



Human & Hope Association Inc

Empowering Cambodians to create a sustainable future for themselves

Annual Report

2015/16



President's Note

I enjoy writing annual reports as it gives me the chance to reflect on what we have achieved over the past year. Despite our vulnerable Australian dollar, we have still managed to contribute a substantial amount to Human and Hope Association Cambodia's projects, accounting for 50% of their income last year. With your support, we have provided the funds for them to accept 50 new students into their education program, and continue to run their other projects.

This is also a momentous time for Human and Hope Association Cambodia, as in July they made the transition to complete Khmer operation. Thanks to the commitment of their staff to constantly develop, the funds we donated towards workshops and scholarships, and the

support of the governing and fundraising boards to help them achieve their goal, Human and Hope Association Cambodia have been able to set a benchmark for other NGO's in Cambodia to achieve.

From July until December we will be monitoring the team through random accounting samples and visits so we can assure our donors that everything is running smoothly. We also have a strong partnership agreement in place, ensuring that Human and Hope Association Cambodia stay true to their mission and remain financial transparent. However, as I am sure most of you are aware, we are committed to HHA maintaining their independence, and will never overstep the line. We are incredibly proud of everything they have already achieved, and what they are bound to achieve in the future!

Thank you again for your support.





A note from Cambodia

In 2016 Human and Hope Association(HHA) has continued our mission to empower our community through projects focusing on Education, Vocational Training and Community Support. We have made a positive change of our beneficiaries through improving our projects and finding the best ways to support and empower them.

This year has been a year of achievement with 160+ students attending our education classes, 3 sewing students completed our sewing course and 9 students attending our advance and expert sewing classes, 4 scholarships staff attending university and English education, 10 villagers using our microfinance loans and 50+ students' parents and villagers attended our community workshops and all of our staff improve their knowledge

through external training and our staff development workshops. In addition, HHA has tried to find more ways to generate our own income as possible as we can. We also thought of ways to reduce our expenses as well. Our new ways to generate our own income were setting up a store at HHA to sell sewing materials for our graduated sewing students and villagers, increase selling our products, increase growing our own vegetables and reduce giving stipend to our sewing students instead of growing vegetables for them to take home.

The great news we also would like to let you know is about the leaving of Sally, our advisor (previously our Operations Manager) from HHA after she spent almost four years working so hard to build HHA to become like it is today, especially building our staff capacity in order to completely locally operated. We would really appreciate her so much for her hard work and big commitment and I can say that her goal of being entirely Khmer Operated has been succeeded because our team has learned a lot from years to years and has been empowered. We believe that though our





experiences and eager to develop ourselves and helping our community, we can keep on our great work though focusing on our mission.

Our HHA team here would like to give a profound thanks to our Australian boards, Sally, Georgie, Hannah, Wilson and Tami who has always inspired us and has done great job fundraising to support our work in Cambodia. We also thank you to our donors and supporters for your belief in us and continued support. We cannot achieve this and continue our work without you. We look forward to working with you in the next 2017 journey.

Aw-koon ch'ran! (Thank you!)

Team HHA



English & Living values

For over a year the education team at HHA worked tirelessly to create their own textbooks. The purpose of these textbooks was to include Khmer phonics and make the content more culturally appropriate for the students to use. In May this year the textbooks were finally finished, meaning that the new curriculum for the HHA English program includes five levels!

Student record books have also been introduced recently, with the purpose to involve parents in their children's education.

Conversational English, grammar and story telling classes are held on Sunday afternoons, targeted at those students who are unable to study in the weekday English program.



Khmer

There are 33 students studying in the Khmer language program this semester. These students are either graduated preschool students, or those who study at public school yet fail to grasp the basics of the Khmer language.

The remarkable thing about this program is that for most students it takes only six months for them to learn Khmer. They are then able to move forward at public school as a result, and others in the community are able to be helped.

There is one adult studying in the Khmer language program, demonstrating to the students that it is never too late to learn.



Preschool

All 10 preschool students remain in the program, and are set to graduate in October. Their attendance is regular, though illnesses have kept some of the children away for a few days at a time. Their teacher has been encouraging their parents to implement the good hygiene practices they learn at HHA at their homes in an effort to reduce illnesses.

The students are now competent in reading, writing and speaking the Khmer alphabet and singing traditional Khmer children's songs. They have learnt basic drawing and are able to colour within the lines. They are confident to participate in art time using recycled materials. Their cooperation and teamwork has improved through the use of games and living values lessons.



Art

Each Sunday, art class is held at HHA, although attendance has dropped over the past year. Around 7 – 15 students attend each week. The students state that their attendance is not consistent as they have to take care of their homes while their parents work in the rice fields, or they have to take care of their cows.

The art class teacher has been focusing on using recycled materials to reduce costs and be more environmentally responsibly. It also shows students that they can make arts and crafts at their own homes.



