

BETHEL MISSION ORGANIZATION (BMO)

Report of the management and

Audited financial statement

For the year ended 31 December 2023



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ORGANIZATION INFORMATION

Legal Status

Bethel Mission Organization (BMO) is a Cambodian, non-political, non-profit, non-government organization. The Organization was officially registered with the Ministry of Interior on 06 September 2019 with the registration number 8670្រ្ត្រ្ត.

Management Team

Mr. Ann Sirivuth, Founder and CEO
Mr. Vuth Siri Panhavorn, Executive Director
Mrs. Phum Sinuon, Operations Manager
Mr. An Singhatith, Church Engagement Manager
Mr. Chhom Arun, Project Coordinator
Mr. Phom Bunlai, Project Coordinator
Mrs. Ly Sovanna, Youth Group Leader
Mrs. Heng Thengheang, Woman Group Leader

Address

#3B, Street 44BT, Sangkat Boeung Tumpun, Khan Mean Chey, Phnom Penh, Kingdom of Cambodia

Bankers

ACLEDA Bank Plc.
ABA Bank Plc.
Phillip Bank Plc.

Auditors

Donasco & Co., Ltd. CPAs
7th Floor, Rooms 7D and 7F, Building No. 78,
Real Hope Condo, Street 95, Boeung Trabaek,
Khan Chamkarmorn, Phnom Penh, Kingdom of Cambodia

Registration Information

Registration No. 8670 ្រ្ត្រ្ត

06 September 2019

REPORT OF THE MANAGEMENT

For the year ended 31 December 2023

The Management of the Bethel Mission Organization ("BMO" or "the Organization") submits its report together with the audited financial statements for the year ended 31 December 2023 ("the period").

THE ORGANIZATION

BMO was established in September 2019 and registered with the Ministry of Interior on 6 September 2019, as a non-profit organization. The Organization was also registered with the General Department of Taxation (GDT) in 2020 and with the Accounting and Auditing Regulator (ACAR) in 2022.

Bethel Mission Organization (BMO) is a Christian non-governmental organization dedicated to improving the capacities, livelihood and wellbeing of the project living in the graveyard, the slum, the poor rural areas and prisons by supporting their physical, mental, emotional and spiritual needs in accordance with Christ's love regardless of race, color, gender, religion, and political tendency.

STATEMENT OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Organization's management is responsible for the preparation of the financial statements for the year ended 31 December 2023, which are prepared, in all material respects, to show the fund received and disbursed for the period and fund balance.

In preparing the financial statements, management is required to:

- select suitable accounting policies and then apply them consistently; and
- make judgments and estimates that are reasonable and prudent.

Management is responsible for ensuring that proper accounting records are kept which enables the Organization to prepare the financial statements in accordance with the accounting policies described in Note 2 to the financial statements. Management is also responsible for safeguarding the assets of the Organization and hence, taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management has confirmed that the Organization has complied with the above requirements in preparing the financial statements.

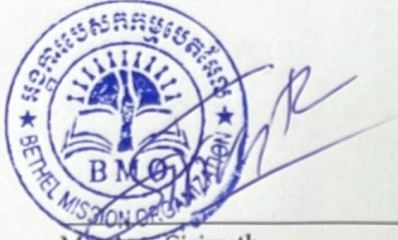
REPORT OF THE MANAGEMENT (Continued)

For the year ended 31 December 2024

APPROVAL OF THE FINANCIAL STATEMENTS

We hereby approve the accompanying financial statements of the Organization as set out on pages 7 to 14 which are prepared, in all material respects, to present the Organization's financial position as at 31 December 2023, and the results of its operation for the year then ended, in accordance with the accounting policies described in Note 2 to the financial statements, and comply with the related financial agreements.

On behalf of the Board of Directors:



Mr. Ann Sirivuth
Founder and CEO
Bethel Mission Organization (BMO)
21 April 2025

INDEPENDENT AUDITOR'S REPORT

To the Management of Bethel Mission Organization (BMO)

#3B, Street 44BT, Sangkat Boeung Tumpun, Khan Mean Chey, Phnom Penh, Kingdom of Cambodia

Opinion

We have audited the financial statements of Bethel Mission Organization ("BMO" or "the Organization"), which comprise the statement of financial position as at 31 December 2023, and the statement of income, expenses and fund balance for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements of the Organization as at 31 December 2023 and for the year then ended are prepared, in all material respects, in accordance with the accounting principles set out in Note 2 to the financial statements and the financial reporting provisions of its applicable funding agencies.

Basis of Opinion

We conducted our audit in accordance with Cambodian International Standards on Auditing (CISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the Audit of the Financial Statements* section of our report. We are Independent of the Organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Cambodia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Other matter

The financial statements of the Organization for the year ended 31 December 2022 was unaudited and has been provided for comparative purposes only.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 2 to the financial statements, which describe the basis of accounting. The financial statements are prepared to assist the Organization in complying with the financial reporting provisions of its applicable funding agencies. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for the Organization and its applicable funding agencies and should not be distributed to or used by parties other than the Organization and its applicable funding agencies. Our opinion is not modified in respect of this matter.

