

Training in internal cash control for PPSE's accountancy department staff in Camdodia

Phare Performing Social Enterprise (PPSE) was created in 2012 following an initiative by the board of the Phare Ponleu Selpak (PPS), a Cambodian NGO which has been working since 1986 with vulnerable children, young adults and their families in Battambang province through 3 interweaving fields of intervention: Art schools, Social support and Educational programs.

Since May 2013, PPSE has a permanent standing circus tent in Siem Reap which has daily circus shows. Siem Reap is the 3rd largest city of Cambodia and the most touristic one, as it is also the closest place to visit the Angkor temples. It ensures the circus to have constant visitors. Therefore, PPSE has 3 main aims: to offer job opportunities to the young artists trained by the PPS art school and allow them to live from their music and their circus training ; financially support PPS enabling it not to depend on donations ; to participate to the development of art in Cambodia by giving access to Cambodians to the performances.

The partnership between PPSE and Planète Urgence started in 2014. PPSE is a well-structured organization, though they needed support in their accountancy/finances processes. Therefore, it has been decided to organize a mission to improve PPSE's internal cash control. In 2015, one first volunteer then came to support the organization's Finance department staff.

PPSE has been widely growing since its opening and the cash flow processes have not been put into place by professionals but by PPSE's operational team.

The lack of financial means lead PPSE to ask Planète Urgence for a volunteer to secure their cash flow and optimise the work of the staff members involved in its different stages, from cash collection to its recording by the accountancy department.



In order to optimize PPSE's cash flow processes, one volunteer who has worked as an internal controller in a French bank group, came to support PPSE's financial team from 2016 August 08th to 20th. She worked with the entire financial team of 7 members, and especially the Finance Director, with who the volunteer had meeting on a regular basis.

She also had meetings with PPSE's Human Resources Director as well as the Executive Director.

In accordance with PPSE, the mission was focused on a review of cash flows and training in more rigorous processes accordingly.

Overall, the mission has been practical and adapted to the partner's specific situation. During her mission, the volunteer alternated between different phases: audit (observations on every step of PPSE's cash flow processes), recommendations and training accordingly. Moreover, these new recommended processes have been directly included in the existing draft of the finance manual, thus contributing to its finalization, as well as contributing to the transmission of knowledge within PPSE's team after the volunteer departure.

All along the mission, regular progress reviews have been carried out with the Finance Director, so that the volunteer could present her recommendations and make sure they were in accordance with the partner's needs and expectations.



The mission was the occasion to :

- make an audit of the partner's incoming (revenues) cash flows. The volunteer could observe, analyze and give recommendations to improve every steps of the incoming cash flows processes: release of the daily funds

coming from various sources (ticketing, boutique, donations, artistic workshops, production, Café), money collection from retailers, daily cash reconciliation, import of sales data (from POS) to accounts (Quickbooks) and remittance of cash in hand.

- make an audit of the partner's outgoing (expenses) cash flows. Expenses authorizations, payment methods and cash disbursements were reviewed. Spot-checks on monthly general expenses were conducted, as

1

MISSION CONGÉ SOLIDAIRE®
IN 2016

1 CRÉDIT AGRICOLE

8

BENEFICIARIES

FINANCE DEPARTMENT TEAM
HUMAN RESOURCES DIRECTOR

ACHIEVEMENTS

FINALIZATION OF THE PARTNER'S
FINANCE MANUAL

DISCREPANCIES REDUCTION
BY 30%

THE ENFORCEMENT OF CASH CONTROL
PROCESSES INCREASED THE FINANCE
TEAM RAPIDITY IN THEIR EVERYDAY
TASKS BY 50%

LEARNING OF APPROPRIATE ENGLISH
ACCOUNTANCY AND FINANCE-RELATED
TERMS

well as an audit on the payroll system.

- review the bank accounts reconciliation processes.
- review and recommendations on 4 agencies and retailers contracts, analysis of sales volume by agency/retailer and aging balance/receivables.
- make recommendations on the Finance Department restructuring.

In order to measure the impacts of the mission, the Planète Urgence National representative exchanged with PPSE's Human Resources director, monitoring the partnership with Planète Urgence within her organization, and the Finance director. They then asked the Financial department staff who was involved in the training about their personal opinion on the mission results and key moments.

Overall, they observed a **reduction of mistakes and discrepancies** in their accounting tables, especially through the petty cash book.

All the Finance team members could benefit from the mission, as the review and enhancement of the cash flow processes by the volunteer improved the entire **team's seriousness and probity** on cash internal control.

Using simple methods, the volunteer helped PPSE's Finance team to develop

its **skills in (cash) control** as well as in (bank and account) **reconciliation**.

According to SOVAN Neary and SOUS Sinath, Directors of Finance and Human Resources : " Janna EP's mission to Phare Performing Social Enterprise (PPSE) in Cambodia has produced **tangible and actionable results** that are relevant and useful to the leadership of the company, to enhance the company operations, cash management and financial **workflow efficiency**. This is very important for PPSE."

