



Child's Dream Foundation

Educated and empowered people responsibly
shaping and sustaining fair, just and healthy
societies for generations to come

Audited Financial Report 2022

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Introduction

Greetings from all of us at Child's Dream and we truly hope that 2022 was a successful and rewarding year for you. We are looking back at the most demanding year ever in our history and some of us might even be happy that it's over. We are used to solving problems and dealing with critical situations, but we could not have expected that 2022 would throw so many challenges at us. Still, looking back, exhausted, we realise that we managed to get through the year well and with very little damage. For most parts of the world, COVID-19 became manageable and life turned more or less back to normal. Not so for us. The economic and human harm triggered by COVID-19 and the tremendous damage inflicted on our educational systems will keep us busy for many years to come.

In a 'least developed' country, switching to studying from home during the pandemic was rarely an option, because the necessary infrastructure, such as computers or even electricity, is often not available. However, dropping out of school and contributing to the family income became an unfortunate option. We are working hard to correct this since schooling is now possible again. Another tragic development was the continuing conflict in Myanmar, which by now is a full-blown civil war. Evacuating our entire Myanmar-based team to safety in Thailand was another challenge, which we managed to overcome. Having our team now based in Mae Sot, Thailand, allows again for a scale up of our support inside Myanmar in the many months to come. An increase of support is urgently needed since most of our work in Myanmar continues, and never before have our educational offerings been in such big demand. A lot of money will be needed in the coming years to fulfil our mission and to keep on supporting our beneficiaries in Myanmar. The tragic war in the Ukraine comprehensibly shifted the focus of many European donors, so that we had to live with a slightly lower donation income in 2022, based on a consolidated figure. We truly hope to reverse this again in 2023 and for this we need your support.

But then we also had many highlights in 2022, such as updating our Vision, Mission, Culture and Values. We are getting ready for the next decade and have regrouped our work into 8 Strategic Goals. Additionally, 2023 will be a very special year for us. Child's Dream is turning 20 and, thanks to your trust and support, we are confidently looking into the next decade. There is still so much to accomplish and our tremendous impact over the last almost 20 years keeps us going and give us all the energy we need to keep on serving our beneficiaries.

With our big THANK YOU, we remain hopeful to be able to continue counting on your essential support.

Alone we can do so little, together we can change the world!



Charuwan Phaisantham
President



Daniel Marco Siegfried
Founder & Vice-President



Marc Thomas Jenni
Founder & Board Member

Reference to our Consolidated Financials 2022

Child's Dream, as a charitable organisation, consists of Child's Dream Foundation (Thailand) and Child's Dream Association (Switzerland). Our project work in Laos and Cambodia is reflected in either of these two audited annual reports.

In order to give you an overview of our work in the region, yearly Consolidated Financial Reports as well as our regularly publish Impact Reports are available on our website.

This audited Financial Report 2022 only reports on the work of Child's Dream Foundation (Thailand), and is, therefore, not comprehensive. However, it is a legal requirement to publish this audited financial statement. The audit report can be found on page 13.

Our Board

President - Country Director Thailand & Laos @ Child's Dream Foundation

Charuwan PHAISANTHAM, Thai (4 years – until September 2024)

Vice-President - Founder & Managing Director Programmes @ Child's Dream Foundation

Daniel Marco SIEGFRIED, Swiss (4 years – until September 2024)

Vice-President - Head Finance & Office Administration @ Child's Dream Foundation

Poonyaporn WATCHARAYON, Thai (4 years – until September 2024)

Secretary & Treasurer

Jinnita KOKANOT, Thai (4 years – until September 2024)

Board Member - Founder & Managing Director Operations @ Child's Dream Foundation

Marc Thomas JENNI, Swiss (4 years – until September 2024)

Board Member

Avorn OPATPATANAKIT, Assoc. Prof., PhD, Thai (4 years – until September 2024)

Board Member

Pramote LERTCHEEWAKAN, Thai (4 years – until September 2024)

Board Member

Wanida LERTVORAPREECHA, Thai (4 years – until September 2024)

Board Member

Kittiphan CHALOM, Thai (4 years – until September 2024)

Board Member

Ayu CHUEPA, Thai (4 years – until September 2024)

