainers who are developing the capacity of Flame's teachers.

Numbers

$$205 - 13 - 7 + 35 = 220$$

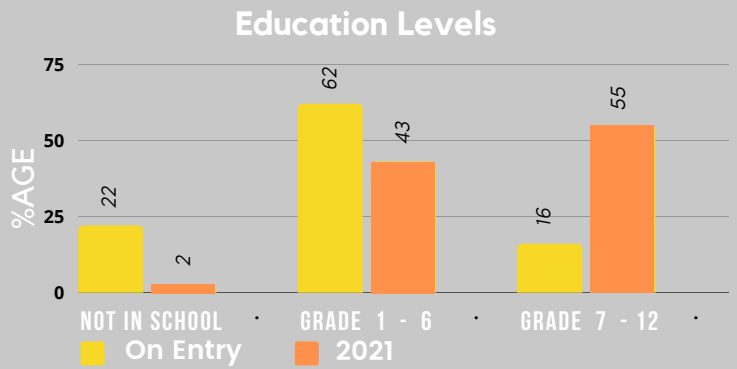
We were worried that many of Flame's students would drop out of school to find income help for their families during the COVID lockdown phase. Still, out of 205 students, only 13 had to move to the province with their families, and seven older teenagers found jobs to help their families. As soon as restrictions were lifted, we had 35 new students join the programs, raising the total number of students in Flames After School programs to 220.

YOU are bringing life change to urban poor families

Impact

The Education team's hard work is shown at both ends of this graph. The biggest achievement is seen in the number of children remaining in school after Grade 7.

To see an increase of 244%, from just 16 students to a massive 55 students, is indicative of the impact this team is having in the lives of teenagers in Flame's programs.



PISEY

Real Life Impact

Pisey didn't start at public school until he was 12 years old, and before that, he worked to earn money to support his family. He had to get up early, go to market and ask for some jobs that he could do. Even though the family's situation was challenging, he never gave up on studying. During the COVID restrictions of 2021, he needed to learn online, but he found this very hard. When the exam results came out, he didn't see his name and assumed he had failed his grade 6 exam. He was very disappointed and told Flame staff, "I will repeat the year if I need to; I will not stop". When the next school year started, he went to see which class he was in and found that he had passed the exam; he just hadn't seen his name the first time. He says, "I am so very thankful to Flame; if I don't have Flame, I cannot study."

This is an impact YOU can be proud of



NUSA

Real Life Impact

NUSA is 7 years old. Her parents divorced and remarried, leaving Nusa and her brother with their 58-year-old grandmother, who works as a cleaner. Nusa came to study in our centre in January 2021.

On Nusa's first day at the Flame centre in Bong Tumpun, her grandmother told us that Nusa is different from other kids: she can't remember even a tiny thing, and even at home, she talks very little. Previously, people had told the grandmother that Nusa might have autism. This made the grandmother cry.

YOU are bringing life change to urban poor families

Initially, Nusa did not talk to anyone, even the teachers or centre leader. She would just run to her classroom without looking at anyone. When Flame's leader or teacher would say 'hi,' she smiled and walked away.

It has been over a year since she has been studying in our centre, and Sreymeas, Bong Tumpun's Team Leader, is so impressed with Nusa.

The teachers have commented that Nusa's study is progressing all the time. In the centre, she has friends and is even friends with higher-level students. She plays, laughs, jokes, and says, "How do you do!" to the teachers whenever she arrives.

Now she even rides her small bike by herself from her house to our centre every day and goes to play football as well.

Recently, Nusa's grandmother told Sreymeas that Nusa had also changed a lot at home. She speaks a lot and helps to do housework like washing dishes and clothes, and even takes her little brother to study with her at home. Her grandmother excitedly told Sreymeas that even the neighbours have noticed, and they comment about Nusa's progress and compliment her all the time.

Grandma says, "I am so happy and relieved to see the huge change in Nusa. I don't know how to thank Flame's teachers; you believed in Nusa, and look at her now!"

This is an impact YOU can be proud of



Leadership

Despite the stress around online learning for the whole of 2021, six students defied the odds, persevered through difficulties and graduated with their university degrees. The character they showed to work hard and not give up is already increasing their value in the job market. They are launching themselves into leadership roles that will benefit their families, communities and beyond. They are great young leaders who show resilience and maturity beyond their years.

