



## Charity Review

## Thai Pestalozzi Foundation "TPF"

|               |  |
|---------------|--|
| Review Date:  | January 18, 2016   |
|               | Manu Pensawngwat Masters of Business Administration (M.B.A.)<br>Ramkhamheang University.   |
| Charity Head: | Khun Udom Vichayabhai, Chairman<br>Khun Chaiyan Tippayosot, Vice Chairman  |
| Address:      | 3031 Sukhumvit Rd., Bangchak, Prakanong, Bangkok 10260   |
| Telephone :   | <a href="http://www.thaipestalozzifoundation.org/">http://www.thaipestalozzifoundation.org/</a>  |
| E-mail :      | <a href="mailto:chaiyan66@gmail.com">chaiyan66@gmail.com</a>   |
| website :     | <a href="http://www.thaipestalozzifoundation.org/">http://www.thaipestalozzifoundation.org/</a><br><a href="http://www.pestalozzi.org.uk/">http://www.pestalozzi.org.uk/</a><br><a href="http://www.pestalozzi.ch/en/home/">http://www.pestalozzi.ch/en/home/</a><br><a href="http://www.pestalozziworld.com">http://www.pestalozziworld.com</a> |
|               | China<br>India/Nepal/Africa  |

## Charity Purposes

Thai Pestalozzi Foundation grants educational scholarships across Thailand to help disadvantaged students with a good academic record to have an opportunity to continue their studies at a higher level. There are currently of 100 students receiving disadvantaged scholarships and there were more 300 students who have graduated with Bachelor Degrees through the help of the Thai Pestalozzi Foundation's scholarships since its establishment in 1990. The foundation operates on voluntary basis and there is no any permanent employees under its operation and administration. As a result, all proceeds generated go through to support student in term of scholarship.

The foundation was started by group of alumnus who were selected by the Pestalozzi Children's Village Trust, U.K. to obtained higher education in U.K. in year 1966. The Thai Pestalozzi Foundation was registered as Thai NGOs on 18 January 1990 with its registered number 4337, the foundation became a public charity organization in 2011, all donation can be tax deductible as per its license number 637.

## Review Process

GBA's Mr. Manu Pensawangwat, visited and interviewed Mr. Chaiyan Tippayosot, the Vice Chairman of the foundation at his working office located in the area of the new Thai Parliament Construction site at Kiek Kai where he works as a Construction Engineering Consultant on Monday 18, 2016. GBA's team learned that Mr. Chaiyan Tippayosot, was a selected student of the Pestalozzi Children's Village Trust, U.K. in 1966 after he completed grade 7 level (Pratom 7) to obtain higher education from grade 8 through to gaining a Bachelor degrees in U.K. He spent 12 years in U.K. with the benefit of the Pestalozzi UK educational scholarship. Mr. Chaiyan was the one co-founder of the Thai Pestalozzi Foundation and has the current role as the Vice-Chairman of the charity. His role with the charity is on a volunteer basis without receiving any compensation from the foundation.

## Charity Background and History

### - 1746-1827 Johann Heinrich Pestalozzi

JH Pestalozzi (1746-1827) was a Swiss educational reformer. He believed that everyone deserved an education regardless of their social status, so he set up several schools for children whose lives had been torn apart during the Napoleonic wars. JH Pestalozzi also believed in a practical education for the whole person – Head, Heart and Hands – rather than in learning by rote.

- **1944** Mr. Walter Robert Corti wrote an article publishing in the culture magazine (DU) to build a world in which children can live in due to the strong impact from World War II.

- **1945** The article of Mr. Walter Robert Corti evoked an enormous response and resulted in the establishing of the Children's Village Association in Trogen, Switzerland.

- **1946** The first Pestalozzi Children's Village was established called Kinderdorf Pestalozzi located in Trogen village, Switzerland, and started its philanthropic project to foster 120 orphans whose parents disappeared or died during World War II in Europe. The Kinderdorf Pestalozzi expanded its philanthropic project area to provide helping to the war refugee and poor children in the developing countries as well as establishing its agencies to provide assistance to the targeted countries afterward.