Library

Library attendance has increased to an average of 50 students each day, which is a fair amount considering it is only open in the afternoon! The Library and Education Assistant prepared a timetable for the library at the beginning of the year incorporating reading time, games, questions and answers and colouring into the curriculum. However, due to an influx of 50 students into the English and Khmer program in April, he has had to dismiss this schedule as he teaches an extra hour a day.

He still concentrates on reading time for those students who struggle to grasp the Khmer language.



Sewing Program

Many women who study in the sewing program have husbands and fathers who do not believe in the benefits of studying and force them to stop. At the beginning of this year the sewing student contract was updated to include a condition that if students drop out of the program they must pay 50% of the costs we have already spent on them, excluding illnesses and death of their immediate families. As the program is so small, when someone drops out they have taken the place of someone who may have finished the program, and we want to prevent this. This has been a successful method, as villagers thought seriously before coming into our program. It has resulted in a 100% student retention rate, something which has never happened before.

The program has developed further, and it has now become a 10-month program instead of one year. Student grades have been introduced to ensure that the quality of students' work is of a high standard.

When seeking feedback from our students about the barriers they face, they said that they often don't have the materials to fulfil orders from their neighbours, and that the fabric shops are too far away (approximately 10km from Human and Hope Association). To address this, HHA are setting up a small shop to sell supplies to our students, with a credit system available so they can pay for fabric after they complete an order. The idea is that they will be able to eventually save up enough money to buy a supply of materials to keep on hand. All items we sell have been requested by the students, so it directly addresses their need. This shop will also be open to the general community and the profit will support HHA.





Home Sewing Business

The home sewing business is developing well. The team have been completing wholesale orders for businesses in Siem Reap, and have also been making custom orders. Two seamstresses resigned as they wanted to concentrate on their own businesses, so new seamstresses from the current classes in the sewing program will be hired and trained up.

This business is the largest source of self-generated revenue for HHA, and they are going to continue building relationships with businesses.

A permanent product range has now been decided upon after seeking feedback from HHA Inc., and a website operated by HHA Inc. is now up and running. You can view it at <http://www.hopehandicrafts.com>.



Workshops

This year a new workshop has been added to HHA's agenda; a road safety workshop. With at least six people dying in Cambodia as a result of road accidents each day, this is one way to address a serious issue. In addition to this workshop, there have been hygiene, child protection, budgeting and family happiness workshops held. The family happiness workshops are re-packaged domestic violence workshops, with newlyweds and those villagers that are known to experience domestic violence being targeted.

These workshops are an important way to address the various social issues faced by Cambodians, particularly those living in poverty.



Outreach & Opportunity Scholarships

There are currently 40 students in the opportunity scholarship program at Human and Hope Association. The education team have been conducting outreach in order to determine that the students meet the criteria for this program, and the number of scholarship students is at an all time high.

This is encouraging news, as it means that families in financially dire situations are understanding the benefits of education and are allowing their students to spend their time studying as opposed to working.

Bunrong, HHA's English teacher, has now been trained in how to conduct outreach and poor assessments to reduce the workload for his manager.



Microfinance loans

Twenty-two microfinance loans were provided over the past financial year, with nine being fully repaid. There are currently 16 active loans with the purpose to sell food, have a vegetable stall, selling fruit and a drink shop.

Three borrowers have had trouble with their repayments due to illnesses, business problems and a new baby in the family. The team at HHA have delayed their repayments and given them options on how to repay their outstanding loans.

"We have provided them budget training and child protection workshops. After training, most of them said they will think about their goals and start to save money." - Thai, Director



Family Farm

After completing a successful family farm trial last year, the program was initiated with ten families earlier this year. Unfortunately, due to a severe drought in Cambodia, the program was put on hold as the participants simply didn't have enough water to run a farm.

It is anticipated that the family farm program will resume later this year, teaching villagers about chemical-free farming so they can improve nutrition in their families and earn an income.



University Scholarships

There are currently three staff members studying in the university scholarship program, with one about to enter his fourth and final year, and two about to enter their third year. One staff member is in the further education scholarship program, and just completed his 10th level out of 12 levels at the Australian Centre for Education.

This year three staff members left the further education scholarship program as they no longer fit the criteria of minimum acceptable grades. Those funds will be used to provide workshops for staff and future scholarships.

Human and Hope Association Inc.

**Independent Auditor's Report in accordance with
Section 37 of the Associations Incorporation Act 1985
South Australia**

Financial Year 2015/16

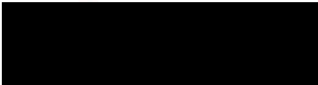
The scope of my audit involved examination of the Association's accounting system and relevant financial controls. I also examined, on a test checking basis, payments and receipts of the entity. I have verified the assets of the entity as at 30 June 2016.

