

TRANSPARENCY INTERNATIONAL CAMBODIA

Report of the Board of Directors
and
Audited financial statements

As at and for the year ended 31 December 2020

TRANSPARENCY INTERNATIONAL CAMBODIA

CONTENTS

	<i>Pages</i>
REPORT OF THE BOARD OF DIRECTORS	1 - 2
AUDITED FINANCIAL STATEMENTS	
Independent auditor's report	3 - 5
Statement of comprehensive Income	6
Statement of financial position	7
Statement of changes in reserves	8
Statement of cash flows	9
Notes to the financial statements	10 - 30

TRANSPARENCY INTERNATIONAL CAMBODIA

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of Transparency International Cambodia (“TI Cambodia” or “the Organization”) submits its report together with the audited financial statements of the Organization as at 31 December 2020 and for the year then ended.

THE ORGANIZATION

Transparency International Cambodia was founded on 5 July 2010 and was officially registered with the Royal Government of Cambodia in July 2011. TI Cambodia is an accredited National Chapter of Transparency International. The mission of TI Cambodia is to work together with individuals and institutions at all levels to promote integrity and reduce corruption in Cambodia.

PRINCIPAL ACTIVITIES

TI Cambodia’s strategic activities are in line with the United Nations Convention against Corruption’s (UNCAC) core chapters on preventive measures, law enforcement, international cooperation and implementing mechanism to promote and strengthen measures to prevent and combat corruption and to promote integrity and social accountability.

TI Cambodia’s strategic activities are also complementary to the efforts and commitments being made by the Anti-Corruption Unit (ACU) of the Royal Government of Cambodia set forth in the Anti-Corruption Strategic Foundation which requires a three-headed arrow to promote and fight corruption in Cambodia namely (1) public education, (2) prevention, and (3) enforcement of anti-corruption law.

THE BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Ms. Vong Socheata	Chairwoman
Mr. Norbert Klein	Vice-chairman
Ms. Srey Sotheavy	Member
Ms. Oung Chanthol	Member
Ms. Khak Chenda	Member
Mr. Pech Pisey	Executive director

AUDITOR

Ernst & Young (Cambodia) Ltd., is the auditor of the Organization.

STATEMENT OF BOARD OF DIRECTORS’ RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of Directors is responsible for ensuring that the financial statements give a true and fair view of the financial position of the Organization as at 31 December 2020, and its financial performance and its cash flows for the year then ended. In preparing these financial statements, the Board of Directors oversees the preparation of these financial statements by managements who is required to:

- Adopt appropriate accounting policies which are supported by reasonable and prudent judgements and estimates and then apply them consistently;
- Comply with Cambodian International Financial Reporting Standard for Small and Medium-sized entities (“CIFRS for SMEs”) or, if there has been any departures in the interests of true and fair presentation, ensure this has been appropriately disclosed, explained and quantified in the financial statements;
- Maintain adequate accounting records and an effective system of internal controls;

TRANSPARENCY INTERNATIONAL CAMBODIA

REPORT OF THE BOARD OF DIRECTORS (continued)

STATEMENT OF BOARD OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS (continued)

- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Organization will continue operations in the foreseeable future; and
- Set overall policies for the Organization, ratify all decisions and actions that have a material effect on the operations and performance of the Organization, and ensure they have been reflected in the financial statements.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Organization and to ensure that the accounting records comply with the applicable accounting system. They are also responsible for safeguarding the assets of the Organization and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Board of Directors confirms that the Organization has complied with the above requirements in preparing the financial statements.

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements which give a true and fair view of the financial position of the Organization as at 31 December 2020, and its financial performance and its cash flows for the year then ended, in accordance with CIFRS for SMEs.

On behalf of the Board of Directors:



Pech Pisey
Executive Director



Phnom Penh, Kingdom of Cambodia

1 June 2021

Reference: 61649498/22342578

INDEPENDENT AUDITOR'S REPORT

To: The Board of Directors of Transparency International Cambodia

Opinion

We have audited the financial statements of Transparency International Cambodia ("the Organization"), which comprise the statement of financial position as at 31 December 2020, and the statement of comprehensive income, statement of changes in reserves 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 give a true and fair view of the financial position of the Organization as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities ("CIFRS for SMEs").

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 Prakas on the Code of Ethics for Professional Accountants and Auditors issued by the Royal Government of Cambodia, and we have fulfilled our other ethical responsibilities in accordance with its requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Organization for the year ended 31 December 2019 were audited by another auditor. The financial statements for the year ended 31 December 2019 were not a complete set of financial statements as the statement of cash flows and corresponding figures on the statement of financial position were not presented, as such the auditor expressed a modified opinion on those statements on 28 February 2020.