More organized than before in every task, all the team is more serious to details regarding cash management, reducing **risks of frauds and discrepancies**, which **decreased by 30%** after the volunteer's mission. Besides improving the processes to attain fiscal probity, the application of the volunteer's advices on processes made the financial team work easier and faster, increasing their overall **rapidity up to 50%**.

Regarding PPSE's global activity, the partner was particularly interested in the internal spot-checks on cash control, the experienced advices of the volunteer, and the finalization of the **financial manual**. After been approved by the PPSE Board of Director, the manual is now used to debate and refer to, in

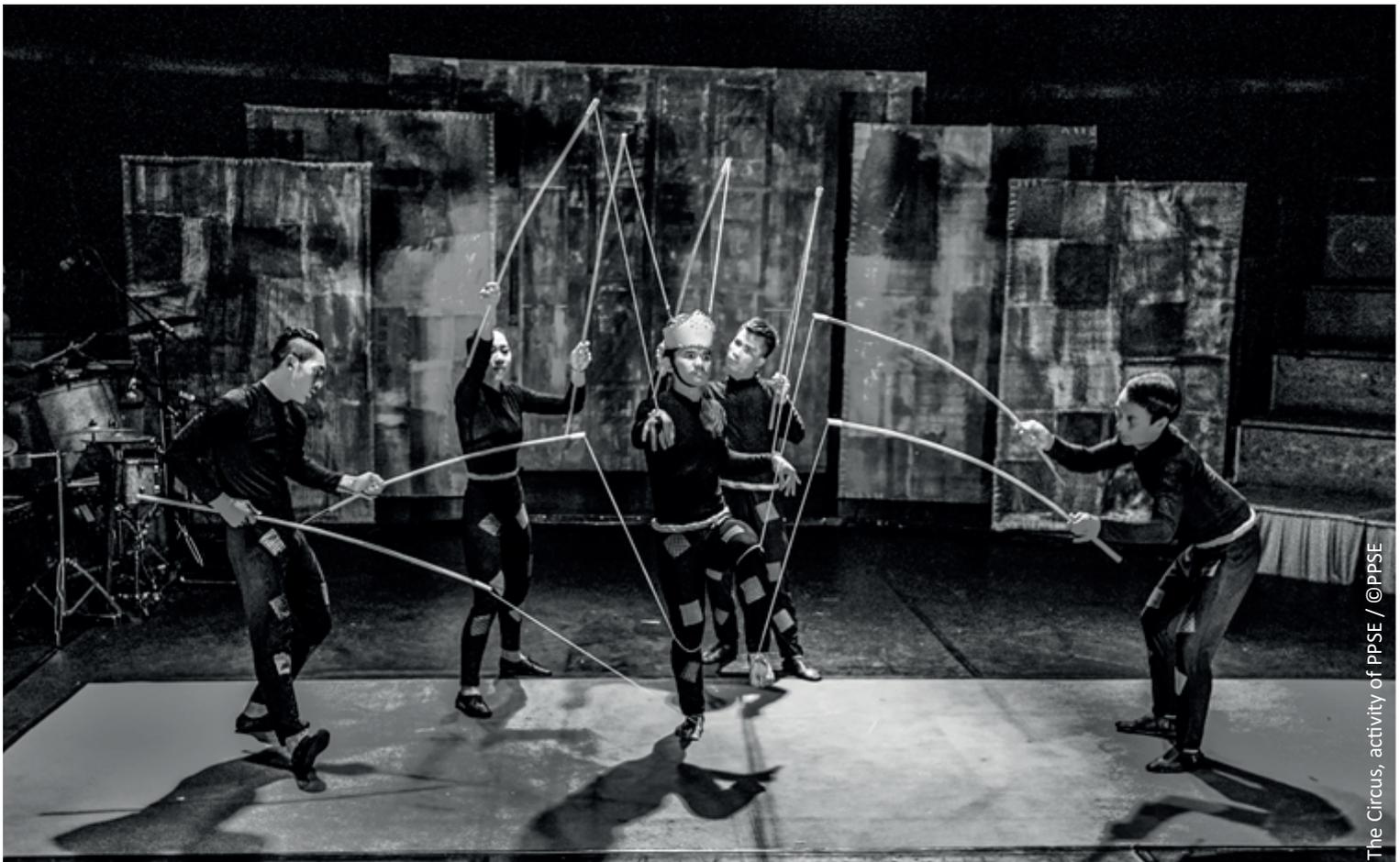
order to adapt and implement better processes, operate more effectively and safely especially in cash handling.

Moreover, throughout the volunteer's intervention, finance team could learn **accountancy and finance English appropriate terms**, which help them in their exchanges with donors and partners.

No other mission has been organized since, as PPSE didn't want to receive other volunteers, considering the mission's objectives achieved.

"On a personal level, Ms. EP is a very pleasant person to communicate and work with. The fact that she would like to reconnect with her birth country makes this mission even more special to connect with her on a personal level. She has grown to be passionate with our vision and mission and we remain in close friendship after the mission."

SOVAN Neary, Director of Finance



The Circus, activity of PPSE / ©PPSE