- **1950** Kinderdorf Pestalozzi was registered as Pestalozzi Children's Foundation (PCF) in the UK.

- **1958 Pestalozzi International Village, U.K.** an educational charity based in Sedlescombe, East Sussex, England, the second Pestalozzi charity after the Pestalozzi Swiss Village in Switzerland was established. It sheltered 40 children between age of 10 and 18 year from 15 Europe countries were accommodated and educated according to the principles Johann Heinrich Pestalozzi.

Children were educated in local schools in Hastings and St Leonards-on-Sea. In later years, the trust's focus has changed to providing educational opportunities for young people aged 16 to 19 who are academically bright but financially disadvantaged.

- **1963** The Pestalozzi International Village, U.K. expanded its operation to cover other regions of the world. Its first project was to select 22 children from Tibet, Northern India for scholarships.

- **1966** 12 Thai students were selected by the Pestalozzi International Village, U.K. to obtain educational support in the U.K. together with students from Jordan and India.

- **1968 - 1990** Students from Nigeria, Vietnam, Nepal and Zambia were selected by the Village in U.K. also.

- **18 January 1990** Thai Pestalozzi Foundation was established by the Thai alumni group who were supported by the Village in U.K. to continue the Pestalozzi's commitment in Thailand.

- **31 May 1995 Pestalozzi World** (Pestalozzi Overseas Children's Trust) was established to provide a secondary education to deprived children in the poorest country in Asia and Africa and also to act as the co-ordinating body amongst the overseas Pestalozzi affiliate operations through its network across the world list below:

|      |  |
|------|--|
| 1990 | Thai Pestalozzi Foundation             |
| 1993 | Tibet Pestalozzi Children's Foundation |

|      |   |
|------|---|
| 1995 | Pestalozzi Overseas Children's Trust                        |
| 1995 | Indian Pestalozzi Students Trust                            |
| 1998 | Pestalozzi US Children's Charity Inc.                       |
| 1999 | Vietnamese Pestalozzi Foundation                            |
| 2000 | PAHAD Association, Nepal                                    |
| 2001 | Pestalozzi Zambian Children's Trust                         |
| 2007 | Ireland - Pestalozzi Overseas Children's Trust Ireland Ltd. |
| 2008 | Pestalozzi Children's Trust, Malawi                         |
| 2009 | Pestalozzi Overseas Children's Foundation, Switzerland      |

Alumnus who graduated from the Pestalozzi International Village, U.K. regularly organize the re-union meeting every year on country rotation basis. Thai Pestalozzi Foundation hosts the re-union meeting every 4 years.

**Description of Activities and Programs: -**

**- The Thai Pestalozzi Foundation**

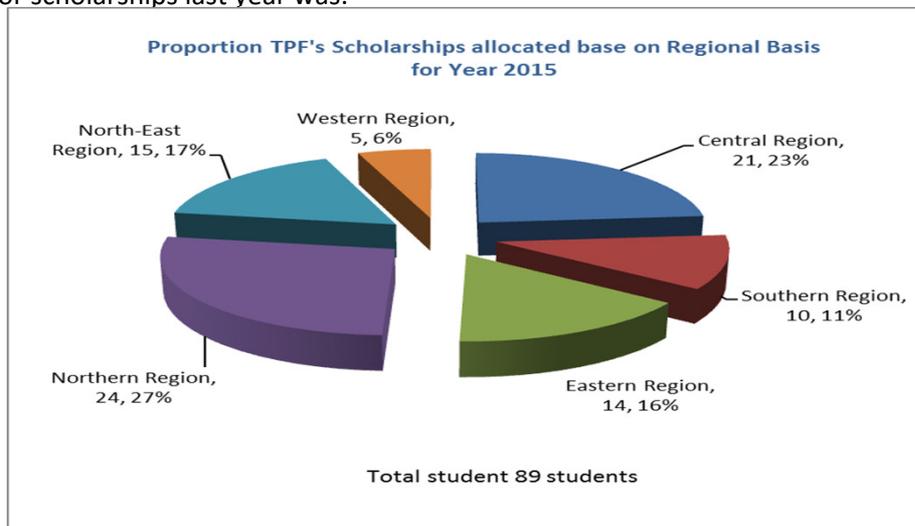
The Thai Pestalozzi Foundation (PTF) focuses on providing educational scholarships to less opportunity students which have obtained good grades, from MS1 (Grade 7) onward to have their opportunity to continue studying in Thailand. Those students who are interested in receiving the scholarship need to apply through their schools where they are learning with the school master's endorsement for the student's grade and their conduct.

