Registered number: 06429421
Charity number: 1122750

# ARCHAEOLOGY AND DEVELOPMENT FOUNDATION

## UNAUDITED FINANCIAL STATEMENTS

## YEAR ENDED 31 DECEMBER 2017

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L39 28/09/2018 #292
COMPANIES HOUSE

LUBBOCK FINE
Chartered Accountants
*Paternoster House*
65 St Paul's Churchyard
London EC4M 8AB

ARCHAEOLOGY AND DEVELOPMENT FOUNDATION
(A Company Limited by Guarantee)

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ARCHAEOLOGY AND DEVELOPMENT FOUNDATION
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEE AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2017

| | |
|---|---|
| **Trustees** | Vincent Chevance |
| **Company registered number** | 06429421 |
| **Charity registered number** | 1122750 |
| **Registered office** | 25 Brooks Mews<br>London<br>W1K 4DZ |
| **Company secretary** | Jean-Baptise Chevance |
| **Accountants** | Lubbock Fine<br>Chartered Accountants & Statutory Auditors<br>Paternoster House<br>65 St Paul's Churchyard<br>London<br>EC4M 8AB |

# TRUSTEE'S REPORT
# FOR THE YEAR ENDED 31 DECEMBER 2017

The Trustee presents the annual report together with the financial statements of the Archaeology and Development Foundation for the period from 1 January 2017 to 31 December 2017. The Trustee confirms that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), 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) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

## Structure, governance and management

Archaeology and Development Foundation is a company, incorporated on 16 November 2007, governed by its Memorandum and Articles of Association. It registered as a charity with the Charity Commission for England & Wales on 12 February 2008.

New Trustees are appointed by the members. The Trustees may appoint a person who is willing to act to be a Trustee, either to fill a vacancy or as an additional trustee.

New Trustees are briefed on their legal obligation under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity.

In setting the objectives and planning the activity of the charity, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

## Objectives and Activities

The objectives of the charitable company as set out in the governing document are:

The Archaeology and Development Foundation has been undertaking archaeological research in Phnom Kulen since 2008. One of the objectives is to understand the extent of this first capital as well as to define the various settlements during the period of time, from pre angkorian period to the post angkorian period. Working in close collaboration with the APSARA National Authority (National Authority in charge of Angkor region), the Ministry of Environment and other institutional partners, ADF is the main institution working on both development and archaeology in Phnom Kulen.

Historically, geographically and from a hydrologic point of view, Phnom Kulen is very closely linked with Angkor World heritage site. The Royal Government of Cambodia has registered Phnom Kulen on the indicative list of the world heritage site, and ADF is working closely with UNESCO and APSARA to move toward the recognition of this site and to meet the standards of a world heritage site. ADF is also collaborating with the Ministry of Environment, in charge of the Phnom Kulen National Park, for the management of the protected areas.

ADF is also disseminating the archaeological knowledge of the findings. Reports and conferences are regularly given and specific publications on archaeological research are also published in specialised review.

## Conservation and protection of the sites

In the post war years (1990's) Cambodia suffered from endless looting. It is well known that archaeological site protection goes hand in hand with an increased local awareness that arises as a result of research and conservation programmes.

The Phnom Kulen programme is providing APSARA Authority a better knowledge of the archaeological value of the plateau, in order to extend its activities on the Phnom Kulen. ADF is also helping the Ministry of Environment by providing information relative to protected area, forest cover, and illegal activities (encroaching, illegal logging etc).

The programme is also helping to define demining areas and specific archaeological protected areas. The regular cleaning of vegetation and the maintenance of the monuments can then occur. Curators and guards/workers have been appointed by APSARA in order to follow up this initiative. The Archaeology and Development Foundation is providing APSARA advice and expertise to improve the management of the sites in terms of conservation and tourism management. ADF has regularly asked APSARA to increase the human and technical resources, to fulfil these missions

For the last seven years, the Archaeology and Development Foundation is also sponsoring the activities from the APSARA Stone Conservation Unit (transports, salaries, materials) to restore the sandstone artefacts and bas reliefs discovered during the excavations.

**Training of Khmer specialists**

One of the long term outcomes of this project is the training of Cambodian specialists, in providing them with knowledge, expertise and know how to preserve these sites.

This project provides an opportunity to train the young Khmer specialists on specific search processes. All stages of the archaeological research process, beginning at the preparation phases then field work phases (prospecting to diagnostic trenches or open area excavations, conservation of monuments, inventories) all the way through to annual and final report and publication, is done working closely with ADF and APSARA archaeologists. The project also provides young students graduated from the University of Fine Arts, faculty of archaeology, with their first fieldwork experience.

**Economical and social impact on local populations**

Cambodia has been devastated by civil wars which were fought from 1970 through to the 1990's; this period saw one of the largest genocides in the world which killed between 1.7 to 2 million people. Fighting, aerial bombardments and minefields had a significant impact on the lives of three generations.

Phnom Kulen region was the scene of violent fighting between Khmer Rouge and government troops; the consequences are still evident today. It was one of the last Khmer Rouge strongholds to surrender in 1996.

This project is providing jobs to seasonal workers and, consecutively, full time activity to guards and specialised workers. In providing the villagers with heritage and conservation knowledge it is helping to prevent further looting and is creating a safe archaeological zone by initiating a land mine removal programme and archaeological protected areas.

An important effort is also done towards the villagers from the Phnom Kulen region for food security/nutritional health, medical and health support, alternative livelihood generating incomes, as well as environmental education and protection.

These initiatives have an important impact on the social and economic development of Phnom Kulen and especially improve the level of education and health care of the inhabitants.

**Achievements and performance**

**ARCHAEOLOGY: Field operations**

The 2017 archaeological activities are a continuity of the programme launched in 2008 in collaboration with the APSARA National Authority. The 2017 activities can be summarized as below.

**Maintenance and conservation program:**

**Land Mine & UXO removal program**

The annual demining program set up by ADF, in collaboration with CMAC and APSARA, allows the regular clearing, the maintenance and the caretaking of the archaeological sites in Phnom Kulen. In many cases, it also allows a better knowledge of the sites.

This concern lands on archaeological sites (for maintenance by APSARA team & excavation by ADF), and also and often, areas in the villages, all benefitting the local population of Phnom Kulen.

As stated in the MoU between ADF and the APSARA National Authority, and as implemented every year since 2008, the ADF team is selecting the sites, after approval by APSARA, and is coordinating the demining operations with the CMAC teams.

As no archaeological campaigns were organised for 2017, ADF did not require any demining team. In 2016, ADF funded and collaborated with 1 CMAC team, in order to secure several selected areas, prior to the 2016 excavations. 2.15 additional hectares were secured from 15th of February until the 25th of March 2016. This is to be added to the 36 hectares previously secured in Phnom Kulen since 2008.

**Assistance to the APSARA National Authority for the heritage management in Phnom Kulen**

ADF is continuing its assistance to APSARA for the conservation and the maintenance of all the archaeological sites in Phnom Kulen. This concerns the ongoing maintenance and conservation of the monuments and sites and their respective Archaeological Protected Areas (APA, 800 hectares).

ADF maintains a regular coordination with the APSARA deputy director, heads of departments, archaeologists and workers in charge of Phnom Kulen, and provides assistance and advices for a better heritage management of the archaeological sites.

The demining operations (2008 2016), coordinated by ADF and APSARA and implemented by CMAC allow the APSARA National Authority team to access these archaeological sites for regular maintenance and guarding.