Information Other than the Financial Statements and Auditor's Report Thereon

The other information obtained at the date of the auditor's report comprises the Report of the Board of Directors. Management is responsible for the other information. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the financial statements 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 Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view in accordance with CIFRS for SMEs, 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.

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

In preparing the financial statements, management is responsible for assessing the Organization'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 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 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 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.
- 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.

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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.



Sinratana Lan
Partner

Ernst & Young (Cambodia) Ltd.
Certified Public Accountants
Registered Auditors

Phnom Penh, Kingdom of Cambodia

1 June 2021

TRANSPARENCY INTERNATIONAL CAMBODIA

STATEMENT OF COMPREHENSIVE INCOME for the year ended 31 December 2020

	Notes	2020 US\$	2019 US\$ (As reclassified- Note 27)
Income			
Unrestricted income	5	809,118	1,212,890
Restricted income	6	694,322	277,251
Other income	7	77,613	30,637
Total income		1,581,053	1,520,778
Expenditures			
Program activity costs	8	474,482	357,325
Personnel costs	9	836,638	976,525
Capital expenditure	10	36,751	31,052
Office running costs	11	85,702	86,108
Communication	12	18,580	21,132
Capacity development	13	290	2,845
Professional fee	14	19,501	13,434
Indirect costs	15	52,841	24,242
Total expenditures		1,524,785	1,512,663
Net surplus for the year		56,268	8,115
Other comprehensive income		-	-
Total comprehensive income for the year		56,268	8,115

The accompanying notes 1 to 29 form an integral part of these financial statements.

TRANSPARENCY INTERNATIONAL CAMBODIA

STATEMENT OF FINANCIAL POSITION as at 31 December 2020

	Notes	2020 US\$	2019 US\$ (As reclassified- Note 27)
ASSETS			
Current assets			
Cash and cash equivalents	16	547,235	317,511
Deposits and prepayments	17	17,771	22,179
Accrued income – donors	18	-	8,844
Advance to project partners	19	140,186	1,344
Other assets		150	-
		705,342	349,878
Non-current assets			
Property and equipment	20	235,805	49,215
Intangible asset	21	-	91
		235,805	49,306
TOTAL ASSETS		941,147	399,184
LIABILITIES			
Current liabilities			
Deferred income – donors	22	616,822	95,583
Other payables	23	70,835	39,536
Staff termination benefit	24	23,322	36,022
		710,979	171,141
Non-current liability			
Staff termination benefit	24	99,424	153,567
Total liabilities		810,403	324,708
RESERVES		130,744	74,476
TOTAL LIABILITIES AND RESERVES		941,147	399,184

The accompanying notes 1 to 29 form an integral part of these financial statements.

TRANSPARENCY INTERNATIONAL CAMBODIA

STATEMENT OF CHANGES IN RESERVES for the year ended 31 December 2020

	<i>Reserves</i>
	<i>US\$</i>
Balance as at 1 January 2020	74,476
Net surplus for the year	56,268
Balance as at 31 December 2020	130,744
Balance as at 1 January 2019	66,361
Net surplus for the year	8,115
Balance as at 31 December 2019	74,476

The accompanying notes 1 to 29 form an integral part of these financial statements.

TRANSPARENCY INTERNATIONAL CAMBODIA

STATEMENT OF CASH FLOWS for the year ended 31 December 2020

	Notes	2020 US\$	(Unaudited) 2019 US\$
OPERATING ACTIVITIES			
Net surplus for the year		56,268	8,115
Non-cash adjustments:			
Depreciation and amortization	20,21	20,359	19,713
Interest income	7	(8,783)	(551)
Staff termination benefit		(66,843)	52,567
<i>(Increase) decrease in operating assets:</i>			
Deposit and prepayments		4,408	(1,320)
Accrued income – donors		8,844	1,928
Advance and other receivables		(138,842)	19,223
Other assets		(150)	14,700
<i>Increase (decrease) in operating liabilities:</i>			
Other payables		31,299	(2,455)
Deferred income – donors		521,239	(231,148)
		427,799	(119,228)
Interest received		8,783	551
Net cash from (used in) operating activities		436,582	(118,677)
INVESTING ACTIVITY			
Purchase of property and equipment	20	(206,858)	(6,600)
Net increase (decrease) in cash and cash equivalents		229,724	(125,277)
Cash and cash equivalents at beginning of year		317,511	442,788
Cash and cash equivalents at end of year	16	547,235	317,511

The accompanying notes 1 to 29 form an integral part of these financial statements.

