

REGISTERED COMPANY NUMBER: 07375179 (England and Wales)
REGISTERED CHARITY NUMBER: 1140426

REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2020
FOR
SPS CAMBODIAN FOUNDATION LIMITED

TaxAssist Accountants
126 Southdown Road
Harpenden
Herefordshire
AL5 1QQ

SPS CAMBODIAN FOUNDATION LIMITED

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FOR THE YEAR ENDED 30 SEPTEMBER 2020

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SPS CAMBODIAN FOUNDATION LIMITED

REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 30 SEPTEMBER 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

The objectives of the charity are :

- To advance education by sponsoring specific individuals in Cambodia through secondary and tertiary education.
- To enable the advancement of the lives of students in Cambodia, who are socially or economically disadvantaged, to ensure they reach their potential by sponsoring them through secondary and tertiary education or vocational training, whichever is most appropriate for the individual students. The aim is also to assist them gain their first employment opportunity.
- To promote such other purposes as are exclusively charitable under the laws of England and Wales for the benefit of students in Cambodia as the Trustees determine from time to time.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake. During the year to 30th September 2020 Cambodia, like the rest of the world, was severely impacted by the Covid Pandemic. This has disrupted the education process for all our students and in some cases delayed the studies of certain students. However, the trustees are pleased to state that all students have continued with online studies where possible and have remained focussed on following their goals through this difficult time. None of our students or carers have contracted Covid-19 during the period. Some of our graduates who had started work found the economic environment challenging at certain points in the year and the trustees decided to provide additional financial support to those graduates as and when it was deemed necessary and appropriate.

At present there are thirteen students who are being supported and live in the four houses used by the charity (three houses are on long leases and one is provided free of charge). All these students are at various top class universities within Phnom Penh including the Royal University of Phnom Penh, Pannasastra University, the Royal University of Law and Economic and the International Foreign Language University. All the students living in the houses form a part of a family unit and each house is managed by a carer who has been known to at least one of the trustees for between 9-15 years. The students have predominantly come from the Good Shepherd Orphanage or from three communities in the provinces of Bantam Meanchay, Battambang and Kratie.

The success of the charity in achieving its goals has been seen over the past five years when fifteen students have completed their studies and have found employment well above the level they may have normally expected. In each case the graduates have found employment in the career of their choice and are now self sufficient although several continue to live in the houses from choice.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 30 SEPTEMBER 2020**

All the remaining students continue to progress well in their educational institutions and the trustees were pleased to note at a recent visit how the students have continued to mature over the past 3-4 years. For the undergraduates who remain in the houses the charity provides support for all their needs including a safe and caring living environment, nutritious food, a small allowance, clothes and full cover of the cost of education. Additionally, both the carers and the trustees provide advice and guidance to the students on all aspects of their lives. As all of the students have either come from an institution or from a deprived family background, it has been essential that they could continue their educational and personal development in a safe, caring and supportive environment.

In addition to supporting the students in the houses the charity also supports three students from poor backgrounds who aspired to go to university but whose parents had been unable to support their dream of tertiary education. The main support for these students is the provision of funds to cover all educational costs, laptops and transport to university. In addition a small allowance is provided where appropriate.

As part of the charity's objective to promote other charitable activities the charity has supported two families in provincial towns near Phnom Penh in Svay Pak and Takmao for a number of years. The families consist of a mother and four children each and the charity provides allowances and also covers all educational costs of the children. In both cases the mothers support two orphans within their own family unit.

To ensure that the objectives are met the trustees make regular visits to Cambodia. During the past 24 months three of the five trustees have visited Cambodia at least once. In addition, there is an annual charity long weekend break to which all students and supported families are invited and which the trustees aim to attend. This provides an excellent opportunity to reward the students for their ongoing hard work and commitment and provides the trustees with the chance to spend time with the students.

Financial Review

For the year commencing 1st October 2019 the charity has changed its policy such that it will build unrestricted cash reserves, which have not been designated for a specific use, to a level equivalent to six months expenditure. This has been revised downward from twelve months historically given the level of committed funding that now exists and the changing age profile of the beneficiaries. The trustees consider that cash reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. Cash balances stood at GBP 59,610 at the end of the financial year.

During the year there was an accounting deficit of GBP 11,469 which the Trustees felt was a satisfactory result for the charity, in testing financial conditions and given its cash reserves. Debtors of GBP 17,276 existed at the year end and this amount was received within three months of the year end. The Trustees established a USD account for the charity in order to mitigate the FX risk from donations received in USD and better manage the FX risk for donations received in GBP.