The final version of the complete sandstone artefacts inventory (460 entries, using standard methodology) for the Phnom Kulen archaeological sites was submitted to APSARA in November 2017. The printing of this report was subject to discussions with the APSARA Authority in 2017 and it was agreed that APSARA will request funds for this in 2018.

The complete topographical surveys of the 1000 linga site and Kbal Spean (covering known and unknown bas reliefs, settlement system of the ancient carving, ancient inscriptions and associated sites...), and the information signboards design were finalized in 2016. The texts should be written in both Khmer and English in 2018 and will constitute for APSARA a better tool to manage this very frequented area and will enhance the public's knowledge of these sites.

Finally, ADF has facilitated the restoration project of an Angkorian dike (Thnal Dac), requested by the villagers since 2012 and funded by the APSARA National Authority in 2016. The objective of this restoration undertaken by APSARA (Department of Water Management) was to rehabilitate the adjacent reservoir supplying the water for the villagers. The original spillway was filled during the Khmer Rouge period in Phnom Kulen (early 1970's) in order to prevent water to flow down to Siem Reap town. Consequently, the dike was broken in the 1980's, due to the extra pressure of water and the reservoir was permanently leaking since. In 2016, the modern breach was filled with soil coming from the vicinity of the dike and the ancient channel, filled during the Khmer Rouge period, was re-opened building a cement spillway. In the future, it could also offer alternative livelihood (fish raising, boat trip).

This project was completed in June 2016 (see report 2016). Due to heavy rains in June 2017, the cement spillway had to be repaired in August and September, as soils were eroded below. The soil compacted at the breach partially collapsed in September and APSARA requested ADF to specify the location where extra soils could be manually extracted without damaging archaeological sites. Villagers started this work to refill the collapsed part but at the end of 2017, the work was not fully completed.

The project of the road crossing the Phnom Kulen plateau was re-initiated by the Cambodian Government in 2017, as stated by the Ministry of Environment during the ICC in June 2017.
ADF has advised the APSARA authority to minimize the impacts on the archaeological sites by suggesting that the road should be kept where it is now, with only a few bypasses. 4 of them were suggested as well as punctual archaeological preventive operations.

The APSARA, MoE/PDoE (Ministry of Environment, Province Department of Environment) and ADF have conducted meetings (5th and 10th of July) and a field visit on the 11th of July to see the locations of these bypasses.

Construction work begun from Svay Leu town, up to the village of Ta Peng in August 2017 on a very wide section (>30m), destroying numerous large sandstone boulders. This part was visited on a few occasions between August and September by ADF team, and with an official visit with representatives of the construction company, APSARA and ADF on September 14th. A field visit was organised for the UNESCO-ICC experts in December 2017, for which ADF was not invited.

**Restoration of sandstone and metallic artefacts**

No artefacts (sandstone, ceramic) were requiring restoration/conservation in 2017. Some metallic objects were sent to the Phnom Penh National Museum (metal laboratory), after being sampled by the IRANGKOR team, for future restoration (see below).

**Archaeological protected areas (APA)**

This activity was initiated by ADF in 2011 and finalised in January 2015, within the framework of the Ambassador's Fund for Cultural Preservation (US AFCP, "Mapping, documentation and preservation of newly discovered Angkorian sites on Kulen Mountain"), granted to ADF in July 2013 by the Department of State, and started in October 2013.

The main objective of the project was to protect the immediate environment of the archaeological sites in Phnom Kulen from damaging agriculture practices, including deforestation and uncontrolled fires and erosion. The identification of archaeological sites thanks to the LiDAR data was also one of the outcomes, as well as to built awareness towards the population and the local authorities on their cultural heritage and the natural environment.

No additional APA was demarcated in the Phnom Kulen National Park (PKNP) during the year 2017, due to the lack of funds. However, ADF has collaborated closely with the APSARA team to undertake a systematic survey of the perimeter of each APA. When new tracks were observed, they were checked and the team often found illegal logging.

The objective was to establish the conservation state of the posts demarcating each area, and to repaint the APSARA logo, number and APA mention on each post. The final objective is to demonstrate that theses zone are maintained and regularly checked. The ADF and APSARA archaeologists and workers have remarked all posts with white paint for the background, red paint for the APSARA logo, number, name of the zone (469 for a total of 5 zones). They have noted the location of the broken ones and cleared the surrounding path of the re-growing vegetation.

Mr Sakhoeun Sakada (ADF), two archaeologists from the APSARA Authority (Mrs. Sokha Panha and Ngin Sarun) and APSARA workers have participated to the APA surveys, during one month and a half, from 14th august to 1st October 2017. ADF sponsored extra salaries for the APSARA archaeologists, workers and materials such as red paint, stencils, gasoline etc.

ADF submitted a report in Khmer to APSARA on the 1st of October 2017. It summarise the number of broken (or missing) posts for each zone. A total of 45 posts should be replaced and ADF has requested APSARA to proceed so, as stated in APSARA-ADF MoU, signed at the end of 2017.

After their official recognition by the APSARA National Authority, the Ministry of Environment and the provincial authorities of Siem Reap (May and June 2015), these zones still need a jurisdictional framework and a clear definition of the responsible authority: the APSARA National Authority, in charge of the archaeological sites in Siem Reap Province or/and the Ministry of Environment, in charge of the Phnom Kulen National Park. The Management Plan of PKNP, to be implemented with the Action plan in 2018, should be the occasion to ratify their existence.

**Archaeological research, diffusion/communication and training:**

**Field verification of features from the 2012 and 2015 Lidar campaign:**

The Phnom Kulen 2012 Lidar Campaign was undertaken within the KALC project, covering Angkor, Koh Ker and 30 km2 in Phnom Kulen, funded by ADF. The 2015 Lidar campaign was initiated by EFEO under the CALI project and is covering 5 major archaeological sites in Cambodia. The largest acquisition area was the entire range of the Phnom Kulen National Park (975 km2), from Varin district to Beng Mealea temple.

As in 2016, ADF was in charge of the field verifications, focusing on the top of the plateau, in close collaboration with the CALI/EFEO project.

A progress report in Khmer was submitted on 28th February 2017. It explains the objectives, the methodology and the results. It summarizes the number of inventoried and visited features. At the date of this report, 426 features were inventoried.

In March 2017, ADF team, in association with the APSARA Authority archaeologists, finalised the ground verifications and the inventory of the archaeological features revealed by the Lidar campaigns from 2012 and 2015.

The digitization of discovered features was then finalised and made coherent with the CALI team. ADF employed a GIS specialist (Ms. Nina Hofer) for 3 months (mid-February to mid-May) to undertake this mission. In total, more than 3200 archaeological features have been identified and digitized.

The objective is to create a comprehensive archaeological map of Phnom Kulen and articles summarizing the results of the research will be published in 2018.

**Archaeological research: Excavation campaign and topographical survey**

There was no archaeological excavation campaign and topographical survey during the year 2017.

However, ADF archaeological team took this opportunity to work on the data from the previous excavations and Lidar campaigns.

The work on the ceramic from the 2016 campaign was finalised (drawing, digitizing, database entries) by Ms Hong Raneth, expert on Khmer ceramic.

In August 2017, all field drawings relevant for a future publication on Prasat Rong Chen, the only mountain temple in Phnom Kulen were checked and made coherent with same standards.

Simultaneously, Juliette Capdevielle, intern, organised, identified and recorded from the field notes all the pictures taken during the 2009 campaign.

Further studies (ceramic, radiocarbon from charcoal samples, stratigraphy) reports and publications will be achieved in 2018, according to ADF budget.

