

COMMUNITY ADVANCEMENT ORGANISATION

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

AND

REPORT OF THE INDEPENDENT AUDITORS

COMMUNITY ADVANCEMENT ORGANISATION

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អង្គការវឌ្ឍនភាពសហគមន៍ (Community Advancement Organization)

Address: Chork Village, Kampong Chork Commune, Rumdoul District, Svay Rieng Province

Contact number: 088 99 45 544, Email: info@cao-cambodia.org

**REPORT OF THE MANAGEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Management of Community Advancement Organisation (“the Organisation”) submits its report together with the audited financial statements for the year ended 31 December 2022 (“the period”).

MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Organisation’s management is responsible for the preparation of the financial statements for the year ended 31 December 2022, which are prepared, in all material respects, to show the fund received and paid for the period and fund balance.

In preparing the financial statements, management is required to:

- Adopt appropriate accounting policies which are supported by reasonable and prudent judgments and estimates and then apply them consistently;
- Comply with the disclosure requirements of the accounting policies set out in note 2 to the financial statements or, if there have been appropriately disclosed, explained and quantified in the financial statements;
- Maintain adequate accounting records and an effective system of internal control;
- Control and direct effectively the Organisation in all material decisions affecting its operations and performance and ascertain that such decisions and/or instructions have been properly reflected in the financial statements.

Management is also responsible for safeguarding the assets of the Organisation and hence, taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management assumes the responsibility to provide and has provided, the auditor with all accounting records, supporting and other documents, minutes, and any pertinent information and explanations, either orally or by written confirmation, necessary for the audit.

APPROVAL OF THE FINANCIAL STATEMENTS

The Management Committee hereby, approve the accompanying statement of receipts and payments, together with the notes thereto, which have been properly drawn up and give a true and fair view of the fund balance of the Organisation as at 31 December 2022, and of its fund receipts and payments for the year then ended, in accordance with the Cambodian Financial Reporting Standard for Not-For-Profit Entities (CFRS for NFPEs).

On behalf of the Board of Director

Mr. Bernard Kervyn
Regional Director



Mrs. Yann Kosal
Executive Director

Phnom Penh, Kingdom of Cambodia
Date: 31 March 2023

Phnom Penh, Kingdom of Cambodia
Date: 31 March 2023

**INDEPENDENT AUDITOR'S REPORT
TO THE MANAGEMENT OF COMMUNITY ADVANCEMENT ORGANISATION**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Community Advancement Organisation ("the Organisation") which comprise the statement of Receipts and Payments for the year ended 31 December 2022, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the cash balance of the Organisation as at 31 December 2022, and its fund receipts and payments for the year then ended in accordance with the Cambodian Financial Reporting Standards for Not-For-Profit Entities ("CFRS for NFPEs").

Basis of Opinion,

We conducted our audit in accordance with the 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 Organisation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the requirements of the Kampuchea Institute of Certified Public Accountants and the Auditors' Code of Ethics for Certified Public Accountants and Auditors (KICPAA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the ethical requirements of KICPAA Code.

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

Emphasis of Matter - Basis of accounting

We draw attention to Note 2 to the financial statements, which describe the basis of accounting. The financial statements are prepared to assist the Organisation to meet the requirement of the Accounting and Audit Regulator ("ACAR") and the Prakas on the implementation of the Cambodian Financial Reporting Standard for Not-for-Profit Entities ("CFRS for NFPEs) of the Ministry of Economic and Finance ("MoEF"). As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect to this matter.

Furthermore, as described in note 2.1 and note 11 to the financial statements, the Organisation adopted Cambodian Financial Reporting Standard for Not-for-Profit Entities ("CFRS for NFPEs") on 01 January 2022 with a transition date of 01 January 2021. These standards were applied retrospectively to the comparative information in these financial statements, including the statement of receipts and payments of the Organisation for the year ended 31 December 2021 and related explanatory notes. We were not engaged to audit on the restated comparative information, and it is unaudited. Our responsibilities in respect of this comparative information are to determine whether the financial statements include the comparative information required by CFRS for NFPEs and whether such information is appropriately classified. Our opinion is not modified in respect to this matter.