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS as at and for the year ended 31 December 2020

1. BACKGROUND AND ACTIVITIES

Transparency International (“TI”) is the global civil society organization leading the fight against corruption. It brings people together in a powerful worldwide coalition to end the devastating impact of corruption on men, women, and children around the world. TI’s mission is to create change towards a world free of corruption.

Transparency International Cambodia (“the Organization” or “TI Cambodia”) was founded on 5 July 2010 and was officially registered with the Royal Government of Cambodia in July 2011. TI Cambodia is an accredited National Chapter of Transparency International. The mission of TI Cambodia is to work together with individuals and institutions at all levels to promote integrity and reduce corruption in Cambodia.

TI Cambodia’s strategic activities are in line with the United Nations Convention against Corruption’s (“UNCAC”) core chapters on preventive measures, law enforcement, international cooperation and implementing mechanism to promote and strengthen measures to prevent and combat corruption and to promote integrity and social accountability. TI Cambodia’s strategic activities are also complementary to the efforts and commitments being made by the Anti-Corruption Unit (“ACU”) of the Royal Government of Cambodia set forth in the Anti-Corruption Strategic Foundation which requires a three-headed arrow to promote and fight corruption in Cambodia namely (1) public education, (2) prevention, and (3) enforcement of anti-corruption law.

TI Cambodia receives core funding for the main strategic programme from the Swedish International Development Cooperation Agency (“SIDA”) and the European Union (“EU”) for the period 1 January 2020 - 31 December 2022. TI Cambodia also receives funds for specific projects from TI-Secretariat (“TI-S”) and other donors.

The Organization’s registered office is located at no.13, street 554, Sangkat Boeng Kak I, Khan Tuol Kork, Phnom Penh. As at 31 December 2020, the Organization employed 34 employees (2019: 33 employees).

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Cambodian International Financial Reporting Standard for Small and Medium-sized Entities (“CIFRS for SMEs”) which is based on IFRS for SMEs as adopted by the National Accounting Council of Cambodia. The financial statements, expressed in United States dollar (“US\$”), are prepared on a historical cost basis. The amounts are rounded to the nearest dollar unless otherwise indicated.

Fiscal year

The Organization’s fiscal year starts on 1 January and ends on 31 December.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Functional currency

The Organization maintains its accounting records and presents its financial statements in the US\$ to reflect the underlying transactions, events and conditions that are relevant to the Organization.

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Functional currency (continued)

The Organization's income and expenditures are earned and purchased and/or paid in the US\$. Based on the economic substance of the underlying circumstances relevant to the Organization, it is the currency in which the Organization substantially both generates and expends cash in the country in which it operates.

Foreign currency translation

The Organization transacts and maintains its accounting records primarily in the US\$. Transactions in currencies other than the US\$ are converted into the US\$ at the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in currencies other than the US\$ at the reporting date are translated into the US\$ at the market rates of exchange ruling at that date. Exchange differences are recognised in the income statement.

Recognition of income

TI Cambodia receives income mainly from grants, with residual amounts of funds being raised through individual donations, performance of charitable activities and finance income. Regardless of the origin of the income, all contributors to income are henceforth defined as "donors". The recognition criteria for each category of income is detailed below.

i. Grant income

Grant income is accounted for in accordance with Section 24 of CIFRS for SMEs. As such, income is recognised when (a) the grant proceeds are receivable, (b) performance conditions are met. TI Cambodia considers proviso (a) met when the formal offer of funding is communicated in writing. Proviso (b) is met when the activities required by the grant have been performed or the objectives upon which the grant is conditional have been met. When entitlement is dependent on certain specific performance conditions, funds are identified as "restricted or unrestricted" and recognised as income when conditions are satisfied. This is usually proportional to the relevant expenditure incurred. Grants received but not yet utilised are presented in the Statement of Financial Position as current liabilities under "Deferred income - donors"; grants committed and utilised but not yet received in cash are presented within current assets under "accrued income - donors".

ii. Individual donations

Individual donations are recognised when they are deemed receivable. An individual donation is deemed to be receivable when actually received, e.g. in the case of voluntary cash payments collected via the TI Cambodia's website; or when a contract is in place and any outstanding conditions under the contract have been met, e.g. contributions from legacies are recognised when the administrator confirms the transfer of title of the equity. Donations in kind, if any, are recognised at fair value when received using a reliable estimate of the cost of the donated goods or services.

iii. Finance income

Finance income comprises interest income on deposits and exchange rate gains. Interest income and realised exchange rate gains are recognised when TI Cambodia becomes entitled to them.