Roof tile studies

Numerous of stoneware roof tiles were found during ADF previous excavations, particularly in Prasat Rong Chen (2009), Banteay (2010 and 2012 campaigns), Poeng Tbal (2009 and 2012 campaigns), Prasat Damrei Krap (2010) and KL0138 (2014).

In 2017, ADF completed the full study (pictures, counting, drawing, typology) for Prasat Damrei Krap (May-June 2017) and Banteay (Pteah Kruh Chas). Prasat Rong Chen and Poeng Tbal roof tiles were respectively treated in November-December 2016 and August 2016.

Mr Mike Hem, archaeologists from APSARA, was employed temporarily by ADF (June 2017) to assist Ms. Myonduk Choi, PhD candidate, from Université Lumière Lyon 2, UMR-5138, CNRS. This will conduct to further specialised publications.

According to the ADF-APSARA MoU, stating that artefacts should be transferred after studies, ADF has requested APSARA to proceed to the transfer of 54 containers (11 boxes and 43 baskets) containing exclusively roof tiles fragments from our office in Siem Reap (at the EFEO compound) to the APSARA deposit. This transfer was done on the 25th of July 2017.

IRANGKOR project

ADF collaborated with the IRANGKOR project. This project aims to evaluate the role of iron (production, trade and consumption) in the expansion of the Khmer empire (9th to 15th century).

Among the 31 selected objects from ADF previous excavations, it was agreed between ADF and IRANGKOR team that 14 samples, identified in the table below, would be taken off for scientific analysis. They were selected according to their quality (metal not corroded) and the context of the objects.

After the sampling done by the IRANGKOR project at ADF office in 24th of February 2017, the objects were taken for restoration in the National Museum in Phnom Penh (metal laboratory) on the 4th of March 2017, to fill the gap corresponding to the samples. Up today (Feb. 2018), the objects still need to be restored and this should be funded by the IRANGKOR project. Samples were taken to France by IRANGKOR team after the approval of APSARA for analysis in April 2017. The study will last until the end of 2018.

**Diffusion and communication:**

Press media mentioned the archaeological work of ADF such as Cambodia Daily, Le Figaro Magazine and Smile magazine for Cebu Pacific Airlines, in collaboration with APSARA Authority.

The publication of scientific articles remains the ultimate goal for ADF. During the year 2017, the ADF archaeological team worked of further publications for the year 2018, and particularly on the Lidar results in Phnom Kulen and the related capital from the IXth century, the hydraulic features, Prasat Rong Chen, the 1000 linga and Kbal Spean sites.

In May 2017, ADF representative JB Chevance was invited to the Dumbarton Oak centre, Trustees for Harvard University, (Washington D.C) for the Garden and Landscape Studies Symposium (May 4 – 6, 2017) on "Landscapes of Pre-Industrial Cities" with a presentation entitled "The Phnom Kulen's capital: a singular and early case of urban planning in ancient Cambodia". The proceedings of this symposium will be published in 2018.

ADF participated in the seminar entitled "Gestion des eaux d'Angkor: Bilan des études et perspectives", organised by the Association des Amis d'Angkor in Paris, on November 10th 2017 with a presentation by JB Chevance entitled "La cité angkorienne du Phnom Kulen: organisation et impact sur l'environnement ".

ADF has also participated to the online training course organised by the French Government (Ministry of Culture and Communication: www.e-patrimoines.org/patrimoine/), for the Cambodian site managers, with a training presentation entitled "Patrimoines et paysages du Phnom Kulen". It will be translated in Khmer and online in 2018.

Two others presentations were given by Sakada Sakhoeun, ADF Archaeologist and National Manager for the Hong Kong University (SPACE Postgraduate Diploma in Cultural Heritage Management Field Study) on the 16th of January 2017 and for the Texas A&M University (School of Law) on the 26th of May 2017. Both presentations were entitled "Heritage conservation and Management, the example of Phnom Kulen".

ADF continued in 2017 to report and advise the ICC UNESCO experts about Phnom Kulen. On the 21st and 22nd of January 2017, the ADF has lead the UNESCO sustainable development experts visit to the mountain and exposed the different issues related to deforestation, Archaeological Protected Areas and Community Protected Areas, illegal population inside the Phnom Kulen National Park, the waste problem at Preah Ang Thom, the tourism problematic in Phnom Kulen. Mr. Nguon Pheakkdey (UNDP consultant) gave a presentation of the Phnom Kulen Management Program at Preah Ang Thom MoE ranger station. On the second day other problematic were studied and discussed with local population: alternative livelihood, small-scale farms and breeding, home stay (eco-tourism), cashew nut producers and retailers.

Consecutively, ADF team attended to the 23rd Plenary Session of the ICC on the 25th of January 2017 where important recommendations where issued for the PKNP. ADF also attended to the 27th ICC technical session on the 24th of January 2017. ADF team presented its activity reports and perspectives at the 28th Technical Committee on the 21st and 22nd of June 2017, at the end of which others important recommendations where issued for the PKNP. Finally, ADF also attended the 29th Technical Committee on December 13th and the 24th Plenary Session of the ICC on December 14th 2017 with other recommendations, particularly about the road construction crossing PKNP.

ADF team regularly update our website (www.adfkulen.org) and our Facebook page where the last pictures of our activities are displayed (www.facebook.com/adfkulen).

**Training of the Cambodian archaeologists**

A close collaboration between the APSARA Authority and ADF archaeologists during the various activities provided a platform for field training to the APSARA local staff (archaeologist and local workers).
Two APSARA archaeologists (Mr. Sokha Panha and Mr. Ngin Sarun) were involved in all archaeological activities (archaeological surveys, APA surveys and management, site management...), improving their skills and experience. All these tasks were implemented under the supervision of Mr. Sakhoeun Sakada.

ADF has renewed its MoU with the APSARA Authority, for 3 additional years, from October 2017 to October 2020. It was signed on the 2nd of October 2017.

**DEVELOPMENT**

**Overview:**

The Archaeology & Development Foundation has, since its conception, closely linked the two axes of its action on the field. The population of Phnom Kulen (the beneficiaries of the development activities) have suffered from a dark chapter in Cambodia history and civil war. The side effects are still very tangible today: lack of trust, lack of public infrastructures, lack of access to healthcare, food, nutrition and sanitation, lack of education and awareness, difficulties to bring products to market, low resources from the governmental bodies (Health dpt, Education dpt, Police, Ministry of Environment...).

For a significant percentage of this population, peace and stability is enough and they don't see the need for further change and development. Breaking the poverty cycle in any context is challenging. For this population located on a remote plateau with a difficult access, it is even more problematic. The majority of the indigenous population in Khnong Phnom commune live in extreme poverty or poverty, surviving on 'day to day' bases.

The majority of the schools are 'empty shells' as qualified teachers are very reluctant to work up in Khnong Phnom commune, as facilities are poor as compared to other communes in Siem Reap province. This results in inadequate education for the children rendering yet another generation that is very likely to fall into the poverty.

Other government bodies, for example the Ministry of Environment (MoE) and the police, have little resource. The result of this is virtually a total lack of law enforcement, extensive illegal logging, illegal building and house construction, general depletion of the environmental natural recourses; which are having and will continue to have (if the depletion continues to go unchecked) serious ramifications on water dilemma of Angkor Park and the town of Siem Reap.

Seasonal food shortages continually affect a significant majority of the population of Phnom Kulen. The ramifications of food shortages are numerous, the most notable in family health and wellbeing. Sickness exacerbates the multitude of issues that poor families have to endure, further interning them into the poverty cycle.