Other information

The Directors of the Organization are responsible for the other information. The other information comprises report of the Management section of this report but does not include the financial statements of the Organization and our auditor's report thereon.

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 identified above 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.

Management's Responsibility for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Programme'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 Programme or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organisation's financial reporting process.

Auditor's responsibility 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 Programme'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 Programme'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 Programme to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For REACHS & PARTNERS Co., Ltd.

A blue circular stamp with Khmer text around the perimeter and 'REACHS & PARTNERS Co., Ltd.' in the center. A handwritten signature in blue ink is written over the stamp and extends to the right with a horizontal line.

E Bunthet
Partner

Phnom Penh, Kingdom of Cambodia

Date: 31 March 2023

COMMUNITY ADVANCEMENT ORGANISATION

**STATEMENT OF RECEIPTS AND PAYMENTS
AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022**

	Notes	2022		2021	
		US\$	KHR'000	US\$	KHR'000
OPERATING RECEIPTS					
Donations	3	112,858	461,251	52,399	213,159
Other income		475	1,941	116	472
TOTAL OPERATING RECEIPTS		113,333	463,192	52,515	213,631
OPERATING PAYMENTS					
Agriculture	4	5,569	22,761	7,904	32,153
Health and sanitation	5	13,284	54,292	1,561	6,350
Personnel and related costs	6	58,366	238,542	61,473	250,072
Office running costs	7	23,822	97,361	18,733	76,206
Professional fee		2,591	10,589	3,261	13,266
Skill developments		2,652	10,839	461	1,875
TOTAL OPERATING PAYMENTS		106,284	434,384	93,393	379,922
Operating surplus/(deficit)		7,049	28,808	(40,878)	(166,291)
CAPITAL RECEIPTS					
Repayment from poor family loan	8	30,263	123,685	14,775	60,105
CAPITAL PAYMENTS					
Property and equipment		-	-	150	610
Poor family loan disbursement	8	45,126	184,430	19,728	80,254
Increase/(Decrease) in bank accounts and cash on hand		(7,814)	(31,937)	(45,981)	(187,050)
Bank accounts and cash at the beginning of the year		24,654	100,440	70,635	285,719
Currency translation differences		-	827	-	1,771
Bank accounts and cash at the end of the financial year		16,840	69,330	24,654	100,440
REPRESENTED BY:					
Cash on hand		282	1,161	2,594	10,568
Cash in bank		16,559	68,173	22,060	89,872
		16,840	69,330	24,654	100,440

The accompanying notes on pages 6 to 13 form an integral part of these financial statements.

COMMUNITY ADVANCEMENT ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022

1. GENERAL INFORMATION

Community Advancement Organisation (CAO) ("the Organisation") is a local not for profit organization registered with the Ministry of Interior 07 May 2020 and started its operation on 01 June 2020.

The main project activities which are currently being implemented in Svay Rieng Office are as follows:

- Health and sanitation activities consisting in the provisions of financial support to poor villagers in community to build latrines in order to have access to the low-cost hygienic latrines and providing health training both in community and school.
- Agriculture activities focusing on the provisions of technical training and setting up and extend models in the agronomy and lives stocks.
- Community employment consisting in the provisions of training skill both in the community and in Vietnam in the production of quilt, paper machine, cross stitch, rag rug and durries.

Community Advancement Organisation is located in Phum Choak, Khum Kompong Choak, Romdol District, Svay Rieng Province.

Relationship with Mekong Plus

Mekong Plus Belgium (MPB) was established in 2003 with its international headquarter in Belgium. It was previously known as Vietnam Plus, established in France in 1994. On 17 September 2009, Mekong Plus has entered into a Memorandum of Outstanding ("MOU") with the Royal Government of Cambodia, represented by the Ministry of Foreign Affair and International Cooperation, which allow the Organisation to open its office in Svay Rieng Province.