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Recognition of expenditure

Expenditure comprises operating expenditure incurred at TI Cambodia, operating expenditure incurred by project partners, and finance costs. The recognition criteria for each category of expenditure are detailed below.

i. Operating expenditure incurred at TI Cambodia

Operating expenditure incurred at TI Cambodia consists generally of staff costs, office running costs, travel costs and consultancy fees. Service and labour costs are recognised in line with the rendering of services and labour; purchases of goods are recognised when TI Cambodia acquires title to the property. Office running costs include leases, related to office space and equipment. Under current lease contracts, a significant portion of the risks and rewards of ownership are effectively retained by the lessor. As such, in accordance with Section 20, these are classified as operating leases, and the related payments are charged to the statement of comprehensive income on a straight-line basis over the period of the lease.

Program costs are fully charged for each activity incurred under the respective donor while the running costs, supporting staff costs are shared-cost to each donor based on the approved budget.

ii. Operating expenditure incurred by project partners

A portion of TI Cambodia's expenditure is incurred by project partners that receive grants from TI Cambodia, mostly for the implementation of grant-funded projects.

Expenditure is accounted for when incurred by the partner. TI Cambodia estimates the expenditure incurred based on periodic reports issued by partners, which are assessed for accuracy and compliance with donor requirements and good accounting practice.

Grants disbursed but not yet spent by project partners are included in the Statement of Financial Position as "Advances to project partners".

iii. Finance costs

Finance costs comprise of exchange rate losses.

Classification of Expenditures

Program activity costs are direct expenditures charged to the projects funded by the respective donors. Other expenditures relating to personnel, capital expenditure, office running, communication, capacity development and professional fees are systematically allocated to projects and activities as per budget heading based on the available fund limit in the approved budget by the respective donors. Indirect overhead costs are charged to projects at a maximum of 7% for EU, 10% for USAID and 15% for TI-A of total expenses respectively.

Income tax

Current income tax

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted during the reporting period.

Cash and cash equivalents

Cash and cash equivalents consist of cash, cash balance held at banks that are readily convertible to known amounts of cash and are subject to insignificant risk of change in value.

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other current assets and liabilities

Current assets are measured at their recoverable amount, while current liabilities are measured at the amount expected to be paid. All current balances are due within one year. Allowances for the impairment of "accounts receivable" and "advances to project partners" are made if the collection of the balance is doubtful. The amount of the allowance is the difference between the carrying amount of the asset and its recoverable amount.

Property and equipment

Tangible assets include office equipment, furniture and fittings, IT equipment and vehicle. They are initially recorded at cost and thereafter presented at the lower of historical cost less accumulated depreciation and their recoverable amount.

Depreciation is calculated on a straight-line basis over the useful life of each item as follows:

<i>Class of assets</i>	<i>Years</i>
Office equipment	5
Furniture and fittings	5
IT equipment	3
Vehicle	7

Disposals are recorded when the assets are scrapped or sold. Cost of maintenance is expended as incurred.

Computer software

Computer software is stated at historical cost less accumulated amortization and impairment losses, if any. This is amortized using the straight-line method over an estimated useful life of three years. Costs associated with the maintenance of computer software are recognized as expenses when incurred.

Employee benefits

(i) Pension fund

The Organization sets up a provision for pension fund for employees immediately after their employment. The Organization and staff contribute 10% each of the monthly salary to the pension fund scheme. The fund is maintained in a separate bank account with J Trust Royal Bank and Amret MFI under the Organization's name. The fund will be paid to the staff at the end of their employment. Staff who have been working with the Organization for less than two years are entitled to only the amount of their own contribution. During the employment, staff can advance their fund if they have been working with the Organization for more than two years.

Contribution of 10% by the Organization are reported under Personnel costs in statement of comprehensive income.

(ii) Seniority payment

Starting from 2019, the Organization pays a fifteen days annual seniority payment to staff under unfixed duration contract in two instalments with half of the seniority payment (7.5 days) in June payroll and the remaining half (7.5 days) in December payroll of each year. Payments made by the Organization are reported under Personnel costs in statement of comprehensive income.

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Employee benefits (continued)

(iii) Thirteen-month salary

The Organization pays a thirteen-month salary to the employees under extended-term contract and open-ended contract at the time of Khmer New Year (at the end of March or in early April) equal to one month's salary. To be eligible for this benefit, employees must have 12 months of continuous employment with the Organization. For a period of employment shorter than 12 months, the thirteen-month salary is reduced pro rata based on the number of full months worked to date. Payments made by the Organization are being reported under Personnel costs in statement of comprehensive income.