Another factor that the majority of the poor indigenous people have to suffer is the lack of liquid assets. As the majority of poor are subsistent farmers they have little to no money to buy the basic necessities to attain the very basics of life: soap for personal and family hygiene, fundamental household materials, cooking pots and/or basic repairs to their dwellings and/or basic farming tools.

ADF has set up several components under the development program to address these issues: Income Generation, Nutritional Health & Hygiene, Emergency Relief/Water and Sanitation, Enhanced Educational Support/Environmental Education Program, and the Environmental Support. They are all tailored-made to the Kulen problematic and presented below.
They are implemented in coordination with the Khnong Phnom Commune Development plan.

**Income generation (IG)/alternative livelihood program**

The objective remains the same as the previous years: to enhance and develop alternative income generation activities, with the purpose of encouraging the Phnom Kulen population to move away from their current unsustainable and destructive practices (mono-culture of cashew nuts and slash-and-burn) to sustainable and environmentally friendly income generation activities. As behaviour change is a process, this component has to aim towards positive examples and repetition. It is therefore the most challenging component of ADF within the development component.

As for the previous 7 years (since 2010), ADF is continuing the support to local communities and villagers with the objective of proposing an alternative to the existing environmentally destructive agricultural practices (e.g. slash & burn combined with cashew nut farming), by sustainable alternatives and environmentally friendly sources of incomes for the population of Khnong Phnom commune.

ADF propose technical assistance and materials for the families to undertake animal raising (chicken: 24 families; fish: 7 families), small-scale mushroom farming (2 families) and seasonal vegetable growing (27 families). The families growing vegetables are the most numerous within the IG component: 2 in Thmey village, 18 in Anlong Thom village, 1 in Thma Chruogn village, 3 in Sangke Lak village. They are cultivating cucumber, cabbage, long bean, eggplant, gourd, salad and kale. At the ADF base station and house Anlong Thom village, a farmer is also experimenting with a ginger species (Zingiberaceae). This type of ginger is used by the Khmers as an herbal medicine and can be drink as tea, to alleviate stomach ailments.

However vegetable growing is more of a seasonal activity, especially on the plateau of Phnom Kulen. It is implemented during the cool season, normally starting from the end of October and reducing by the end of February, just before the hot season. For the details of these activities, please refer to the ADF report ("Income Generation (IG) Activity Report, Period: February, 2017 – July, 2017").

In 2017, ADF was closely monitoring the incomes and expenses of each of these 60 beneficiaries. With the objective to transform these producers into independent local entrepreneurs, ADF is encouraging them to contribute with their incomes to the costs. This will allow taking ownership for their business, ensuring sustainable alternative income. Beneficiaries are asked to repay back to ADF's IG accounts 50% of the amount spent for the materials and equipment they received from ADF. ADF collect these reimbursements in June and December 2017, and they were reused for the IG component.

ADF plan to extend the number of beneficiaries in 2018.

In 2014, ADF set up a mushroom production centre in Preah Ang Thom village, acting as a cooperative, a training centre and a hub for other products and producers from remote villages, creating the link between the producers/farmers and the important tourists market of this village. In 2016, the main constraint was climate changes and an insect infestation, which has reduced the production.

ADF IG program has transferred on the 5th of April 2017 the HUB center to the MoE/PDoE. The long-term plan is that the structure would be serving the community, through the Khnong Phnom Commune.

As an experiment and at this point of the process, the MoE/PDoE staff chose another alternative and environmentally friendly income generation activity: quail raising (Coturnix Coturnix). The centre was raising quails for 2 to 3 months and activities stopped.

In 2018, discussions will be held between ADF, the Commune Council and the Provincial Department of the Ministry of Environment to complete this process. The objective is to ensure that the centre will be used for the community and to the benefit of the National Park.

The IG supervisor attended two training sessions (March and October 2017) with AGRISUD International, an important French agricultural organization in Cambodia. The capacity-building program entitled "Advisory service activity for sustainable agriculture" was implemented in the context of the AGRISUD project "Agroecology and diversification of peri-urban family farms in Siem Reap Province", ongoing since May 2016, with its partners. AGRISUD International works in Cambodia since 1995 on supporting family farms to improve their activities for a better and sustainable livelihood. Further collaboration between ADF and AGRISUD is expected in the future (see below).

ADF has advised one more time on the 8th of August 2017 the GIZ Bio-diversity Based Products project (BBC) with a site visit. ADF has advised and helped the GIZ team for months for potential assessments and identification of products. Due to the slow implementation of this project and the lack of ADF human resources, ADF management team has decided at the end of the year 2017 to focus on other activities already funded and functioning.

ADF is regularly updating the ICC-UNSECO committee. ADF, in conjunction with Mr. Bernard Hubert (the ICC Sustainable Development Adhoc Expert), the Agence Francaise de Developpement (AFD) and AGRISUD International in Cambodia, are planning to combine their experiences and work together with the indigenous population of Phnom Kulen to develop a larger IG project.

Other high level visits to the IG component and ADF in general were organized with the United Nations Development Program (UNDP) and the World Bank (17th may 2017) for potential future projects.

**Development of eco tourism and presentations to visitors**

In order to create another source of income for the villagers, ADF has helped Terre Cambodge to select families who are willing to develop home stays in Anlong Thom villages. Terre Cambodge built toilets for the beneficiaries and they received cooking and hygiene training. The tour organiser can also buy the products farmed by the villagers (vegetable, mushrooms, fish, chicken). ADF has also advised Terre Cambodge to select motivated villagers to join the group of visitors, as a local guide. Having westerners' visitors in their households, or being a local guide, also provide an opportunity for a unique cultural exchange, for both visitors and villagers.

In 2017, ADF has continued to receive the regular financial support from Terre Cambodge travel agency and other associated tour operator such as Chamäeleon Stiftung, to sustain our development activities on the mountain. The remaining funds from the Almayuda Fundacion's donation and the regular donation from Frangipani Spa and a private donor are also fully allocated to the Income Generation Component.

In return, ADF provides presentations to the visitors from these tour operators about the ADF activities. Visitors are encouraged to give private donations in cash to ADF, which are dedicated to the IG budget. In some cases, if the tours are long enough, visitors can also participate in the IG activities with the beneficiaries (ex: help the farmer to maintain his vegetable farm).

**Nutritional health & hygiene component**

**Overview:**

The objective of this component was to improve nutritional health and wellbeing of the women and children, between two and five years old, in order to decrease child morbidity and mortality rates. The original "Strive and Survive" project (SAS), supported by AUSaid, was initiated in March 2011 and continued until 2013 in 5 of the poorest villages in Khnang Phnom commune, on the Phnom Kulen plateau: Thma Chruonh, Sangkae Lak, Khlah Khmum, Popel and Phum Thmey. As all the credits were not spent in may 2013, a no cost extension was required until December 2013.

The Growth Monitoring Program (GMP) was a first activity that categorized the adequately nourished from the malnourished children. From this program, the malnourished children (according to the Growth Monitoring Chart from the Ministry of Health, Kingdom of Cambodia and World Health Organization standards) were enrolled into the Nutritional Education & Rehabilitation Program (NERP) where they were rehabilitated by nutritional rich food supplements, follow up by educational messages on dietary needs and requirements, combined with hygiene lessons.

Two ADF staff were in charge of this component, assisted by five Village Health Facilitators (VHF), usually women from the targeted villages, helping to disseminate hygiene and nutritional rules on a long term basis. In 2013, the combined programs have reduced of an average of 28.5% the malnutrition rate for children in the 5-targeted villages. At the beginning of this project, the malnourishment rate was as high as 58% in some villages.