Because of its policy to devote full responsibility and power to a Cambodian entity, Mekong Plus Belgium has decided cease its operation on 31 May 2020 and transfer the operation to CAO which is management team and staff of the former Mekong Plus- Svay Rieng office. Mekong Plus is committed to continue to support CAO financially and other ways when useful.

To enable CAO to maintain the volume of activities and the budget initially planned for Mekong Plus – Svay Rieng office, Mekong Plus Belgium and Communities Advancement Organisation agreed that from 01st June 2020 onward:

- All fund, donation and subvention received and receivable from Cambodia MPB account will be transferred as a donation to CAO.
- The financial surety set up and entered in the account of MP and relating on one hand to the lease of the offices of Svay Rieng and on the other hand to the computer software are transferred to CAO.
- Finally, it is understood that all human resources, social charges, insurance, and health insurance related to them are completely supported by CAO.

COMMUNITY ADVANCEMENT ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022

2. 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.

2.1 Basis of preparation

The statement of receipts and payments is expressed in United States Dollar ("US\$"), have been prepared under the cash basis of accounting and are in accordance with the Cambodian Financial Reporting Standard for Not-For-Profit Entities (CFRS For NFPEs").

The financial statements for the year ended 31 December 2022 are the Organisation's first financial statement that complies with the CFRS for NFPEs. The Organisation date of transition to the CFRS for NFPEs is 01 January 2021. The financial statements in prior year and up to the year ended 31 December 2021 were prepare in accordance with modified cash basis and other internal policy of the of the Organisation, collectively referred to as previous generally accepted accounting principles ("GAAP").

Accordingly, the Organisation prepared financial statements that comply with the CFRS for NFPEs applicable as at 31 December 2022, together with the information of the corresponding figure for the year ended 31 December 2021 as described in the summary of significant accounting policies. In preparing the financial statement, the Orgainsation's opening fund balance was prepare as at 01 January 2021, the Organisation date of transition to CFRS for NFPEs.

The transition of CFRS for NFPEs has resulted in a number of changes in the Organisation accounting policies compare to those used when applying the previous GAAP. The effect of change to the financial statements presents under CFRS for NFPEs and the previous GAAP for the year ended 31 December 2021 are presented in note 11 to the financial statements.

2.2 Functional and presentation currency

The national currency of Cambodia is the Khmer Riel ("KHR"). However, as the Organisation transactions its operation and maintain accounting record in United State Dollars ("US\$"), the management has determined that US\$ be the functional and presentation currency of the Organisation as well as the Project as it reflects the economic substance of the underlying transactions and events of the Organisation.

2.3 Foreign currency transactions

Transactions are translated into functional currency using the exchange rates prevailing at the date of transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the financial statements.

COMMUNITY ADVANCEMENT ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.4 Presentation in Khmer Riel (KHR)

Translation from US\$ to KHR is prepared in accordance with Cambodian Law on Accounting and Auditing with required the entity to prepare its financial statement in KHR.

The income and expenditure are translated into Khmer Riel using the average rate for the year. Assets and liabilities which include cash and cash equivalent, receivable and payable and fund balance at the end of the reporting period is translated at the closing rate as at the reporting date.

These translations are for compliance purposes only and should not be constituted as representations that the KHR amounts have been, could be, or could in the future be, converted into US\$ at this or any other rate of exchange.

The Organisation has used the official rate of exchange published by the National Bank of Cambodia and as at the reporting date the yearly average rate was US\$1 to Riel 4,087 (2021: US\$1 to Riel 4,068) and the closing rate was US\$1 to Riel 4,117 (2021: US\$1 to Riel 4,074).

2.5 Cash and cash equivalents

Cash and cash equivalents comprise petty cash, cash on hand and at banks and other financial institutions, bank overdraft, term deposit and other restricted cash.

2.6 Recognition of receipt

Receipt comprise all fund received during the financial year. Receipt include a donation from donors, public donations from fundraising activities, and capital receipts.

The receipt is recognised on the date it is received, even if it is banked on a later date. Receipts are defined as the funds received, gross of bank charges, by the Organisation from donors.