(iv) Paid annual leave

Full-time employees of the Organization are entitled to 18 days (1 day increase every 3 years) paid annual leave each year. Annual leave is to be taken at a time mutually agreed by the employee and their immediate supervisor. Employees are encouraged to take their full entitlement of annual leave during each calendar year. A maximum of 9 days of unused annual leave per employee can be carried forward to the following calendar year and any unused leave remaining more than 12 months will be forfeited. If employment is terminated or an employee resigns any accrued annual leave will be paid to the employee.

The cost of these benefits in the form of accumulated compensated absences is measured at the expected remuneration rates when the liability is settled.

Related parties

Parties are considered to be related if the Organization has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or vice versa, or where the Organization and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities.

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with CIFRS for SMEs requires management to make judgments and estimates that affect the valuation of assets, income, liabilities and expenses. These estimates and judgments are based on assumptions that are considered reasonable in the circumstances. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

(a) Critical judgments

In the process of applying the Organization's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the financial statements:

Determination of functional currency

Based on the economic substance of underlying circumstances relevant to the Organization, the functional currency of the Organization has been determined to be the US\$. The US\$ is the currency of the primary economic environment in which the Organization operates; and it is the currency that mainly influences the rendering of services and cost of providing the services.

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

4. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

(a) Critical judgments (continued)

Operating lease – Organization as a lessee

The Organization has entered into property lease arrangements under operating lease as a lessee. The Organization has determined, based on an evaluation of the terms and conditions of the arrangements, that the lessor retains all the significant risks and rewards of ownership of these properties.

(b) Critical accounting estimates and assumptions

The Organization makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed in this section.

Estimating useful lives of property and equipment and intangible asset

The Organization estimates the useful or economic lives of its property and equipment and intangible asset based on the period over which the assets are expected to be available for use. The Organization reviews annually the estimated useful or economic lives of property and equipment and intangible asset based on factors that include asset utilization, internal technical evaluation, technological changes and anticipated use of the assets tempered by related industry benchmark information. It is possible that future results of operation could be materially affected by changes in these estimates brought about by changes in factors mentioned. A reduction in the estimated useful or economic lives of property and equipment and intangible asset would increase depreciation and amortization expense and decrease property and equipment and intangible asset. As at reporting date, there are no changes in the estimated useful or economic lives of property and equipment and intangible asset.

5. UNRESTRICTED INCOME

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
The Swedish International Development Cooperation Agency and European Union (SIDA/EU)	<u>809,118</u>	<u>1,212,890</u>

This represents co-funding from SIDA and EU for the project Collective Actions Against Corruption 2020-2022.

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

6. RESTRICTED INCOME

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
Oxfam Novib Pro.A-05780-03	-	14,411
Oxfam Novib Pro.A-04849-04	38,023	-
Transparency International Secretariat (TIS) – EAGGER Project	-	18,820
The European Union (EU)	377,844	-
Transparency International Australia (TIA)	41,959	54,855
Transparency International Secretariat (TIS)- IPP Project	25,664	-
Transparency International Secretariat (TIS)-4.0 Project	33,298	-
U.S Agency for International Development (USAID)	177,534	189,165
	<u>694,322</u>	<u>277,251</u>

7. OTHER INCOME

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
Bank interest	8,783	551
Other contributions	1,850	297
Exchange gain	354	105
General donation	-	46
Miscellaneous	66,626	29,638
	<u>77,613</u>	<u>30,637</u>

Miscellaneous income pertains to indirect cost recovery based on a percentage of total monthly expense approved by the donor.

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

8. PROGRAM ACTIVITY COSTS

	2020									
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Project monitoring and evaluation	36,677	72,238	-	17,822	-	11,164	5,520	-	1,750	145,171
Workshop and conference	38,212	155,024	59,465	10,830	5,158	3,599	12,602	-	1,057	285,947
Publication	1,470	-	2,345	-	1,722	1,378	-	-	-	6,915
Transportation	10,616	641	5,254	985	2,770	872	-	-	78	21,216
Other direct costs	9,361	25	5,847	-	-	-	-	-	-	15,233
	96,336	227,928	72,911	29,637	9,650	17,013	18,122	-	2,885	474,482
	2019									
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Project monitoring and evaluation	64,344	-	1,963	-	-	-	-	5,515	-	71,822
Workshop and conference	138,107	-	64,163	5,072	1,691	-	-	2,816	2,111	213,960
Publication	2,660	-	3,238	-	-	-	-	198	-	6,096
Transportation	35,298	-	8,025	316	2,277	-	-	2,563	2	48,481
Other direct costs	2,275	-	6,310	-	-	-	-	-	8,381	16,966
	242,684	-	83,699	5,388	3,968	-	-	11,092	10,494	357,325