**"Start Me Up" project**

Thanks to a private donor, ADF was able to continue its efforts from 2014 until mid-2017 to fight the malnutrition in Phnom Kulen villages with this project, designed as a continuation of the "Strive and Survive" project (SAS). Originally addressing the children malnutrition form 2 to 5 years old (within the SAS project), the "Start Me Up" project (SMU) was reoriented in June 2014 to include children from 0 to 5 years old, since another organization has stopped its support to the younger one. Consequently, as the number of beneficiaries increased, ADF team had to reduce the number of the targeted villages to 4 of them, to address malnutrition issues. Those villages are among the poorest villages on the mountain: Popel village, Thmey village, Klah Khmum village, and Sangke Lak village.

During the project and before providing food to the malnourished kids, ADF organized several meeting with the local people, especially the parents, to choose a village health facilitator (VHF) per village. The VHF were responsible for preparing food and facilitate the nutrition project on the field. They are also ADF representative on the field, to disseminate hygiene, nutritional and health care messages.

As in 2016, the "Start Me Up" project (SMU) continued during the first half of year 2017. This nutrition and health component was targeting 4 villages (Popel, Phum Thmey, Sangke Lak and Khlah Khmum) and focusing on malnourished children from 0 to 5 year old and their mothers.

ADF was therefore at the end of the second long term funding phase and the management team decided to proceed to an assessment of this program. ADF signed an agreement with the Karolinska Institute (Stockholm, Sweden), one of the most recognized medical universities, and two students did an extensive review and evaluation of this program, from May to mid-July 2017, under the supervision of their teachers. An additional fund from the Karolinska University allowed ADF to implement the survey and to finalise the "Start Me up" project.

It was recommended to ADF to change the nutrition project into a hygiene project (See the reports "An External Evaluation of the Archaeology and Development Foundation, Start Me Up Nutrition Intervention, Louisa Carpenter and Giampiero De Feo, and Archaeology & Development Foundation (ADF) Start Me UP (SMU) Nutrition Final Activity Report).

In 2017, the close collaboration with the Commune Health Centre continued to assist severe health cases and assistance is provided if transport to Siem Reap hospital is required. In most cases, the families have no transportation mode to travel this distance, the roads are in very bad conditions, and don't have enough financial resources to buy food while in Siem Reap town.

The rice bank, set up in 2013 in Thma Tchruogn village was continued with success. The objective of this pilot project is to alleviate food insecurity amongst the target population. The concept is similar to a bank: beneficiaries can borrow rice when they have a shortage of supplies and have to give it back with a low interest, after the harvesting season.

The beneficiaries are divided into 8 groups of household members, an equivalent to 35 families. The rice bank committee consists of 4 permanent members who have been active in project to organize in-house activities ranging from administration to the maintenance of the rice bank. They are also responsible for lending to and collecting rice from the household members.

In 2017, there were 35 families participating to the rice bank activity, which represents 210 people, comprising 105 women, 114 adults and 96 children. It is quite a sizable number of beneficiaries in the context of the IG program. 27 families borrowed 7350 Kg in May 2017. They gave back the rice in December 2017 and January 2018, after the harvesting season.

The ADF input and support for the Rice Bank is now mainly of a technical nature, guidance, monitoring and recording. Additional support consist in minor repairs and maintenance of the Rice Bank building, trying to make it as pest proof as possible. Periodically, ADF IG program pays additional rice to compensate the loss from the pest infiltration.
39 families borrowed in 2016, 23 families in 2015 and 34 families in 2014.

**Enhanced Educational and Environmental Education Support**

The objective is to enhance local school facilities and resources, to provide a favourable educational environment in Khnong Phnom commune. If appropriate, facilities are built to create a conducive learning environment that entices the children to come to school and learn, as opposed to staying at home and/or working on the subsistence farms. ADF provide infrastructures according the teachers needs.

During the year 2017, ADF continued the "Kurere" (for Kulen Rehabilitation and Regeneration) project, started in late 2016. This project focuses one sole primary school, corresponding to the needs of the most neglected school of the plateau: Sangke Lak primary school. The "Kurere" project was defined and approved by the teachers, the village chief and the commune, to enhance the school facilities and to encourage good hygiene and environmental practices.

Supported by Terre Cambodge and TDS Voyage, this project comprises training session about basic hygiene (washing hands and brushing teeth), the setting up of two water system for the school, the construction of toilets, wash bay, a tree nursery and an incinerator. These infrastructures were built over the course of the year 2017. Numerous meetings with local authorities (Commune chief, village chief, teachers...) were held to facilitate the implementation of this project. Other additional infrastructures or items were also built/installed: a playground of 5 items, cement table and benches, bins, construction of a kitchen, cooking cement table, tree planting to provide shade, punctual upgrading of a wood class building, solar panel sets...

With the support of the Siem Reap Human Resource Club and Panasastra University in Siem Reap, ADF built water tanks in Anlong Thom primary school tree nursery and the Ta Peng tree nursery was rehabilitated. 5 water filter acquired by Sustainable Communities Cambodia (local NGO) were transported by ADF to Ta Peng primary school (3) and Sangke Lack primary school (2). A complete and detailed report will be finalised in 2018 to describe activities undertaken and infrastructures built in the Sangke Lak School within the Kurere project.

**Environmental Support**

During the year 2017, ADF continued to define and facilitate the studies implemented by the School of Fields Studies, with a research collaboration program focusing on natural resource governance and management; livelihoods; and the environment interface in the Phnom Kulen National Park.

ADF was also involved in the environmental protection by combining data to the geo-database about the environmental threats, and by disseminating them to the relevant authorities (Ministry of Environment, APSARA Authority, District and commune authorities...). ADF continued in 2017 to integrate in our GIS system all illegal-logging points and recently burned plots of forest for cultivation purposes within the Phnom Kulen National Park and has reported them to the Ministry of Environment (MoE) and APSARA.

ADF team has continued to be one of the main actors to provide information from the field for the design of the Phnom Kulen Management Plan, under the supervision of the MoE, with the assistance of UNDP experts.

**Meetings and projects:**

In this framework, ADF management team met representatives from the Ministry in Phnom Penh and Siem Reap, and attended to various meetings at national level.

On the 21st of March 2017, ADF attended the meeting entitled "Resistance of our people, our culture heritage is our identity, environment is our future". On the 22nd of August, ADF attended the National Forum on Protection and Conservation of Natural Resources in Phnom Penh.

On the 28th of April, ADF participated to the Consultative workshop on the Draft Management Programme of Phnom Kulen Management Program in Siem Reap. ADF also facilitated the presentation of this program by the UNDP consultant to the UNESCO experts during the ICC field visit on the 18th of June 2017.

**Payment for Ecosystem Services**

During the "Forest and Landscape Restoration Mechanism, Capacity Development Workshop on National Forest Funds (NFFS) and Payment for Ecosystem Services including REDD+", organised by the FAO and the MAFF (26th to 28th of April) Mr. Sakhoeun Sakada gave a presentation (27th of April) about "APA, CPA in Phnom Kulen and alternative livelihood solutions".

ADF has provided an in-depth visit to UNDP experts on Payment for Ecosystem Services (PES) on the 6th and 7th of July. The outcome of this is the selection, alongside with a national Consultant, of ADF director in August 2017 as a consultant for the preliminary studies for the implementation of a PES in Phnom Kulen National Park (PKNP). An important presentation and a field visit was organised by ADF from the 26th to the 28th of September 2017.