Numbers

$18 - 6 + 8 = 20$

- 18 Students received a university scholarship
- 6 completed their degree and graduated
- 8 new students joined the program

YOU are bringing life change to urban poor families

Impact**SEYHA***Real Life Impact*

Seiha graduated with her Bachelor's degree in English for Communication in 2021 and is now working full-time as a Grade 1 teacher in an International School. In 2021, she was the only income provider for her family, and when her work was disrupted, and she was without a salary for a few months, life was tough. Seiha is a hard worker who patiently cares for her family without complaining. She has developed a great attitude toward life, and we are excited to see where life will take her.

This is an impact YOU can be proud of



PHALLA

Real Life Impact

Phalla is the third child in the family with four siblings. Her father is a construction worker and her mother is a housewife.

Four years ago, one of her brothers had an accident and broke his arm so they had to sell their land to pay for the hospital bill and went to live in a rented house. The whole family was depending on the father's construction worker salary which earned only 6 dollars a day. Even though the daily living was hard, her father was determined to send his kids to school. He wanted all his children to finish high school at least.

Because of the worsening family situation, she was sent to live with her grandma in the province in a very small wooden house at the age of 15.

YOU are bringing life change to urban poor families

“Even when I lived in the province and the school was far away, I was determined to walk to school because I wanted to finish high school. I had a dream to become a high school teacher if possible so that I would be able to lift my family situation. One day I met someone from Flame who told me about the Leadership Academy. I applied and was accepted. I realised then that something great would happen in my life.”

The opportunity she was given meant she could go to university, which was just a dream that her parents never thought could be achieved. With the support from Flame, her life has changed dramatically, physically, emotionally, and financially.

In the Leadership Academy, she received love and care; she has grown in her leadership and communication skills. Besides the bachelor’s degree, she has just graduated with four years of university experience that has improved her discipline, and she has developed a strong character. She overcomes procrastination and has learned what it takes to reach her goals.

After completing her degree, Bachelor of Science majoring in Biology, she now has a well-paid job as a teacher in one of the international schools in Phnom Penh. She can support herself and her family for their daily needs. Her family is no longer living in a rented house; they have once again bought their land and home.

Even though she hasn’t yet reached her dream job, she is on the way.

This is an impact YOU can be proud of

S T A



Flame has 35 incredible Cambodian staff, many with their full circle story working passionately with the kids and families in Flames projects. 29 of the 35 staff are directly involved in face-to-face contact, with 6 in support roles.

A F F F

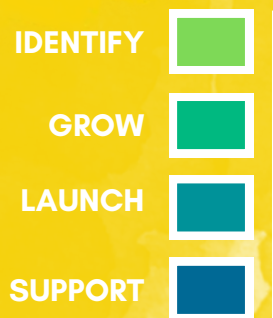
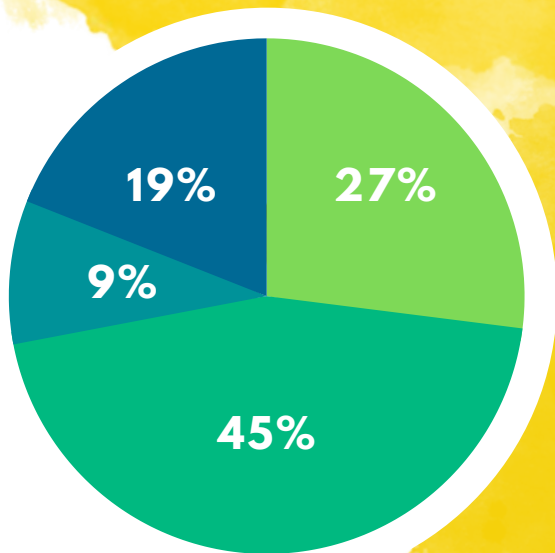
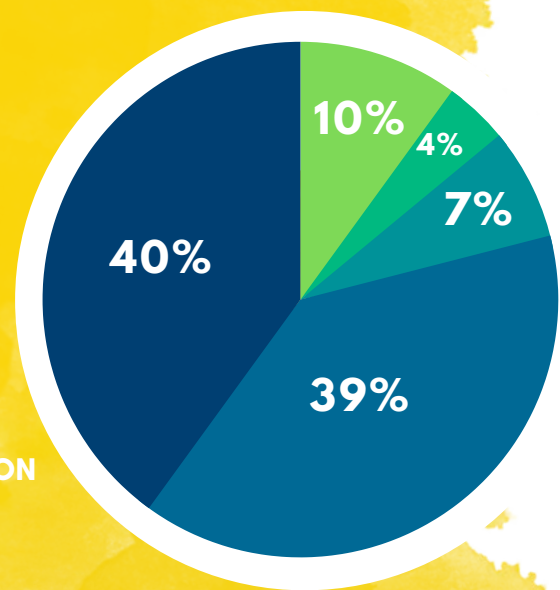


Four expatriates volunteered in Cambodia in 2021. One was in a full-time role, and three others were part-time. Volunteers, including five Board members, run Flame New Zealand.