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

9. PERSONNEL COSTS

2020										
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Salary	422,959	73,857	81,021	6,600	26,059	4,052	12,000	-	6,591	633,139
Benefits	181,374	18,134	382	-	-	562	3,047	-	-	203,499
	604,333	91,991	81,403	6,600	26,059	4,614	15,047	-	6,591	836,638
2019										
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Salary	589,890	-	78,103	7,550	42,485	-	-	2,535	8,983	729,546
Benefits	246,834	-	-	76	-	-	-	69	-	246,979
	836,724	-	78,103	7,626	42,485	-	-	2,604	8,983	976,525

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

10. CAPITAL EXPENDITURE

2020										
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Depreciation expense	14,903	3,418	-	-	-	-	-	-	571	18,892
Minor equipment	5,067	10,546	116	-	700	1,430	-	-	-	17,859
	19,970	13,964	116	-	700	1,430	-	-	571	36,751
2019										
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Depreciation expense	19,712	-	-	-	-	-	-	-	-	19,712
Minor equipment	8,306	-	1,998	-	-	-	-	99	937	11,340
	28,018	-	1,998	-	-	-	-	99	937	31,052

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

11. OFFICE RUNNING COSTS

	2020									
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Office rental	29,920	6,600	3,960	-	-	-	-	-	-	40,480
Utilities	5,674	2,151	1,266	-	-	-	-	-	-	9,091
Stationeries and supplies	6,258	1,610	-	96	-	-	-	-	-	7,964
Other running costs	16,574	3,518	925	999	108	98	19	-	5,926	28,167
	58,426	13,879	6,151	1,095	108	98	19	-	5,926	85,702
	2019									
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Office rental	41,640	-	3,960	-	-	-	-	-	-	45,600
Utilities	9,785	-	1,249	-	-	-	-	-	-	11,034
Stationeries and supplies	8,762	-	1,169	-	-	-	-	3	-	9,934
Other running costs	12,709	-	656	1,105	1,333	-	-	2,430	1,307	19,540
	72,896	-	7,034	1,105	1,333	-	-	2,433	1,307	86,108

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

12. COMMUNICATION

2020										
	<i>SIDA</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Communication	13,541	3,304	884	691	40	10	110	-	-	18,580
2019										
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Communication	19,607	-	1,137	293	-	-	-	95	-	21,132

13. CAPACITY DEVELOPMENT

2020										
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Capacity development	290	-	-	-	-	-	-	-	-	290
2019										
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Capacity development	2,795	-	-	-	50	-	-	-	-	2,845

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

14. PROFESSIONAL FEE

2020										
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Professional services	17,001	-	-	-	-	2,500	-	-	-	19,501
2019										
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Professional services	10,934	-	-	-	-	-	-	2,500	-	13,434

15. INDIRECT COST

2020										
	<i>SIDA/EU</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Indirect costs	-	31,258	16,146	-	5,437	-	-	-	-	52,841
2019										
	<i>SIDA</i>	<i>EU</i>	<i>USAID</i>	<i>Oxfam</i>	<i>TI-A</i>	<i>TIS-IPP</i>	<i>TIS.4.0</i>	<i>TIS - EGGER</i>	<i>TIC</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Indirect costs	-	-	17,194	-	7,048	-	-	-	-	24,242

Indirect costs pertain to the overhead allocated to donor programs based on a maximum of 7%, 10% and 15% of total expenses for EU, USAID and TI-A, respectively.

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

16. CASH AND CASH EQUIVALENTS

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
Cash on hand	1,208	866
Cash at bank	546,027	316,645
	<u>547,235</u>	<u>317,511</u>

17. DEPOSITS AND PREPAYMENTS

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
		<i>(As reclassified- Note 27)</i>
Deposits	16,095	17,492
Prepaid insurance	1,676	4,687
	<u>17,771</u>	<u>22,179</u>

18. ACCRUED INCOME – DONORS

This represents the expenditures incurred in 2019 under the approved grants which were receivable from Transparency International Australia.

19. ADVANCE TO PROJECT PARTNERS

This represents the outstanding advances provided to partners for project implementation.