Financial Statements 2022

Balance Sheet (in THB)

| | 31.12.2022 | 31.12.2021 |
|---|-------------------|-------------------|
| Assets | | |
| Current assets | | |
| Liquid assets | 8,914,994 | 11,657,192 |
| Financial assets | 12,675 | 12,675 |
| Other current assets | 5,745,125 | 96,000 |
| Non-current assets | | |
| Fixed assets | 37,522,895 | 20,037,862 |
| Total Assets | 52,195,689 | 31,803,729 |
| Liabilities, Funds and Capital | | |
| Liabilities | | |
| Current and Non-Current Liabilities | 22,388,370 | 19,130,001 |
| Funds and Capital | | |
| Paid-in capital | 300,000 | 300,000 |
| Restricted funds | 4,100,000 | 4,300,000 |
| Capital of the organisation | 8,073,728 | 27,593,913 |
| Surplus/Loss for the year | 17,333,591 | -19,520,185 |
| Total Liabilities, Funds and Capital | 52,195,689 | 31,803,729 |

Statement of Operations (in THB)

| | | 1.1.2022 – 31.12.2022 | 1.1.2021 – 31.12.2021 |
|---|------------------|--------------------------|----------------------------|
| Income | | | |
| Donations private individuals | 304,557 | | 178,977 |
| <i>Restricted</i> | <u>0</u> | 304,557 | <u>0</u> 178,977 |
| Donations corporate | 587,142 | | 1,183,086 |
| <i>Restricted</i> | <u>6,900,000</u> | 7,487,142 | <u>8,784,000</u> 9,967,086 |
| Donation transfers from Child's Dream Association Switzerland | | 134,451,619 | 76,127,760 |
| Total Income | | 142,243,318 | 86,273,823 |
| Expenditure | | | |
| Project expenditure (see pages 8 to 10) | | 113,443,764 | 97,710,001 |
| Administration and fundraising expenditure | | | |
| <i>Personnel costs</i> | 18,596,817 | | 8,847,308 |
| <i>Utilities & Office Site Management</i> | 581,676 | | 377,113 |
| <i>Vehicles and Transportation</i> | 57,615 | | 40,688 |
| <i>Administration, Communication and IT</i> | 882,596 | | 636,065 |
| <i>Travelling and Fundraising</i> | 303,478 | | 311,945 |
| <i>Other costs</i> | 994,508 | | 419,675 |
| <i>Depreciation</i> | 575,000 | | 342,000 |
| <i>Provisions</i> | 1,000,000 | | 3,200,000 |
| <i>Cost Centre Allocation Thailand/Laos</i> | -8,855,902 | | -6,463,493 |
| <i>Cost Centre Allocation Mae Sot Office</i> | -2,619,271 | 11,516,517 | 0 7,711,301 |
| Total Expenditure | | 124,960,281 | 105,421,302 |
| Operating profit/loss | | 17,283,037 | -19,147,479 |
| Loss/income from financial result | | -149,446 | 23,294 |
| Result prior to allocation from restricted funds | | 17,133,591 | -19,124,185 |
| Allocation from/to restricted funds | | 200,000 | -396,000 |
| Loss/Profit for the year | | -17,333,591 | -19,520,185 |

Notes

- 1) The financial statements are prepared in accordance with the accounting recommendations KERN FER as well as SWISS GAAP FER 21, (stipulated for charitable and social non-profit organisations) but audited according to Thai audit standards.
- 2) Income and expenditure are recorded on a cash basis.
- 3) Administration expenditures are not allocated to projects. An allocation would be calculated proportionally to the project costs (according to Swiss GAAP FER21, Rz. 26).
- 4) The consolidated administration expenditure of Child's Dream Foundation (Thailand) and Child's Dream Association (Switzerland) was 6.4%. This ratio compares donations received versus administration expense incurred.
- 5) No statement of change in capital was compiled.
- 6) A funds flow statement has not been compiled (according to Swiss GAAP FER21, Rz. 27).
- 7) There are currently no liabilities concerning projects; otherwise, this would be disclosed in the following 'breakdown on project expenses'.