Thank you to all the worldwide volunteers who fundraise, support and promote Flame. You are all a vital part of Team Flame.

FINANCE

Income 2021



Expenses 2021

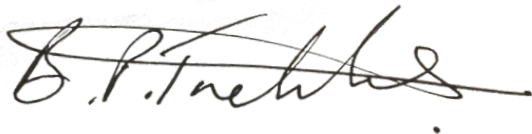
APPROVAL OF FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

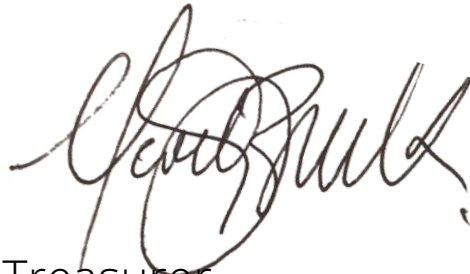
The Board of Trustees are pleased to present the approved financial report including the historical financial statements of Flame Cambodia for the year ended 31 December 2021.

APPROVED

For and on behalf of the Board of Trustees.



Chairman
20th July 2022



Treasurer
20th July 2022

STATEMENT OF FINANCIAL PERFORMANCE

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
REVENUE		
Interest, Dividends & Other Investment Revenue	1,046	4,933
Donations	478,321	505,355
Fundraising Revenue	0	6,315
Revenue from Providing Goods or Services	2,740	3,058
TOTAL REVENUE	482,106	519,661
GROSS PROFIT		
	482,106	519,661
EXPENSES		
Volunteer and Employee Related Costs	251,177	209,252
Costs related to providing goods & services	0	968
Grants & donations made	36,706	21,629
Expenses relating to public fundraising	52	393
Other Expenses	159,951	139,255
TOTAL EXPENSES	447,886	371,499
SURPLUS (DEFICIT) FOR THE YEAR		
	34,221	148,162

The above statement of financial performance should be read in conjunction with the accompanying statement of accounting policies and notes to the performance report.

STATEMENT OF FINANCIAL POSITION

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
Assets		
Current Assets		
Cash and Cash Equivalents	245,557	223,969
Trade and Other Receivables	528	935
Other current assets	3,442	5,893
Total Current Assets	249,527	203,798
Non-Current Assets		
Property, Plant and Equipment	144,475	130,593
Total Non-Current Assets	144,475	130,593
Total Assets	394,003	361,391
Liabilities		
Current Liabilities		
Borrowings	0	14,166
Employee Benefit Obligations	4,389	3,482
Total Current Liabilities	4,389	12,671
Total Liabilities	4,389	12,671
Net Assets	389,613	343,744
Equity		
Share Capital	170,648	165,052
Retained Earnings		
Retained Earnings	184,745	30,530
Current year earnings	34,221	148,162
Total Retained Earnings	218,966	178,692
Total Equity	389,613	343,744

The above statement of financial performance should be read in conjunction with the accompanying statement of accounting policies and notes to the performance report.

STATEMENT OF CASHFLOW

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
Cash from Operating Activities		
Cash receipts from Donations	476,904	512,587
Receipts from providing goods & services	2,740	0
Interest & Dividends received	1,089	0
Fundraising Revenue	0	6,315
Cash was applied to		
Payments to supplies and employees	(395,385)	(450,153)
Cash payments from other operating activities		
Gain/Loss on sale of fixed assets	0	682
Donations or grants paid		
Sponsorship: Family Sponsorships	(26,611)	(15,512)
Sponsorship: Student Living Costs Sponsorship	(10,094)	(6,118)
Total Donations or grants paid	(36,706)	(21,629)
Foreign Exchange adjustments		
Foreign Currency gains/Loss adjustments	9	(112)
Total Cash applied		
Net Cash Flows from Investing Activities	48,651	154,414
Cash applied to Investing Activities		
Payment for property, plant and equipment	(19,127)	(47,650)
Employee costs	789	(103)
Loans repaid	(14,646)	0
Other cash items from investing activities	2,632	(664)
Total Cash applied to Investing	(30,352)	(48,417)
NET CASH FLOWS	18,299	105,997
Cash & Cash Equivalents		
Cash and Cash equivalents at beginning of period	227,738	113,609
Cash and cash equivalents at end of period	246,037	219,606
NET CHANGE IN CASH FOR PERIOD	18,299	105,997