In my opinion the financial statements are properly drawn up to present fairly the financial state of Human and Hope Association Inc. as at 30 June 2016 and also present fairly the results of its activities for year ended 30 June 2016.

The financial statements are in accordance with the Act and accounting standards. Proper accounting and other records have been kept by the Association.



Brian Thomas FCPA,

 Address retracted for privacy purposes

10 October 2016

Statement of Financial Performance as at 30 June 2016

REVENUE

Donation (cash)	\$18,208.00
Donation (inventory)	\$3,991.00
Sales	\$3,593.00
Fundraisers	\$6,399.00
Interest	\$1.00
Total revenue	<u>\$32,192.00</u>

EXPENSES

Operating Costs (Cambodia)	\$15,950.00
Operating Costs (Australia)	\$979.00
Consulting fee*	\$3,500.00
Write-down of inventory	\$1,924.00
Discounts provided	\$985.00
Venue Hire	\$882.00
Bank Fees	\$44.00
Paypal Fees	\$325.00
Total expenses	<u>\$24,589.00</u>
<u>Net income</u>	<u>\$7,603.00</u>

*The consulting fee was provided to the Operations Manager at Human and Hope Association, Cambodia. This was during a transition period for the organisation, before HHA Cambodia became entirely Khmer operated. The payments will not continue beyond the current financial year. Note that the payments were agreed by the members of HHA Inc. in a routine meeting on the 1st September 2015.

Statement of Financial Position as at 30 June 2016

ASSETS

Financial assets

Cash at Bank	\$3,027.00
Cash at PayPal	\$4,236.00
Bond receivable	\$300.00
Total financial assets	<u>\$7,563.00</u>

Non-financial assets

Inventory	\$3,007.00
Total non-financial assets	<u>\$3,007.00</u>

Total assets	<u>\$10,570.00</u>
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LIABILITIES

Loans	\$-
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Total liabilities	<u>\$-</u>
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EQUITY

Net assets	<u>\$10,570.00</u>
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Statement of Financial Performance as at 30 June (WRA)

REVENUE

Donation (monthly donors)	\$17,277.00
Donation (fundraiser)	\$6,704.00
Total revenue	<u>\$23,981.00</u>

EXPENSES

Transfers to HHA Cambodia	\$20,218.00
Project management expenses	\$2,398.00
Code of conduct fee	\$100.00
Total expenses	<u>\$22,716.00</u>
<u>Net income</u>	<u>\$1,265.00</u>

Note: The above figures have not been included in our audit. The funds are collected as per our agreement with World Relief Australia and audited at their end.



Products

This has been a fantastic year for our products, which are slowly becoming a good source of income for Human and Hope Association Inc. This year saw far more product sales than ever before, and a huge increase in the profile of our store 'Hope Handicrafts'.

Our committee members Georgie and Hannah attended many markets around South Australia including the Gilles Street Market, Fullarton Market and Gawler Lions Market. The products sold well and it was also a great opportunity to discuss the work of Human and Hope Association with a variety of people. Our beautiful

elephants, crayon carriers and ladies' clutches were especially popular!

We also launched our Etsy store and website for 'Hope Handicrafts'. We have been growing our profile on social media and have made a number of sales through these avenues, including to overseas. Men's wallets in particular have been popular on Etsy!

Our social media accounts on Twitter, Instagram and Facebook have been helpful with promoting Hope Handicrafts, and we have even had interest for wholesale orders from businesses in Australia.





Media & Public Speaking

We have also been raising the profile of Human and Hope Association through media coverage and public speaking. Our board member Georgie and seamstress Chomrong were featured in *The Bunyip* in Gawler, and board President Sally Hetherington was featured in the *Cessnock Advertiser* and the *Newcastle Star*.

We have also conducted a number of public speaking engagements. Most recently Georgie spoke at the Gawler Zonta Handover dinner, and nearly sold out of the products she brought along with her!

Events

A number of great events were held for Human and Hope Association Inc this year. Events Manager Hannah Kemp has brought a number of great ideas to the Board and run several successful events. This includes 'Talkin about your generation', a pop culture quiz night that was well attended and raised \$2,000 for our sewing program.

Do and Donate

In November we launched 'Do and Donate' a fundraising platform hosted through the Human and Hope Association website. Supporters choose an item from our wish list, set a goal, create a fundraiser and ask their friends to donate! This platform has raised over \$4,000 for HHA's projects so far. We would like to thank our board member, Georgie McRae, who put hundreds of volunteer hours into developing this platform.



Thank You

We would like to thank everyone who has supported us over the past year. We couldn't help HHA Cambodia achieve their goals without your continued support. Due to your backing, we have helped HHA Cambodia achieve their goal of being entirely operated by Cambodians, and it is something we should all be proud of!

We look forward to continuing to work with you in the future.

Sally, Wilson, Tami, Hannah, Georgie