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
Action Aid Cambodia	122,684	-
Development and Partnership in Action	10,390	-
Highlanders Association	5,711	-
Politikofee	1,205	-
CamboJA	196	-
Women's Media Center	-	1,344
	<u>140,186</u>	<u>1,344</u>

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

20. PROPERTY AND EQUIPMENT

	<i>Office and IT equipment</i>	<i>Furniture and fixtures</i>	<i>Vehicles</i>	<i>Land</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Cost					
As at 1 January 2020	17,882	6,600	42,751	-	67,233
Additions	16,643	5,890	56,900	127,425	206,858
As at 31 December 2020	34,525	12,490	99,651	127,425	274,091
Accumulated depreciation					
As at 1 January 2020	8,447	980	8,591	-	18,018
Charge for the year	9,125	1,891	9,252	-	20,268
As at 31 December 2020	17,572	2,871	17,843	-	38,286
Net book value					
As at 31 December 2020	16,953	9,619	81,808	127,425	235,805

During the year the Organization purchased a piece of land located at Putsiang commune in Khan Prek Phnov, Phnom Penh using its reserve. The purpose of holding this land is to support its long-term sustainability efforts by having its own venue for implementing programme activities and hosting events including meetings, workshops, forums, youth camp and youth gatherings. It is also envisaged to potentially use this land to build TI Cambodia's office in the future. A 3-member committee has been established to hold the soft title of the land on behalf of TI Cambodia. The Organization is expecting to process the hard land title deed when the Ministry of Land Management, Urban Planning and Construction begins the process for issuing hard land title deeds in that area.

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

20. PROPERTY AND EQUIPMENT (continued)

	<i>Office and IT equipment</i>	<i>Furniture and fixtures</i>	<i>Vehicles</i>	<i>Total</i>
	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>	<i>US\$</i>
Cost				
As at 1 January 2019	17,882	-	42,751	60,633
Additions	-	6,600	-	6,600
As at 31 December 2019	17,882	6,600	42,751	67,233
Accumulated depreciation				
As at 1 January 2019	-	-	-	-
Charge for the year	8,446	980	8,592	18,018
As at 31 December 2019	8,446	980	8,592	18,018
Net book value				
As at 31 December 2019	9,436	5,620	34,159	49,215

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

21. INTANGIBLE ASSET

	<i>Computer software</i>	
	<i>2020</i>	<i>2019</i>
	<i>US\$</i>	<i>US\$</i>
Cost		
As at 1 January/31 December	1,786	1,786
Accumulated amortization		
As at 1 January	1,695	-
Amortization	91	1,695
As at 31 December	1,786	1,695
Net book value		
As at 31 December	-	91

22. DEFERRED INCOME – DONORS

	<i>2020</i>	<i>2019</i>
	<i>US\$</i>	<i>US\$</i>
EU	406,459	-
SIDA and EU co-fund*	131,928	53,993
U.S Agency for International Development (USAID)	31,286	24,593
Transparency International Secretariat (TIS)- IPP		
Project	21,912	-
Oxfam Novib Pro.A-04849-04	10,519	-
Transparency International Australia	8,386	-
Transparency International Secretariat (TIS)-4.0		
Project	6,332	-
Oxfam Novib	-	16,997
	616,822	95,583

* This represents co-funding from SIDA and EU for the project Collective Actions Against Corruption 2020-2022.

23. OTHER PAYABLES

	<i>2020</i>	<i>2019</i>
	<i>US\$</i>	<i>US\$</i>
		<i>(As reclassified- Note 27)</i>
Payable to vendors	30,648	5,801
Unused annual leave	15,498	8,907
Professional fee	12,700	9,790
Withholding tax payable	8,429	11,467
Others	3,560	3,571
	70,835	39,536

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

24. STAFF TERMINATION BENEFIT

Staff termination benefit pertains to the balance of pension fund which is contributed by employee 10% of their monthly salary and contributed by TI Cambodia another 10%.