Responsibilities of the Management and those charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with the financial reporting provisions of the Organization and its applicable funding agencies and for such internal control as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Organization's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern using the going concern as 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Organization to cease to continue as a going concern.

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



Junro L. Binag, CPA
Partner

Donasco & Co., Ltd.
Certified Public Accountant
Registered Auditor

7th Floor, Room 7D and 7F, Building No. 78,
Real Hope Condo, Street 95, Boeung Trabaek,
Khan Chamkarmorn, Phnom Penh, Kingdom of Cambodia

Date: 21 April 2025

BETHEL MISSION ORGANIZATION (BMO)

Statements of income, expenses and fund balance For the year ended 31 December 2023

		2023	2022
	NOTES	USD	USD
INCOME			
Grant Income	5	123,779	53,123
Individual donation	6	27,059	22,722
Project income	7	16,735	4,101
Administrative income	8	10,701	7,656
Interest income	9	390	-
Other incomes	10	123	464
		178,787	88,068
EXPENSES			
Project/ programme cost	12	69,263	27,090
Personnel cost	11	55,384	35,763
Operative and administrative costs	13	30,694	26,201
		155,341	89,054
Surplus/ (deficit) for the year		23,446	(986)
Fund balance, beginning		26,465	27,451
Fund balance at end of period		49,911	26,465
REPRESENTED BY:			
Cash at bank	4	49,511	26,165
Other current assets		400	300
		49,911	26,465

The accompanying notes on pages 8 to 14 form part of these financial statements.

BETHEL MISSION ORGANIZATION (BMO)

Notes to financial statements For the year ended 31 December 2023

1. NATURE OF OPERATIONS

Bethel Mission Organization ("BMO" or "the Organization") was registered in Cambodia as a local Non-Government Organization (NGO) under the Ministry of Interior on 06 September 2019 with the registration number 8670៧៧៧.

Objective

Bethel Mission Organization (BMO) is a Christian non-governmental organization dedicated to improving the capacities, livelihood and wellbeing of the people living in the graveyard, the slum, the poor rural areas and prisons by supporting their physical, mental, emotional and spiritual needs in accordance with Christ's love regardless of race, color, gender, religion, and political tendency.

Vision

BMO's vision is to See the people living in the graveyard, the slum, the poor rural areas and prisons have their lives transformed to improve the economics of their families, communities and societies.

Mission

BMO's mission is to work with the people living in the graveyard, the slum, the poor rural areas and prisons in order to promote and improve their capacities, livelihood and wellbeing by addressing social and spiritual needs.

The registered office of the Organization is #3B, Street 44BT, Sangkat Boeung Tumpun, Khan Mean Chey, Phnom Penh, Kingdom of Cambodia.

The Organization has twenty (20) staff as of 31 December 2023.

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 financial statements, expressed in United States Dollars (USD), are prepared under the historical cost convention.

The Organization's policy is to prepare the accompanying financial statements on the modified cash basis. On this basis, receipts are recognized when received rather than when earned, and disbursements or expenses are recognized when paid rather than when incurred except for advance payments to staff, partners and contractors some accruals of projects expenses and staff severance pay.

BETHEL MISSION ORGANIZATION (BMO)

Notes to financial statements

For the year ended 31 December 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.1 Basis of preparation (Continued)

The basis of accounting is designed to meet the requirements of the Organization's and the financial reporting provision of the grant or fund agreements of applicable funding agencies, which is the comprehensive basis of accounting of the Organization; it is not designed to produce financial statements that are compatible with Cambodian International Financial Reporting Standards (CIFRS).

All fundamental accounting assumptions relating to going concern are followed in the financial statements except the cost of property and equipment are charged to expenses in the statement of income and expenses, instead of depreciation before arriving at the excess of income over expenses for the year.

Furthermore, the preparation of the financial statements requires management use of certain critical accounting estimates and the exercise of its judgment in the process of applying the Organization's accounting policies. The measurement bases and areas involving a higher degree of judgement or areas where assumptions and estimates are significant to the financial statements are more fully discussed in note 3.

2.2 Cash

Cash are stated at face value. Cash refers to cash in bank. Cash in bank in savings accounts earn interest at the respective bank deposit rates and these are deposits held at call with banks.

2.3 Other receivables

Other receivables, if any, include advances to employees. Other receivables are recognized initially at its transaction cost and subsequently measured at amortized cost less provision for impairment.

2.4 Property and equipment

Property and equipment are charged to expense when incurred except for the land. This accounting treatment is followed based on the financial reporting requirements of the donor. This practice differs from International Accounting Standards (ISA 16), which require the capitalization and depreciation of property and equipment. A fixed asset register is maintained for control and management purposes.

2.5 Seniority payment

The Organization also pay to each employee who has Unfixed Duration Contract (UDC) the seniority payment of 7.5 days, 2 times per year as per labor law.