2.7 Recognition of payments or expenses

Payment comprises all money paid during the financial year by cash, cheque, bank transfer or other method. Payment can be either operating payment or capital payment. Payment through cheque is recognised when a cheque is passed to the recipient rather than the later date when the cheque is presented and the money withdrawn from the bank account.

2.8 Capital receipt and payment

Capital receipt include receipt from sale of resource such as sale of physical assets, sale of any investment, and receipt from loan repayment.

Capital payment include payment for purchase of resource such as purchase of physical assets, purchase of any investment, and repayment of borrowing.

2.9 Severance pay

The Organisation has set up severance pay to provide a saving scheme for all eligible employees who are in Fixed Duration Contract (FDC) type. The severance pay is calculated at the rate of 5% of the employee's earnings. The fund is paid to the employee every year end with pro-rated data.

COMMUNITY ADVANCEMENT ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.10 Seniority pay

Staff who are in Unspecify Duration Contract (UDC) type shall receive a seniority pay equivalent to 15 days of her/his total earned each year. The seniority payment will be paid in December or pro-rata paid based on the length of employment till June or December. Seniority pay is not applicable for staff members who are dismissed as a result of disciplinary or serious miss conduct.

2.11 Taxation

Income taxation

No provision for income tax has been raised as the Organisation is registered as local Non-Government Organisation (NGO) and not-for-profit Organisation hence it is exempted from income tax under Article 9 of the Cambodian Tax Law.

Value Added Tax (VAT)

The Organisation is not registered for VAT. Therefore, the amount recorded in the financial statement are inclusive of VAT (if any).

COMMUNITY ADVANCEMENT ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other taxes,

Other tax expenses are recognised when paid. Other tax refund or payable balance at the reporting date are disclose in the note to resource and commitment.

2.12 Fund balance

Fund balance represents the cumulative general fund balance of the Organisation.

3. DONATIONS

	2022		2021	
	US\$	KHR'000	US\$	KHR'000
Received from:				
Income from Mekong Plus				
– Belgium	70,297	287,304	50,799	206,650
Mekong Quilt	30,000	122,610	-	-
Happy Day foundation	10,297	42,084	-	-
Others	2,264	9,253	1,600	6,509
	112,858	461,251	52,399	213,159

4. AGRICULTURE

	2022		2021	
	US\$	KHR'000	US\$	KHR'000
Agronomy program	2,422	9,899	3,510	14,279
Livestock program	3,147	12,862	4,394	17,875
	5,569	22,761	7,904	32,153

5. HEALTH AND SANITATION

	2022		2021	
	US\$	KHR'000	US\$	KHR'000
Health education in community and school	13,284	54,292	1,336	5,435
Poor family program	-	-	225	915
	13,284	54,292	1,561	6,350

6. PERSONNEL AND RELATED COSTS

	2022		2021	
	US\$	KHR'000	US\$	KHR'000
Salary and bonus	55,960	228,709	59,809	243,303
Benefit costs	2,256	9,220	1,664	6,769
Hospitality cost	150	613	-	-
	58,366	238,542	61,473	250,072

COMMUNITY ADVANCEMENT ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022

7. OFFICE RUNNING COSTS

	2022		2021	
	US\$	KHR'000	US\$	KHR'000
Taxes and licenses	2,507	10,246	3,742	15,222
Repairs and maintenance	4,000	16,348	3,315	13,485
Rental expense	9,008	36,816	2,340	9,519
Office supplies/equipment	1,374	5,616	1,275	5,187
Communication	2,768	11,313	869	3,535
Office utilities	592	2,420	797	3,242
Other expenses	3,573	14,603	6,395	26,015
	23,822	97,361	18,733	76,206

8. Loan to poor family

Loan to poor family represents the amount of interest-free loan provided to poor family during the year.

The repayment represents the principle repayment of interest-free loan from poor family during the year.

9. EXPLANATION OF TRANSITION TO CFRS for NFPEs

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 December 2022 and the comparative information presented in these financial statements for the year ended 31 December 2021.