The above statement of financial performance should be read in conjunction with the accompanying statement of accounting policies and notes to the performance report.

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021

Basis of Preparation

Flame Cambodia has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting - Accrual (Not-For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting.

The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

Goods and Services Tax (GST)

Flame Cambodia is not registered for GST. Therefore amounts recorded in the Performance Report are inclusive of GST (if any).

Income Tax

Flame Cambodia is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short-term deposits) with original maturities of 90 days or less.

Accounts Receivable (Loans and receivables)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial recognition, these are measured at amortised cost using the effective interest method, less any allowance for impairment. The Trust's cash and cash equivalents, receivables from exchange transactions and receivables from non-exchange transactions fall into this category of financial instruments.

Investment

Short term investments comprise term deposits which have a term of greater than three months and therefore do not fall into the category of cash and cash equivalents

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021

PROPERTY AND EQUIPMENT

Land

Land held for use in administration is stated at revalued amounts. Revalued amounts are fair market values based on appraisals prepared by external professional valuers once every five years or more frequently if market factors indicate a material change in fair value. Any revaluation surplus arising upon appraisal of land is recognised in other comprehensive income and credited to the revaluation reserve in equity. To the extent that any revaluation decrease or impairment loss has previously been recognised in profit or loss, a revaluation increase is credited to profit or loss with the remaining part of the increase recognised in other comprehensive income. Downward revaluations of land are recognised upon appraisal or impairment testing, with the decrease being charged to other comprehensive income to the extent of any revaluation surplus in equity relating to this asset and any remaining decrease recognised in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

Land is not depreciated.

Buildings

The building at Sen Sok was almost completed by the end of the 2020 Financial Year. It was decided that the building, the After School Activity Centre in Sen Sok should be depreciated the rate of 3%. This gives it a useful life of 30 years.

IT Equipment And Other Equipment

IT equipment and other equipment (comprising fittings and furniture) are initially recognised at acquisition cost or manufacturing cost, including any costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by the Trust's management.

IT equipment and other equipment are subsequently measured using the cost model, cost less subsequent depreciation and impairment losses. Depreciation is recognised on a straight-line basis to write down the cost less estimated residual value of IT equipment and other equipment.

The following useful lives are applied:

Furniture & Fixtures: 8 years

Machinery & Equipment: 8 years

Vehicles: 5 years

IT equipment: 5 years

Buildings: 30 years

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021

It Equipment And Other Equipment : Continued

Material residual value estimates and estimates of useful life are updated as required, but at least annually. Property, plant and equipment acquired with individual values under \$300 are not capitalised, they are recognised as an expense at the time of acquisition. Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss within other income or other expenses.

Accounts Payable

Accounts payable represents liabilities for goods and services provided to the organisation prior to the end of the financial year which are unpaid. Accounts payable are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 12 months of recognition.

EMPLOYEE BENEFITS

Short-term employee benefits

Short-term employee benefits are benefits, other than termination benefits, that are expected to be settled wholly within 12 months after the end of the reporting period in which the employees render the related service. Examples of such benefits include wages and salaries, non-monetary benefits and accumulating sick leave. Short-term employee benefits are measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The Trust's liabilities for annual leave and long service leave are included in other long term benefits as they are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are measured at the present value of the expected future payments to be made to employees. The expected future payments incorporate anticipated future wage and salary levels, the experience of employee departures and periods of service, and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the timing of the estimated future cash outflows. Any remeasurements arising from experience adjustments and changes in assumptions are recognised in profit or loss in the periods in which the changes occur.

Revenue

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Trust and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. The following specific recognition criteria must be met before revenue is recognised.