Three important reports were produced from September to December 2017:

1. "Phnom Kulen National Park: Land and Resource Use Analysis by Dr. Jean-Baptiste Chevance and Dr. Pheakkdey Nguon", United Nations Development Programme, December 5, 2017.
2. "Phnom Kulen National Park: Ethnography and socio-economic assessment" by Dr. Pheakkdey Nguon and Dr. Jean-Baptiste Chevance, United Nations Development Programme, December 5, 2017.
3. "Phnom Kulen National Park: Institutional and Governance Analysis" by Dr. Jean-Baptiste Chevance and Dr. Pheakkdey Nguon, December 5, 2017.

A fourth report is due by another international consultant in 2018 and other meetings will then assess the situation of a potential PES in PKNP.

Within the first study corresponding to the first report, a series of important maps were produced on general data, biomass and land use about the PKNP, over the last 17 years.

**UNDP, Small Grant Project:**

ADF has built a partnership with ABCT local NGO for a few years already. Both organisations have applied together to a grant from the UNDP- Small Grant Program-Global, Environmental Fund (UNDP-SGP, GEF) in June 2017 with a project entitled "Community for Environmental Empowerment" (CEE project). On the 29th of August, ADF organised a field visit in Phnom Kulen for the staring committee.

ADF and ABCT project was among the short list selected projects and representatives of both organisations attended to several meeting in Phnom Penh with the UNDP staff (23rd and 24th of October, 19th November) to be trained and to re-orientate the project proposal, handed over in November 2017. The final decision by UNDP as per the selection and funding of this project will be taken in late January 2018.

**Reforestation activities:**

ADF participated and facilitated several activities related to tree planting activities in PKNP: selection of the area to be planted, organisation and logistic on the field, design of signboards. They were undertaken within the framework on the UNEP-Adaptation Fund project ("Enhancing Climate Change Resilience of Rural Communities living in Protected Areas of Cambodia"). A total of 32 ha were planted with the UNEP project in April, on the 23rd of May (with H.E. Say Sam Al, Minister of the Environment), June and July 2018.

**"Green Zone project" in Preah Ang Thom:**

ADF coordinated with the Min. of Environment and APSARA the new layout of the area by the waterfall (shops, rest house, restaurants...). The MoE ask ADF to assist for the design of this area to propose a new shopping area, as well as the parking and toilet. Several surveys and meetings were done. Juliette Capdevielle, architect intern at ADF, then designed different options of the project (from April to June 2017), which was submitted to MoE and PDoE. MoE selected one final version.

**Additional Support to PDoE:**

6 GPS were offered by ADF to PDoE on the the 22nd of September 2017, for the PKNP team, to improve the patrolling of the park.

ADF conducted a survey of the Preah Ang Chup pagoda to assess the extension of the buildings and the access road on the 20th of June 2017. Maps were given to MoE. It was also the case for the site selected for the incinerator for wastes from Preah Ang Thom area, and the Pig farm project in PKNP.

ADF has funded patrol in the PKNP for a small amount. It will be increased in 2018.

**Road construction project across PKNP:**

ADF has participated and advised the PDoE and APASRA about the road construction project across the national Park (see page 5 of this report and fig. 2). On the 11th of July, a field visit was organised to see the archaeological features and sites, and the proposed bypasses. Regular visit to the construction site were also done on the eastern slope of Kulen in August and September 2017. ADF was not invited to the field visit with the UNESCO-ICC expert in December 2017.

**Actual situation:**

Despite the dynamic on PKNP initiated by the MoE and followed by PDoE during the year 2017, the traditional destructive agricultural practices (slash & burn combined with cashew nut farming) and the illegal logging were still largely used in Phnom Kulen National Park. Less than 20% of forest cover left will disappear in the next few months, if no other major alternative solutions are implemented on a large scale, and if the environmental laws are not enforced. Illegal logging and land encroachment, particularly around the Phnom Hop area, are still continuing.

The implementation of the Phnom Kulen Management Plan and the Action plan is therefore an emergency.

**Financial Review and plans for future period**

Income for the period ended 31 December 2017 was $154,061 with expenditure totalling $127,381. At the year end, the charity was holding reserves of $87,229 to cover any shortfall in income.

For the archaeological activities (maintenance and conservation program), the demining operations could continue in 2018 if CMAC teams are available, thanks to the APSARA National Authority partnership and if more demining operations are required for excavations. The results of the previous operations show that it is absolutely necessary to have a systematic demining operation before maintenance and/or excavation.

ADF would like to request authorisations to APSARA and MoE for additional excavation in Banteay site in 2018.

ADF will continue to maintain a regular coordination with APSARA National Authority and provide assistance and advices for a better heritage management of the archaeological sites in Phnom Kulen. This involves advices for the general maintenance of the sites and the control of the Archaeological Protected Areas. ADF will continue to encourage APSARA to increase the material resources for these tasks.

For the Kbal Spean and 1000 linga sites, the ADF team will finalize the signboards and the archaeological team should be able to write the text and submit them to APSARA, so information panels can be edited and set up by ADF & APSARA, providing APSARA a better tool to manage this area and a better knowledge of the site for the public. The maps and their study will also be published in a specialised review in 2018 or 2019.

In the restoration field, only small sandstone fragments from previous archaeological campaigns will require complementary restoration in 2018.

ADF will continue to encourage the Cambodian authorities (APSARA National Authority, Ministry of Environment, Provincial Authorities) to officially recognise the Archaeological Protected Areas and to allocate more resources for their effective protection.

The archaeological research, diffusion, communication and training will continue.

The second LiDAR acquisition (in 2015) covered a very large area in Phnom Kulen (over 900 sq. Km). ADF, in association with EFEO/CALI project and APSARA, will publish the archaeological map and results in 2018.

Studies, in the perspective of publications will also be undertaken. ADF team is planning to publish the Rong Chen Mountain-temple study and ADF collaboration with the Irangkor project, an in-depth multi-institution research program on angkorian metallurgy, will continue as several samples of excavated objects discovered by ADF were collected in 2017.

In term of communication and collaboration with APSARA, UNESCO, UNDP and MoE, ADF will continue to participate to the ICC meetings and all meetings related to the Action Plan and the Phnom Kulen Management Program. ADF will also participate to the SEAMEO SPAFA meeting in Siem Reap in February 2018, presenting the issues and solutions regarding the tourism in Phnom Kulen.

The ADF Facebook page will continue to be regularly updated with pictures from our various operations, to diffuse our actions and inform our donors and partners, as well as our website.

Concerning the archaeological training, it will be implemented with our partner APSARA Authority during and after the excavations. Graduated students and APSARA archaeologists will be associated to the different field and office work activities.

Regarding the development activities, the five main components will continue to be reinforced and adapted, according to their results.

In ADF's operational year 2018, ADF development Income Generation (IG) team will continue to monitor and support (financially and technically), every small farming production unit. However, ADF will strongly encouraging them to re invest their profit into their micro enterprise, in order to create sustainable models. ADF IG team has developed the IG activities in villages with success, for the mushroom and veggetables farmers, chicken and fish breeders. A test will be implemented with a pig raising activity for a few beneficiaries.

All IG beneficiaries will continue to be monitored in 2018, to improve the management and the transition phase. ADF will also encourage its IG staff to attend technical training and will encourage exposure visit for the beneficiaries.

For the mushroom training centre and Hub in Preah Ang Thom, a solution will be found with the local authorities, in the perspective of using the buildings and infrastructure for the benefit of Phnom Kulen communities.

The collaboration with our partner from the private sector Terre Cambodge will continue. Home stays and local tour guide will continue to be trained thanks to the agency team and ADF will continue the presentations to the visitors who are financing the project through their tour.