Movement of the staff termination benefit as follow:

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
As at 1 January	186,589	145,929
Current service cost	158,875	162,554
Settlements	(222,718)	(118,894)
As at 31 December	<u>122,746</u>	<u>189,589</u>

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
Current	23,322	36,022
Non-current	99,424	153,567
As at 31 December	<u>122,746</u>	<u>189,589</u>

25. RELATED PARTY TRANSACTIONS

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
Compensation for key management	<u>119,524</u>	<u>115,644</u>

26. COMMITMENTS AND CONTINGENCIES

TI Cambodia has commitments under non-cancellable operating lease for building. The total future minimum operating lease payments are as follow:

	<u>2020</u>	<u>2019</u>
	<u>US\$</u>	<u>US\$</u>
Not later than one year	27,000	26,400
Later than one year but less than five years	85,000	111,200
	<u>112,000</u>	<u>137,600</u>

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

27. RECLASSIFICATION OF CORRESPONDING FIGURES

Certain accounts in the financial statements for the year ended 31 December 2019 have been reclassified to conform to the current year's presentation as summarized below:

Statement of comprehensive income:

	2019		
	<i>As previously presented</i>	<i>Reclassification</i>	<i>As reclassified</i>
	US\$	US\$	US\$
Collective action for Transparency and Integrity	1,213,658	(1,213,658)	-
Program activity costs	-	242,684	242,684
Personnel costs	-	836,724	836,724
Capital expenditure	-	28,018	28,018
Office running costs	-	72,896	72,896
Communication	-	19,607	19,607
General development	-	2,795	2,795
Professional fee	-	10,934	10,934
Indirect costs	-	-	-
	1,213,658	-	1,213,658
Transparent Taxation Research	14,411	(14,411)	-
Program activity costs	-	5,388	5,388
Personnel costs	-	7,625	7,625
Capital expenditure	-	-	-
Office running costs	-	1,105	1,105
Communication	-	293	293
General development	-	-	-
Professional fee	-	-	-
Indirect costs	-	-	-
	14,411	-	14,411
Enhanced Social Accountability and Role of Civil Society	18,822	(18,822)	-
Program activity costs	-	11,092	11,092
Personnel costs	-	2,604	2,604
Capital expenditure	-	99	99
Office running costs	-	2,432	2,432
Communication	-	95	95
General development	-	-	-
Professional fee	-	2,500	2,500
Indirect costs	-	-	-
	18,822	-	18,822

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

27. RECLASSIFICATION OF CORRESPONDING FIGURES (continued)

Statement of comprehensive income: (continued)

	2019		
	<i>As previously presented</i>	<i>Reclassification</i>	<i>As reclassified</i>
	US\$	US\$	US\$
Mining for Sustainable Development II	54,885	(54,885)	-
Program activity costs	-	3,969	3,969
Personnel costs	-	42,485	42,485
Capital expenditure	-	-	-
Office running costs	-	1,333	1,333
Communication	-	-	-
General development	-	50	50
Professional fee	-	-	-
Indirect costs	-	7,048	7,048
	54,885	-	54,885
Women and Youth Empowerment in Leadership	189,165	(189,165)	-
Program activity costs	-	83,699	83,699
Personnel costs	-	78,103	78,103
Capital expenditure	-	1,998	1,998
Office running costs	-	7,035	7,035
Communication	-	1,137	1,137
General development	-	-	-
Professional fee	-	-	-
Indirect costs	-	17,193	17,193
	189,165	-	189,165
TI Cambodia - Unrestricted fund	21,722	(21,722)	-
Program activity costs	-	10,494	10,494
Personnel costs	-	8,983	8,983
Capital expenditure	-	937	937
Office running costs	-	1,308	1,308
Communication	-	-	-
General development	-	-	-
Professional fee	-	-	-
Indirect costs	-	-	-
	21,722	-	21,722
Total expenditure	1,512,663	-	1,512,663

TRANSPARENCY INTERNATIONAL CAMBODIA

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at and for the year ended 31 December 2020

27. RECLASSIFICATION OF CORRESPONDING FIGURES (continued)

Statement of financial position:

	2019		
	<i>As previously presented</i>	<i>Reclassification</i>	<i>As reclassified</i>
	US\$	US\$	US\$
Deposits and prepayments	19,729	2,450	22,179
Other assets	2,450	(2,450)	-
Other payables	30,630	8,907	39,537
Staff termination benefit	198,496	(8,907)	189,589

28. EVENTS AFTER THE END OF THE REPORTING PERIOD

There have been no significant events occurring after the reporting date which would require adjustments or disclosures to be made in the financial statements.

29. TAX CONTINGENCY

The taxation system in Cambodia is relatively new and is characterized by numerous taxes and frequently changing legislation, which is often unclear, contradictory and subject to interpretation. Often, differing interpretations exist among numerous taxation authorities. Taxes are subject to review and investigation by a number of authorities, who are enabled by laws and regulations to impose severe fines, penalties and interest charges. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation. However, the relevant authorities may have differing interpretations; and the effects since the registration of the Organization could be significant.