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 31 DECEMBER 2021

REVENUE FROM NON-EXCHANGE TRANSACTIONS

Grant revenue

Grant revenue includes grants given by other charitable organisations, philanthropic organisations and businesses. Grant revenue is recognised when the conditions attached to the grant has been complied with. Where there are unfulfilled conditions attaching to the grant, the amount relating to the unfulfilled condition is recognised as a liability and released to revenue as the conditions are fulfilled.

Donations

Donations are recognised as revenue upon receipt and include donations from the general public, donations received for specific programme or services or donations in-kind. Donations in-kind include donations received for services, food, clothing, furniture and volunteer time and is recognized in revenue and expense when the service or good is received. Donations in-kind are measured at their fair value as at the date of acquisition, ascertained by reference to the expected cost that would be otherwise incurred by the organization. Services in-kind may be recognized as revenue but do not have to be, including volunteer time which has been recorded where possible but has not been given a financial value in these financial statements.

Legacies and bequests

Revenue from legacies and estates that satisfies the definition of an asset is recognized as revenue when it is probable that future economic benefits or service potential will flow to the entity, and the fair value can be measured reliably.

REVENUE FROM EXCHANGE TRANSACTIONS

Sales Revenue

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been transferred to the buyer on delivery of the goods and when the amount of revenue can be measured reliably and it is probable that the economic benefits or service potential associated with the transaction will flow to the Trust.

Interest revenue

Interest revenue is recognized as it accrues, using the effective interest method.

Operating expenses

Operating expenses are recognized in profit or loss upon utilization of the service or at the date of their origin.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
1. Revenue		
Fundraising Revenue		
Fundraising Revenue	0	6,315
Donations		
Donations- Educational Groups	32,734	18,252
Donations- Corporates	17,178	15,584
Donations- Trusts, Grants & Foundation	194,228	201,660
Donations- Individuals	187,334	219,464
Donations- Christian Organizations	46,846	50,395
Total Donations	478,321	505,355
Revenue from providing goods & services		
Product Donation: Craft	2,740	2,694
Product Donation: Other income	0	364
Total Revenue from providing goods & services	2,740	3,058
Interest, Dividends & Investment income		
Bank Interest Received	1,046	4,933
Total Revenue	482,106	519,661

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
2. Expenses		
Expenses related to public fundraising		
Marketing & Advertising	52	393
Volunteer & Employee related costs		
Staff Salary	186,848	172,583
Staff Honoraria	5,157	0
Staff Insurance	7,487	5,901
Staff Training	3,756	1,772
Staff Costs: Other	0	337
Staff Volunteer support costs	13,706	1,452
Staff Retreat	5,908	897
Staff Provident Expense	10,496	9,340
Staff Event	2,197	3,070
Staff Bonus Account	14,888	12,502
Staff Uniforms/T shirts	735	1,389
Total Volunteer & Employee related costs	251,177	209,252
Costs related to providing goods & services		
Crafts: Craft Materials	0	219
Crafts: Craft Labor & Fees	0	749
Total Costs related to providing goods & services	0	968
Grants & Donations made		
Sponsorships: Family Sponsorship	26,611	15,512
Sponsorships: Student Living Costs Sponsorship	10,094	6,118
Total Grants & donations made	36,706	21,629
Other Expenses		
Bank Revaluations	4,758	(4,502)
Donations Bank Fees	1,416	1,315
Overheads	22,238	36,229
Direct costs	121,918	97,744
Disposal of fixed assets	284	934
Depreciation	9,346	7,436
Foreign Exchange gain or loss	9	100
Total Other Expenses	159,952	139,255
Total Expenses	447,886	371,499

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
3. Analysis of assets & liabilities		
Total current assets		
Bank accounts & cash		
Cash on hand	7,116	7,282
PayPal (NZD)	472	963
AUD PayPal	1,878	0
USD PayPal	830	0
ANZ Account 241515(USD)	61	59
ABA 000676672 (USD)	969	74,912
Prasac Term Deposit	173,520	0
Prasac Saving Account	14	0
ANZ Go Account (NZD)	19,812	84,553
Vision fund	0	70
Vision Fund Deposit	0	1
Stripe NZD	0	151
Total Bank accounts & cash	245,557	223,969
Debtors & prepayments		
Debtors	401	831
Prepayments	128	104
Total Debtors & prepayments	528	935
Other current assets		
Loans to Families	0	56
Loan to Employee	0	782
Deposits	3,442	5,056
Total Other current assets	3,442	5,893
Total Total currents assets	249,527	230,798
Current liabilities		
Employee costs payable		
Provident Fund Accrual	0	78
Payroll tax Payable	239	243
Staff Thirty month Accrual	4,150	3161
Total Employee costs payable	4,389	3482
Total Current liabilities	4,389	3482
Loans		
Loan Payable (SH)	0	14,166
Total Loans	0	14,166
Total Analysis of assets & liabilities	245,138	213,151