BETHEL MISSION ORGANIZATION (BMO)

Notes to financial statements For the year ended 31 December 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.6 Income and expenditure

Income is defined as the funds received, gross of bank charges, by the Organization from the donors.

Expenditure represents all costs incurred in line with the Organization's objectives.

2.7 Income Taxation

No provision for income tax has been raised as the Association is registered not-for-profit non-government Organization under the Ministry of Interior and is exempt from income tax under Article 9 of the Law on Taxation in Cambodia.

2.8 Foreign currency transactions

The Organization transacts its operations and maintains its accounting records primarily in United States Dollars ("US\$"). Transactions in currency other than US\$ at rates of exchange prevailing on the respective month of transaction. All foreign exchange differences are recognized in the statement.

3. MANAGEMENT'S SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

Judgments. The preparation of the Organization's financial statements requires management to make estimates and assumptions that affect the amounts reported in the Organization's financial statements and accompanying notes. The estimates and assumptions used in the Organization's financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the Organization's financial statements.

Actual results could differ from such estimates, judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Estimates. In the application of the Organization's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not easily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

BETHEL MISSION ORGANIZATION (BMO)

Notes to financial statements

For the year ended 31 December 2023

4. CASH IN BANK

This account consists of:

	2023	2022
	USD	USD
Savings accounts	25,123	5,657
Current accounts	24,383	20,508
	49,511	26,165

5. GRANT INCOME

This account consists of:

	2023	2022
	USD	USD
WG	65,515	-
ITF	31,211	31,209
SCF	14,177	6,602
De Heus TMH Cambodia	7,500	-
GDG	3,133	1,202
Global care	2,243	-
River Church	-	5,702
HMIC	-	4,762
A New Dawn	-	3,646
	123,779	53,123

6. INDIVIDUAL DONATION

This pertains to personal gift and individual offering to BMO's ministries.

BETHEL MISSION ORGANIZATION (BMO)

Notes to financial statements
For the year ended 31 December 2023

7. PROJECT INCOME

This account consists of:

	2023	2022
	USD	USD
School fees	12,518	2,285
High school contribution	2,042	-
Sales of books/materials	1,102	715
Student contribution	288	-
Project loan repays	785	799
Others	-	302
	16,735	4,101

8. ADMINISTRATIVE INCOME

This account consists of:

	2023	2022
	USD	USD
Overhead income	9,000	5,764
Vehicle & fuel charge	1,701	1,892
	10,701	7,656

9. INTEREST INCOME

This pertains to interest income from deposit at bank.

10. OTHER INCOMES

This pertains to other small incomes.

11. PERSONNEL COST

This account consists of:

	2023	2022
	USD	USD
Staff salaries	51,036	31,486
Staff benefits	4,348	4,277
	55,384	35,763

BETHEL MISSION ORGANIZATION (BMO)

Notes to financial statements

For the year ended 31 December 2023

12. PROJECT/PROGRAMME COST

This account consists of:

	2023	2022
	USD	USD
IT Literacy Training and Support	28,059	10,434
Career Development Centre	23,018	-
Soft-and Life Skills Training and Support	6,264	3,277
Shelter repair, renovate and rebuild	3,240	1,421
Spiritual Nurture	2,582	3,257
Church Engagement	2,086	1,166
School uniform and materials for students	1,319	309
Project Assessment	819	1,274
Health Project in Prison	617	-
Small business setup for livelihood project	524	891
Government Relations	343	90
GDP relationship building	270	1,051
Health supports	54	15
Pre-school supplies and materials	52	-
Weekly nutrition feeding	16	319
Water supply connection	-	3,586
	69,263	27,090

13. OPERATIVE AND ADMINISTRATIVE COSTS

This account consists of:

	2023	2022
	USD	USD
Project administration and control	17,233	17,128
Office administration	12,096	7,103
Office equipment, furniture and fixture	1,365	-
Motor Vehicle	-	1,970
	30,694	26,201

BETHEL MISSION ORGANIZATION (BMO)

Notes to financial statements
For the year ended 31 December 2023

14. TAX CONTINGENCY

The taxation system in Cambodia is relatively new and 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 law to impose severe fines, penalties and interest charges. These facts may create tax risks in Cambodia which can be substantially more significant than in other countries.

Based on its interpretation of the current Law on Taxation and the fact that there has been no history of tax assessment by the General Department of Taxation in relation to the implementation of the Project, management does not anticipate any material liabilities will arise that may affect the statement of fund receipts, disbursements and fund balance.

15. EVENTS AFTER THE END OF REPORTING PERIOD

No significant events occurred after the reporting period which would require disclosures or adjustments other than those already disclosed in the accompanying notes to the financial statements of the Organization for the year ended 31 December 2023.

16. ABBREVIATION

WG	: Wide Ganzen Foundation
IFL	: Investment for Life
SCF	: Stokesley Christian Fellowship
GDG	: Global Development Group
HMIC	: Harvest Mission International Cambodia

17. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the Management Team and authorized for issue on 21 April 2025.