More generally, discussions with Terre Cambodge Agency and the Cambodian Authorities (PDoE, APSARA) could be held to design a tourism management plan for Phnom Kulen and a local community-based organisation, in order to offer tours with stronger sustainable and local impacts. Other trekking trails could for example be set up (around CPA and APA).

The survey implemented in 2017 by the Karolinska Institute recommended ADF to change the nutrition project into a hygiene project. In 2018, ADF will develop a project proposal for a new hygiene project and will seek for donors. The project will address environmental, hygiene and nutrition issues for 2 to 3 villages. This will ensure that their living areas will be clean and supportive to the general health and growth.

ADF team will continue to work closely with the local Health Centre (Anlong Thom) to assist poor people, facing emergency situation. As per the previous years, an Emergency Relief Fund will be reserved within the ADF budget, in case of major emergency for the poorest of the people (domestic fire or accident, natural disaster...).

The sub component such as the Rice bank and the support to the existing Water System in villages will continue to be monitored, encouraging the local population and authorities to take their ownership.

The Enhanced Educational Support will be strongly link with an Environmental Education Program. The infrastructures planned in the "Kurere" project will be finalised in early 2018 in Sangke Lak primary school. If extra funds are remaining after completion, it will be decided in accordance with donors and beneficiaries, to which extra infrastructures they should be dedicated. Other small project proposal could be designed and proposed to potential donors, focusing on hygiene, education and environment.

Finally, ADF Environmental Support will continue and be re-enforced, as ADF is strongly committed to the environmental protection of the Phnom Kulen National Park, and as the MoE is seeking support form our organisation.

ADF will continue to contribute to the Phnom Kulen Management Plan and the Action Plan, in the framework of the Phnom Kulen working group. With the assistance of UNDP, ADF will assist the MoE for the completion of these documents and studies. ADF will continue to recommend the official recognition of the archaeological protected areas (APA). ADF will seek for donors to implement activities corresponding to the Action Plan.

ADF will continue to participate to the PES studies for the PKNP.

ADF and ABCT, if selected, will implement the Community for Environmental Empowerment, funded by the UNDP- Small Grant Program, Global Environmental Fund (UNDP-SGP, GEF).

ADF will continue to advise and assist the APSARA Authority and the MoE on the planning project for the management of the waterfall area ("Green zone project") as well as the road project crossing the PKNP.

ADF will assist tree planting project with APSARA and MoE. The continuation of the Income Generation activities and the systematic report to the relevant authority of illegal activities (ex. logging, construction, land speculation) will also contributing to assist the MoE for the protection of the National Park.

ADF will assist the PDoE with reinforced patrolling funds for the rangers and a special training about GPS use and basic GIS notions.

Funds will also be allocated for the completion of an Information centre at Preah Ang Thom ranger station.

Signboards for a communication campaign to prevent the use of plastic bag and containers in the PKNP will also be funded, in collaboration with Terre Cambodge, PDoE and MoE.

ADF will continue to stress the threats on Phnom Kulen National Park at every level (local, national, international) and to implement the demarcation of additional protected areas, within PKNP. For example, a potential project could be implemented at Popel CPA, if funded.

All ADF activities will be implemented in accordance with the Khnong Phnom Commune development Plan.

Finally, in 2018, ADF will define and finalise a MoU with the Ministry of Environment.

In preparing this report, the trustees have taken advantage of the small company exemptions provided by section 415A of the Companies Act 2006

This report was approved by the Trustees, on 25/9/18 and signed on their behalf by:



**Vincent Chevance**
Trustee

## INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEE OF ARCHAEOLOGY AND DEVELOPMENT FOUNDATION (the 'Charity')

I report to the charity Trustee on my examination of the accounts of the Charity for the year ended 31 December 2017.

This report is made solely to the Charity's Trustee, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustee those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustee as a body, for my work or for this report.

## RESPONSIBILITIES AND BASIS OF REPORT

As the Trustee of the Charity (and 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 Charity 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 the Charity's accounts 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 can 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 Charity 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.

Signed: Dated: 26/09/2018

Lee Facey

**LUBBOCK FINE**

Chartered Accountants & Statutory Auditors

Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB

ARCHAEOLOGY AND DEVELOPMENT FOUNDATION
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2017

| | Note | Unrestricted funds 2017 $ | Restricted funds 2017 $ | Total funds 2017 $ | Total funds 2016 $ |
|---|---|---|---|---|---|
| **INCOME FROM:** | | | | | |
| Donations | 2 | 116,904 | 37,157 | 154,061 | 195,537 |
| **TOTAL INCOME** | | 116,904 | 37,157 | 154,061 | 195,537 |
| **EXPENDITURE ON:** | | | | | |
| Charitable activities | 3 | 86,074 | 41,307 | 127,381 | 176,826 |
| **TOTAL EXPENDITURE** | | 86,074 | 41,307 | 127,381 | 176,826 |
| **NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES** | | 30,830 | (4,150) | 26,680 | 18,711 |
| **NET MOVEMENT IN FUNDS** | | 30,830 | (4,150) | 26,680 | 18,711 |
| **RECONCILIATION OF FUNDS:** | | | | | |
| Total funds brought forward | | 26,316 | 34,233 | 60,549 | 41,838 |
| **TOTAL FUNDS CARRIED FORWARD** | | 57,146 | 30,083 | 87,229 | 60,549 |

All of the above amounts relate to continuing activities.

The notes on pages 21 to 27 form part of these financial statements.

**ARCHAEOLOGY AND DEVELOPMENT FOUNDATION**
***(A Company Limited by Guarantee)***

**REGISTERED NUMBER: 06429421**

**BALANCE SHEET**
**AS AT 31 DECEMBER 2017**

| | Note | $ | 2017 $ | $ | 2016 $ |
|---|---|---|---|---|---|
| **FIXED ASSETS** | | | | | |
| Tangible assets | 9 | | 21,964 | | 27,748 |
| **CURRENT ASSETS** | | | | | |
| Debtors | 10 | 23,495 | | - | |
| Cash at bank and in hand | | 45,017 | | 57,765 | |
| | | 68,512 | | 57,765 | |
| **CREDITORS:** amounts falling due within one year | 11 | (3,247) | | (24,964) | |
| **NET CURRENT ASSETS** | | | 65,265 | | 32,801 |
| **NET ASSETS** | | | 87,229 | | 60,549 |
| **CHARITY FUNDS** | | | | | |
| Restricted funds | 12 | | 30,083 | | 34,233 |
| Unrestricted funds | 12 | | 57,146 | | 26,316 |
| **TOTAL FUNDS** | | | 87,229 | | 60,549 |

The Charity's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustee considers that the Charity is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the Charity to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustee acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustee on 25/9/18 and signed on their behalf, by:

**Vincent Chevance**
**Trustee**

The notes on pages 21 to 27 form part of these financial statements.

## 1. ACCOUNTING POLICIES

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Archaeology and Development Foundation meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The charitable company is in the main reliant upon donations to raise revenue to meet future expenditure. The trustee considers that it is appropriate to prepare the financial statements on a going concern basis. This assumes that the charitable company will be successful in its fundraising activities. The financial statements do not include any adjustments that would result if insufficient funds are raised.

### 1.2 Company status

The Charity is a company limited by guarantee. The member of the company is the Trustee named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

### 1.3 Donations and gifts

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Donations and gifts are included in full in the statement of financial activities when receivable.