Costs for food, clothing, health and education for the students being cared for in the houses were GBP 57,879 and the cost for the support of additional families was GBP 20,283. Property maintenance and general household cost amounted to GBP 11,142. The remaining costs of GBP 16,903 were related to special events organized by the carers for the community and one-off items. In addition GBP 12,355 was spent during the year to support the primary school children in a community in Kratie province.

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REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 30 SEPTEMBER 2020

Cash balances were GBP 59,610 and were held with six separate bank accounts and cash funds. The Trustees spend time reviewing the annual budget and reserve policy to enable the Charity to meet its financial challenges as a viable charity. The Trustees remain very focused on the financial robustness of the Charity and continue to look for new and sustainable sources of funds.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee, incorporated on 14 September 2010 and registered as a charity on 15 February 2011. The charity was established under its memorandum and articles of associates. In the event of the charity being wound up, members may be required to contribute an amount not exceeding £10.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr Peter C Slater
Ms Victoria Slater
Ms Hilka Schmitz
Mr Guy Hemington
Mr Mark Petterson

The company does not employ any staff in the UK but does employ several carers in Cambodia. All the activities associated with fund raising and financial management are performed out of the UK by the five trustees. On the ground in Cambodia, the students live in one of four houses where each house is headed by a family carer who receives an allowance to cover the costs of providing food and accommodation for the student supported by the Charity.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The primary risks are financial and 'human'. Financial risk is directly managed by the trustees in the UK. Monies are disbursed to Cambodia according to an assessment of standard costed monthly requirements (e.g. for food, accommodation, transport, education). Any extraordinary items require pre-approval from the trustees and, where possible given local circumstances, are supported by receipts.

The 'human' risk relates to the physical and emotional welfare of the students in Cambodia. This risk was one of the primary drivers for adopting an approach whereby the students live within, and as part of, an existing family unit. The trustees believe this is the key to ensuring a level of appropriate welfare, emotional and physical support, encouragement with studies and general well-being.

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REPORT OF THE TRUSTEES **FOR THE YEAR ENDED 30 SEPTEMBER 2020**

Plans for the future

It has always been the intention of the trustees that the charity would support a defined set of students from specific backgrounds and that there would be a limit of a total number of 30 students at any point in time. In the coming few years there is one more sibling of existing students who are likely to be sponsored by the charity. There are no plans beyond that to support any further students.

In the next three years approximately 90% of the students will have completed their tertiary education and are expected to be in full time employment. As a policy the charity supports each student for the first six months post graduation as they seek employment and a stable working environment. In addition, as the houses are on long leases, the students are also offered rent free accommodation post graduation given their family circumstances.

It is anticipated that the two families in provincial towns near Phnom Penh will be supported for the foreseeable future.

Over the past year the trustees have agreed to continue to support a small extremely poor community in Kratie province, the home province of a number of the students living in the houses and also the home village of the manager of the charity in Cambodia. The charitable activity is focussed on this particular community with the aim of ensuring that the students at the local primary school can have an effective primary education, which they do not receive at present.

To date, the charity has provided approximately 50 students with school uniforms, books, pencils and other equipment as well as successfully petitioning the local officials to provide a second teacher for the school. During 2018 the charity provided the community with a fresh water source and the school with simple toilet facilities. In 2019, the charity built and kitted out a library facility for the local primary school.

In conclusion, the trustees remain committed to the students currently supported by the charity and their siblings to ensure they can complete their full educational careers and enter society as young adults focussed on improving their own lives, those of their families and of the communities around them. The successes of the past four years are a testament to the approach that has been developed and refined over the past nine years.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07375179 (England and Wales)

Registered Charity number

1140426

Registered office

61 West Common
Harpenden
Hertfordshire
AL5 2LD

Trustees

Mr G Hemington
Mr M Petterson
Ms H Schmitz
Ms V Slater
Mr P C Slater

SPS CAMBODIAN FOUNDATION LIMITED

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 SEPTEMBER 2020

REFERENCE AND ADMINISTRATIVE DETAILS

Company Secretary

Mr P C Slater

Independent Examiner

TaxAssist Accountants

126 Southdown Road

Harpden

Herefordshire

AL5 1QQ

Approved by order of the board of trustees on 21 January 2021 and signed on its behalf by:

Mr P C Slater - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
SPS CAMBODIAN FOUNDATION LIMITED

Independent examiner's report to the trustees of Sps Cambodian Foundation Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 30 September 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