The Pestalozzi World previously subsidised 50% of the total scholarship costs that Thai Pestalozzi foundation granted to Thai students, however, the subsidy proportion has been reduced 10% each year since 2013 onwards due to the Europe economic crisis. And by year 2023, Thai Pestalozzi Foundation needs to 100% fully provide its scholarships granting to students.

The Thai Pestalozzi Foundation allocates its educational scholarships on regional basis.

The charity has volunteer representatives living in different regions of the country to assist the charity with primary screening of the disadvantaged students who apply for the scholarship.

The proportion for scholarships last year was:



There are 89 students with scholarships studying in different levels as follows:

| Student   | Level                  | Year |
|-----------|------------------------|------|
| 3         | University             | 5    |
| 2         | University             | 4    |
| 1         | University             | 3    |
| 8         | University             | 2    |
| 15        | University             | 1    |
| 1         | Vocational             | 1    |
| 10        | High School grade      | 12   |
| 4         | High School grade      | 11   |
| 11        | High School grade      | 10   |
| 14        | Secondary School grade | 9    |
| 15        | Secondary School grade | 8    |
| 5         | Secondary School grade | 7    |
| <b>89</b> |                        |      |

Of the 89 students, there were 54 students under the TPF's scholarships and 35 students under Pestalozzi World's scholarship:

| Under TPF's Scholarships |           | Under Pestalozzi World |           |
|--------------------------|-----------|------------------------|-----------|
| Student                  | Level     | Student                | Level     |
| 16                       | Tertiary  | 13                     | Tertiary  |
| 38                       | Secondary | 22                     | Secondary |

The amount of scholarships granted to each student were as follow:

| Education level | 1st Semester | 2nd Semester | Per Year  |
|-----------------|--------------|--------------|-----------|
|                 | Baht         | Baht         | Baht      |
| Grade 7 - 12    | 4,000.00     | 4,000.00     | 8,000.00  |
| Bachelor degree | 8,000.00     | 7,000.00     | 15,000.00 |

Since the Thai Pestalozzi Foundation was established in 1990, the charity has granted its scholarships to more 300 students, with their education level achieved:

| Student quantity under the TPF's consecutive Scholarships year 1990 |                |                     |
|---|----------------|---------------------|
| Education Level   | Student amount | Achievement         |
| Grade 8 to 12   | 146            | completed           |
| Vocational School   | 20             | completed           |
| Bachelor's Degree   | 57             | completed           |
| In education system   | 88             | Consecutive support |

Initially, the Thai Pestalozzi Foundation granted its scholarships to 20 primary school students in 1991. The amount of students who received the grant were highest to 110 students in year 2003 and lowest dropped-down to 50 students in 2008 due to Thailand Economic crisis. In the following year the students were increased to 75 students. The charity aims to maintain its scholarships from 75-100 students since then with its target to maintain scholarships at 100 student per year.