### 1.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

### 1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

## 1. ACCOUNTING POLICIES (continued)

### 1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Charitable activity costs are costs incurred on charitable operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

### 1.7 Tangible fixed assets and depreciation

All assets costing more than $200 are capitalised.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|---|---|---|
| Freehold property | - | over 10 years straight line |
| Motor vehicles | - | 25% straight line |
| Office equipment | - | 33.33% straight line |

### 1.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### 1.9 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### 1.10 Creditor and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

Trade and other creditors are recognised at the settlement amount after any trade discounts received. Accruals are value based on the estimated amount to be paid.

## 1. ACCOUNTING POLICIES (continued)

### 1.11 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### 1.12 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into dollars at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into dollars at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

The accounts have been prepared in US dollars as this is the operating currency of the charity.

## 2. INCOME FROM DONATIONS

| | Unrestricted funds 2017 $ | Restricted funds 2017 $ | Total funds 2017 $ | Total funds 2016 $ |
|---|---|---|---|---|
| Donations | 116,904 | 37,157 | 154,061 | 195,537 |
| **Total 2016** | 138,539 | 56,998 | 195,537 | |

## 3. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

| | Unrestricted funds 2017 $ | Restricted funds 2017 $ | Total funds 2017 $ | Total funds 2016 $ |
|---|---|---|---|---|
| Charitable costs | 86,074 | 41,307 | 127,381 | 176,826 |
| **Total 2016** | 131,666 | 45,160 | 176,826 | |

## 4. ANALYSIS OF EXPENDITURE BY ACTIVITIES

| | Activities undertaken directly 2017 $ | Support costs 2017 $ | Total 2017 $ | Total 2016 $ |
|---|---|---|---|---|
| Charitable costs | 125,500 | 1,881 | 127,381 | 176,826 |
| **Total 2016** | 170,728 | 6,098 | 176,826 | |

## 5. SUPPORT COSTS

| | Unrestricted funds $ | Total 2017 $ | Total 2016 $ |
|---|---|---|---|
| Accountancy fees (governance) | 2,493 | 2,493 | 5,172 |
| Independent Examination fees (governance) | 750 | 750 | 750 |
| Foreign currency loss / (gain) | (2,820) | (2,820) | (905) |
| Legal and professional fees | 92 | 92 | - |
| Bank charges and interest | 1,366 | 1,366 | 1,081 |
| | 1,881 | 1,881 | 6,098 |
| **Total 2016** | 6,098 | 6,098 | |

## 6. STAFF COSTS

Included within direct charitable activity costs are wage costs totalling $73,309 (2016 - $117,803).

The average number of persons employed by the company during the year was as follows

| | 2017 No. | 2016 No. |
|---|---|---|
| Average number of employees | 9 | 12 |

No employee received remuneration amounting to more than £60,000 in either year.

## 7. TAXATION

The company is a registered charity with the Charity Comissioners for England and Wales. It is not liable to corporation tax on any surplus arising from its charitable activites.

## 8. NET INCOME/(EXPENDITURE)

This is stated after charging:

| | 2017<br>$ | 2016<br>$ |
|---|---|---|
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 7,018 | 8,207 |

During the current and prior year, the Trustee did not receive any remuneration, benefits in kind or reimbursement of expenditure.

## 9. TANGIBLE FIXED ASSETS

| | Freehold property<br>$ | Motor vehicles<br>$ | Office equipment<br>$ | Total<br>$ |
|---|---|---|---|---|
| **Cost** | | | | |
| At 1 January 2017 | 28,288 | 16,620 | 16,701 | 61,609 |
| Additions | - | - | 1,234 | 1,234 |
| At 31 December 2017 | 28,288 | 16,620 | 17,935 | 62,843 |
| **Depreciation** | | | | |
| At 1 January 2017 | 11,100 | 6,060 | 16,701 | 33,861 |
| Charge for the year | 2,829 | 4,155 | 34 | 7,018 |
| At 31 December 2017 | 13,929 | 10,215 | 16,735 | 40,879 |
| **Net book value** | | | | |
| At 31 December 2017 | 14,359 | 6,405 | 1,200 | 21,964 |
| At 31 December 2016 | 17,188 | 10,560 | - | 27,748 |

## 10. DEBTORS

| | 2017<br>$ | 2016<br>$ |
|---|---|---|
| Prepayments and accrued income | 23,495 | - |

## 11. CREDITORS: Amounts falling due within one year

| | 2017<br>$ | 2016<br>$ |
|---|---|---|
| Other creditors | - | 10,000 |
| Accruals and deferred income | 3,247 | 14,964 |
| | 3,247 | 24,964 |

## 12. STATEMENT OF FUNDS

### STATEMENT OF FUNDS - CURRENT YEAR

| | Balance at 1 January 2017 $ | Income $ | Expenditure $ | Balance at 31 December 2017 $ |
|---|---|---|---|---|
| **Unrestricted funds** | | | | |
| General Funds | 26,316 | 116,904 | (86,074) | 57,146 |
| **Restricted funds** | | | | |
| Nutrition and hygiene project | 7,666 | 6,708 | (12,027) | 2,347 |
| Income Generation project | 18,167 | 27,549 | (18,487) | 27,229 |
| Educational support | 8,400 | - | (7,900) | 500 |
| Environment Reforestation | - | 2,900 | (2,893) | 7 |
| | 34,233 | 37,157 | (41,307) | 30,083 |
| Total of funds | 60,549 | 154,061 | (127,381) | 87,229 |

### STATEMENT OF FUNDS - PRIOR YEAR

| | Balance at 1 January 2016 $ | Income $ | Expenditure $ | Transfers in/out $ | Balance at 31 December 2016 $ |
|---|---|---|---|---|---|
| General Funds | 46,986 | 138,539 | (131,666) | (27,543) | 26,316 |
| **Restricted funds** | | | | | |
| Nutrition and hygiene project | 275 | 23,222 | (19,341) | 3,510 | 7,666 |
| Income Generation project | (6,246) | 22,678 | (22,298) | 24,033 | 18,167 |
| Educational support | 823 | 11,098 | (3,521) | - | 8,400 |
| | (5,148) | 56,998 | (45,160) | 27,543 | 34,233 |

**Nutrition and hygiene project** - Activities undertaken to ensure local villagers have at least the minimum intake of calories required for healthy development and raising awareness on this matter.

**Income Generation project** - Provision of technical and other assistance to farmers to replace destructive farming practices.

**Educational support** - Projects to support education through infrastructure improvements in schools.

**Environment Reforestation** - Projects to reinforce ADF activities towards the reforestation of the Phnom Kulen National Park.

## 13. ANALYSIS OF NET ASSETS BETWEEN FUNDS

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

| | Unrestricted funds 2017 $ | Restricted funds 2017 $ | Total funds 2017 $ |
|---|---|---|---|
| Tangible fixed assets | 21,964 | - | 21,964 |
| Current assets | 38,429 | 30,083 | 68,512 |
| Creditors due within one year | (3,247) | - | (3,247) |
| | 57,146 | 30,083 | 87,229 |

### ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | Unrestricted funds 2016 $ | Restricted funds 2016 $ | Total funds 2016 $ |
|---|---|---|---|
| Tangible fixed assets | 27,748 | - | 27,748 |
| Current assets | 23,532 | 34,233 | 57,765 |
| Creditors due within one year | (24,964) | - | (24,964) |
| | 26,316 | 34,233 | 60,549 |

## 14. RELATED PARTY TRANSACTIONS

Included within incoming resources is an amount of $70,007 (2016 - $119,961) which was donated by the Vincent Chevance, the Trustee.

Included within incoming resources is an amount of $37,592 (2016 - $17,000) which was donated by JB Chevance, brother of the Trustee. At the the year end, an amount of $23,495 was still due to the charity in respect of pledged donations.