TaxAssist Accountants
126 Southdown Road
Harpenden
Herefordshire
AL5 1QQ

28 January 2021

SPS CAMBODIAN FOUNDATION LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	Notes	30.9.20 Unrestricted fund £	30.9.19 Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies		118,141	136,813
EXPENDITURE ON			
Charitable activities		129,610	152,303
		<hr/>	<hr/>
NET INCOME/(EXPENDITURE)		(11,469)	(15,490)
RECONCILIATION OF FUNDS			
Total funds brought forward		153,165	168,656
		<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD		<u>141,696</u>	<u>153,166</u>

The notes form part of these financial statements

SPS CAMBODIAN FOUNDATION LIMITED

BALANCE SHEET
30 SEPTEMBER 2020

	Notes	30.9.20 Unrestricted fund £	30.9.19 Total funds £
FIXED ASSETS			
Tangible assets	4	66,730	76,081
CURRENT ASSETS			
Debtors	5	17,276	22,390
Cash at bank and in hand		<u>59,610</u>	<u>56,615</u>
		76,886	79,005
CREDITORS			
Amounts falling due within one year	6	(1,920)	(1,920)
		<u> </u>	<u> </u>
NET CURRENT ASSETS		<u>74,966</u>	<u>77,085</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		141,696	153,166
		<u> </u>	<u> </u>
NET ASSETS		<u>141,696</u>	<u>153,166</u>
FUNDS	7		
Unrestricted funds		<u>141,696</u>	<u>153,166</u>
TOTAL FUNDS		<u>141,696</u>	<u>153,166</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 September 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

The notes form part of these financial statements

SPS CAMBODIAN FOUNDATION LIMITED

BALANCE SHEET - continued

30 SEPTEMBER 2020

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 28 January 2021 and were signed on its behalf by:

Mr P C Slater - Trustee

The notes form part of these financial statements

SPS CAMBODIAN FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 30 SEPTEMBER 2020**

1. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

INCOME

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

TANGIBLE FIXED ASSETS

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and Building 1 :	Over the useful life of 16 years (SLM)
Land and Building 2 :	Over the useful life of 15 years (SLM)

TAXATION

The charity is exempt from corporation tax on its charitable activities.

FUND ACCOUNTING

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

SPS CAMBODIAN FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

2. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	30.9.20	30.9.19
	£	£
Depreciation - owned assets	<u>9,351</u>	<u>9,350</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 September 2020 nor for the year ended 30 September 2019.

TRUSTEES' EXPENSES

There were no trustees' expenses paid for the year ended 30 September 2020 nor for the year ended 30 September 2019.

4. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 October 2019 and 30 September 2020	<u>145,803</u>
DEPRECIATION	
At 1 October 2019	69,722
Charge for year	<u>9,351</u>
At 30 September 2020	<u>79,073</u>
NET BOOK VALUE	
At 30 September 2020	<u>66,730</u>
At 30 September 2019	<u>76,081</u>

SPS CAMBODIAN FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.20	30.9.19
	£	£
Other debtors	<u>17,276</u>	<u>22,390</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.9.20	30.9.19
	£	£
Accrued expenses	<u>1,920</u>	<u>1,920</u>

7. MOVEMENT IN FUNDS

	At 1.10.19 £	Net movement in funds £	At 30.9.20 £
Unrestricted funds			
General fund	153,165	(11,469)	141,696
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>153,165</u>	<u>(11,469)</u>	<u>141,696</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	118,141	(129,610)	(11,469)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>118,141</u>	<u>(129,610)</u>	<u>(11,469)</u>

SPS CAMBODIAN FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 SEPTEMBER 2020

7. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.10.18 £	Net movement in funds £	At 30.9.19 £
Unrestricted funds			
General fund	168,656	(15,490)	153,166
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>168,656</u>	<u>(15,490)</u>	<u>153,166</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	136,813	(152,303)	(15,490)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>136,813</u>	<u>(152,303)</u>	<u>(15,490)</u>

8. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 September 2020.

SPS CAMBODIAN FOUNDATION LIMITED

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 SEPTEMBER 2020

	30.9.20 £	30.9.19 £
INCOME AND ENDOWMENTS		
Donations and legacies		
UF Donations and gifts	<u>118,141</u>	<u>136,813</u>
Total incoming resources	118,141	136,813
EXPENDITURE		
Charitable activities		
UF Charitable expenditure	<u>129,610</u>	<u>152,303</u>
Total resources expended	<u>129,610</u>	<u>152,303</u>
Net expenditure	<u>(11,469)</u>	<u>(15,490)</u>

This page does not form part of the statutory financial statements