In preparing its opening CFRS for NFPEs statement of receipts and payments, the Organisation has adjusted amounts reported previously in financial statements prepared in accordance with modified cash receipts and disbursement basis ("Previous GAAP") relating to the preparation of the financial statements.

Reconciliation of current assets and liabilities

The following reconciliation summarise the impacts on initial application of CFRS for NFPEs on the Organisation's financial position as at 31 December 2021 and the Organisation's statement of receipts and payments for the year ended 31 December 2021.

	2021			
	Previous GAAP	Effect of transition to CFRS for NFPEs	CFRS for NFPEs	
	US\$	US\$	US\$	KHR'000
CURRENT ASSETS AND LIABILITIES				
Cash in bank	2,594	-	2,594	10,568
Cash on hand	22,061		22,060	89,872
Other receivables (vii)	17,332	(17,332)	-	-
	41,987	(17,332)	24,654	100,440

COMMUNITY ADVANCEMENT ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022

9. EXPLANATION OF TRANSITION TO CFRS for NFPEs (CONTINUED)

Reconciliation of change in current asset and liabilities and statement of receipts and payments

The reconciliation for the year ended 31 December 2021 is as follow:

	2021			
	Previous GAAP	Effect of transition to CFRS for NFPEs	CFRS for NFPEs	
	US\$	US\$	US\$	KHR'000
OPERATING RECEIPTS				
Donations	52,399	-	52,399	213,159
Other income	116	-	116	472
TOTAL OPERATING RECEIPTS	52,515	-	52,515	213,631
OPERATING PAYMENTS				
Agriculture (i)	7,852	52	7,904	7,852
Health and sanitation	1,561	-	1,561	1,561
Personnel and related costs	61,473	-	61,473	61,473
Office running costs (ii)	18,483	250	18,733	18,483
Professional fee	3,261	-	3,261	3,261
Skill developments	461	-	461	461
CAPITAL RECEIPTS				
Loan repayment from poor family (iii)	-	14,775	14,775	-
CAPITAL PAYMENTS				
Property and equipment (iv)	-	150	150	-
Loan to poor family (v)	-	19,728	19,728	-
Increase/(Decrease) in bank accounts and cash	(40,576)	(5,405)	(45,981)	(187,050)
Bank accounts and cash at the beginning of the year (vi)	82,562	(11,927)	70,635	285,719
Currency translation differences	-	-	-	1,771
CHANGE IN CURRENT ASSETS AND LIABILITIES	41,986	(17,332)	24,654	100,440

The effect of transition of CFRS for NFPEs

Under previous GAAP, the expenditure is recognised when payments are made rather than when it is incurred, except for:

- The advanced payments made to suppliers/staff that are initially recognised as a receivable and only recognised as expenditure when they have been liquidated by supporting documents.
- The accrual expenses resulted from the effects of transactions and other events that are recognised when they occur during the period.

On adoption of CFRS for NFPEs, there are some changes occurred in the financial statement as follow:

- (i) The increase in agriculture expenses of US\$ 52 represents net effect of the advance payment made from the year ended 31 December 2020 and during the year ended 31 December 2021.

COMMUNITY ADVANCEMENT ORGANISATION

NOTES TO THE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED 31 DECEMBER 2022

- (ii) The increase in health and sanitation expenses of US\$250 represents the net effect of the reversal of advance payment made from the year ended 31 December 2020 and during the year ended 31 December 2021.
- (iii) The increase in loan repayment from poor family of US\$14,775 represents the net effect of the reversal of other receivables for the amount refunded from poor family from the year ended 31 December 2020 and during the year ended 31 December 2021.
- (iv) The increase in property and equipment of US\$150 results from the reclassification of capital expenditure from operational costs as required by CFRS for NFPEs.
- (v) The increase in loan to poor family of US\$19,728 represents the net effect of the reversal of other receivables for the loan provided to poor family from the year ended 31 December 2020 and during the year ended 31 December 2021.
- (vi) The increase in bank accounts and cash at the beginning of the year represents the reversal other receivables from the previous period and during the year ended 31 December 2021.
- (vii) The change represents the reversal of assets and liability recognised on accrual basis under previous GAAP.