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021	2020
4. Property, Plant and Equipment		
Building		
Opening Balance	34,344	0
Buildings	17,402	33,218
Total Buildings at cost	51,746	33,218
Accumulated depreciation- buildings	(1,594)	(168)
Total Buildings	50,152	33,050
Land		
Opening Balance	74,582	72,137
Total Land	74,582	72,137
Furniture & Fittings		
Opening Balance	3,465	4,454
Furniture & Fixtures additions & (disposals)	(281)	(1,103)
Total Furniture and fittings at cost	3,184	3,351
Accumulated depreciation - furniture and fittings	(1,739)	(1,657)
Total Furniture & Fittings	1,445	1,694
Machinery & Equipment		
Opening Balance	2,707	4,353
Machinery & Equipment Additions & (disposals)	0	(1,734)
Total Machinery & Equipment at cost	2,707	2,618
Accumulated Depreciation - Machinery & Equipment	(2,230)	(1,829)
Total Machinery & Equipment	477	789
IT Equipment		
Opening Balance	18,425	6,061
IT Equipment additions & (disposals)	1,295	20,806
Total IT Equipment at cost	19,720	26,867
Accumulated depreciation - IT assets	(5,512)	(9,046)
Total IT Equipment	14,208	17,821
Vehicles		
Opening Balance	5,274	10,355
Vehicles additions & (disposals)	0	(1,192)
Total Vehicles at cost	5,274	11,547
Accumulated depreciation - Vehicles	(1,663)	(6,445)
Total Vehicles	3,611	5,101
Total Property, Plant and Equipment	144,475	130,593

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

	2022	2021
5. Commitments, Provisions & contingencies		
Commitment to Lease or Rent Assets		
Lease rental at Sen Sok	0	752
Lease rental at Boeung Trabek	3,960	2,340
Lease rental at Boeung Tompon	5,544	5,850
Lease rental at Steung Menchey	5,280	6,685
Total Commitments, Provisions & contingencies	14,784	15,627
6. Accumulated Funds		
Opening fund balance		
Accumulated surpluses or deficits	184,745	30,530
Reserves	170,648	165,052
Total Opening fund balance	355,393	195,582
Current year earnings	34,221	148,162
Total Accumulated Funds	389,613	343,744
7. Related party transactions		
Salaries		
Board member expenses	16,416	3,585
Board member salary	0	9,337
Total Salaries	16,416	12,922
Balance Payable		
Loan from board member	0	14,166
Total Balance Payable	0	14,166
8. Events after balance date		
No events after balance date	0	0
9. Additional information		
Exchange rate used to prepare this report - USD to NZD	1.440	1.393

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Flame Cambodia

Opinion

We have audited the financial statements of Flame Cambodia ("the Organization"), which comprise the statement of financial position as at 31 December 2021 and statement of income and expenses and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Organization as at 31 December 2021 and for the year then ended are prepared, in all material respects, in accordance with the accounting principles set out in Note 2 to the financial statements and the financial reporting provision of the Organization and its applicable funding agencies.

Basis of 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 ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of 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 Organization in complying with the financial reporting provisions of the Organization and its applicable funding agencies. As a result, the financial statements 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 the Organization and its applicable funding agencies. Our opinion is not modified in respect of this matter.

Other matter

The financial statements of the Organization for the fiscal year ended 31 December 2020, were not audited.

INDEPENDENT AUDITOR'S REPORT (Cont.)

Responsibilities of the Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of the Organization and its applicable funding agencies and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern using the going concern basis of accounting unless management either intends to liquidate the Organization or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Organization's financial reporting process.

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 misstatements 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 Organization'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 Organization'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 Organization to cease to continue as a going concern.

We communicate with those charged with governance 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.

Junro L. Binag, CPA

Partner

Donasco & Co., Ltd.

Certified Public Accountants & Registered Auditors

Building 53, M floor, Room MA,

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We do this

Thank
for your

Together

you
support



THANK YOU

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POOR
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