#### **Fundraising Activity.**

- Thai Pestalozzi Foundation regularly organize Raffle Draw activity on yearly basis to raise fund for its scholarships with all expenses would be absorbed by its volunteers. In 2015 was the 15th Raffle Draw fundraising activity which was organized in Wat Prasart (Buddhist Temple) Nonthaburi province, Thailand with the total funds raised of Baht 384,780 which was 96% of its target at Baht 400,000. However, the charity management and the alumnus of Pestalozzi International Village U.K. topped up the remaining balance to reach its target in the same event.
- **Sponsorship program.** In 2011, the Thai Pestalozzi Foundation has started a new fundraising project to encourage its alumnus to regularly contribute or to sponsor its new students. The program is successful as there are many alumnus individually sponsor more than one student.
- **Summer Camp Activities** TPF has the Summer Camp annually with its aims to build the network among its students. Each activity mainly focus on team work and Pestalozzi " Head Heart Hands" principles conducted by its alumnus and senior student.

#### **Values and Transparency**

Mr. Chaiyan Tippayosot, the Vice-Chairman of TPF presented the latest audited financial report year 2014 which was audited by Chaisiri Ruangritchai, certified auditor number 4526 of Pricewaterhouse Coopers ABAS Ltd on 15 July 2015 with the 4th quarter minutes of committee meeting and other information files related with the charity to GBA's representative on the day of visit.

From TPF's audited financial statement year 2014, GBA learned that aside from raffle expenses to buy items to be for the fund raising raffle, TPF has negligible administration cost, as almost all expenses are the educational scholarships and educational summer camp. Administration costs were paid for by the volunteers.

**Charity: The Thai Pestalozzi Foundation (TPF)**

| <b>Thai Baht</b>                    | <b>Baht</b>      |  |  |                       |
|-------------------------------------|------------------|--|--|-----------------------|
|                                     | <b>Audited</b>   | <b>Notional<br/>Donation<br/>Value</b> | <b>Notional<br/>time value<br/>volunteer</b> | <b>Total</b>          |
|                                     | <b>2014</b>      | <b>2014</b>                            | <b>2014</b>                                  | <b>2014</b>           |
| <b>Asset</b>                        |                  |  |  |                       |
| <b>Current Assets</b>               |                  |  |  |                       |
| Cash and equivalent cash            | 950,395          |  |  | 950,395               |
| Short-term investment               | 1,256,138        |  |  | 1,256,138             |
| Other current assets                | 325              |  |  | 325                   |
| Total current asset                 | <u>2,206,858</u> |  |  | <u>2,206,858</u>      |
| <b>Receipts and Outgoings</b>       |                  |  |  |                       |
| <b>Receipts</b>                     |                  |  |  |                       |
|                                     | <b>Audited</b>   | <b>Notional<br/>Donation<br/>Value</b> | <b>Notional<br/>time value<br/>volunteer</b> | <b>Total</b>          |
|                                     | <b>2014</b>      | <b>2014</b>                            | <b>2014</b>                                  | <b>2014</b>           |
| Grant from Pestalozzi Overseas      | 581,052          |  |  | 581,052               |
| Free Service of accounting facility |                  | 15,000                                 |  | 15,000                |
| Committees meeting Allowance        |                  |  | 660,000                                      | 660,000               |
| other donation                      | 304,740          |  |  | 304,740               |
| Fundraising and souvenirs sale      | 16,883           |  |  | 16,883                |
| Total income                        | <u>902,675</u>   | <u>-</u>                               | <u>660,000</u>                               | <u>1,577,675</u>      |
| <b>Disbursements</b>                |                  |  |  |                       |
| <b>OPERATION :</b>                  |                  |  |  |                       |
| Donation for education              | 842,500          | 93%                                    |  | 842,500 53%           |
| Raffle ticket expenses              | 45,400           | 5%                                     |  | 45,400 3%             |
| Expenses for Summer Camp            | 170,830          | 19%                                    |  | 170,830 11%           |
| Other expenses                      | 200              | 0%                                     |  | 200 0%                |
| Total expenses                      | 1,058,930        | 117%                                   |  | 1,058,930 67%         |
| Less Notional value                 |                  |  | 15,000                                       | 675,000               |
| Net Surplus (Deficit)               | <u>- 156,255</u> | <u>-17%</u>                            |  | <u>- 156,255 -17%</u> |