Breakdown of Project Expenses 2022 (in THB)

Thailand

Year 2022

Education Programmes

| | |
|---|------------|
| High School & Vocational Scholarship Programme | 10,261,769 |
| Nurse Aid Scholarship Programme | 2,911,898 |
| University Scholarship Programme Myanmar - International Bachelor | 16,532,389 |
| University Scholarship Programme Thailand - Bachelor | 500,599 |
| Direct Implementation Cost – Education Programmes | 374,926 |

Total Education Programmes

30,581,581

Education Partnerships

| | |
|---|---------|
| Direct Implementation Cost – Education Partnerships | 364,415 |
|---|---------|

Tak Province

| | |
|---|-----------|
| CDC Migrant School – running cost | 1,509,875 |
| BHSOH Migrant School - running cost | 2,788,297 |
| Pyo Khinn Migrant School – running cost | 884,256 |
| Migrant Educational Coordination Centre – running cost | 1,663,333 |
| Youth Connect – Vocational Training Centre – Tak Province | 3,885,266 |
| Teacher Focus Myanmar – Tak Province | 2,605,727 |
| Minmahaw Higher Education Programme – Tak Province | 2,353,253 |
| Out of School Children Enrollment TaskFORCE | 1,384,372 |
| Picturebook Guesthouse - Upgrading/Renovation | 573,945 |
| Education Village Mae Sot | 578,000 |

Chiang Rai Province

| | |
|--|---------|
| Half Day School Programme – running cost | 673,305 |
|--|---------|

Kanchanaburi Province

| | |
|--|-----------|
| Children of the Forest Foundation – running cost | 1,386,678 |
|--|-----------|

Chiang Mai Province

| | |
|---|-----------|
| Mother Tongue Based Bilingual Education – running cost | 3,974,756 |
| Shan Youth Power – Migrant Rights Training – running cost | 380,216 |
| BEAM Education Foundation – Chiang Mai Province | 4,056,695 |

Total Education Partnerships

29,062,389

Health Programmes

| | |
|---|------------|
| Children's Medical Fund – Myanmar Patients | 13,949,016 |
| Children's Medical Fund – Laos Patients | 719,929 |
| Children's Medical Fund – Thailand Patients | 3,428,805 |
| COVID-19 Emergency Relief Operations – Thailand | 39,574 |

Total Health Programmes

18,137,324

| | |
|--|-----------|
| Indirect Implementation Cost – Thailand Contribution | 6,274,414 |
|--|-----------|

Total Thailand

84,055,708

Laos

Year 2022

Education Programmes

Various Provinces

| | |
|--|-----------|
| Water Systems | 163,796 |
| High School & Vocational Scholarship Programme | 4,479,161 |
| Educational Infrastructure Expansion & Renovation Fund | 603,109 |
| Computer Laboratories | 1,187,259 |
| University Scholarship Programme - Bachelor | 4,971,860 |
| Teacher Capacity Building & Supporting Activities | 331,382 |
| Direct Implementation Cost – Education Programmes | 702,247 |

Savannakhet Province

| | |
|---------------------------|-----------|
| Bueng Xang Primary School | 64,640 |
| Non Yang Primary School | 126,274 |
| Phon Toum Primary School | 88,369 |
| Kud Khan Primary School | 1,710,075 |

Champasak Province

| | |
|--------------------------------------|-----------|
| Nong Hai Khok Lower Secondary School | 176,433 |
| Sed Khod Lower Secondary School | 1,740,104 |

Xaignabouli – Province

| | |
|--|-----------|
| Na Mor Secondary School | 84,008 |
| Moksatu Secondary School - Female Boarding House | 63,969 |
| Nam Yap Primary School | 140,013 |
| Nam Song Primary School | 165,000 |
| Pha Bong Nursery School | 1,368,076 |
| Pha Bong Primary School | 1,755,060 |
| Nam Phon Primary School | 1,687,605 |
| Dong Ngern Primary School | 1,473,854 |
| Meuang Phiang Primary School | 1,687,600 |
| Pa Xa Huam Chai Nursery School | 612,698 |

| | |
|-----------------------------------|-------------------|
| Total Education Programmes | 25,382,592 |
|-----------------------------------|-------------------|

Education Partnerships

| | |
|---|---------|
| Direct Implementation Cost – Education Partnerships | 206,660 |
| Education Zone for Youth | 544,294 |
| Village Focus International – Home of Dreams | 323,888 |

| | |
|-------------------------------------|------------------|
| Total Education Partnerships | 1,074,842 |
|-------------------------------------|------------------|

| | |
|--|-----------|
| Indirect Implementation Cost – Laos Contribution | 2,930,622 |
|--|-----------|

| | |
|-------------------|-------------------|
| Total Laos | 29,388,056 |
|-------------------|-------------------|

| Year 2022 | |
|--|--------------------|
| Project Expenses by Country | |
| Total Thailand | 84,055,708 |
| Total Laos | 29,388,056 |
| Total Project Expenses by Country | 113,443,764 |
| Project Expenses by Programmes and Partnerships | |
| Total Education Programmes | 55,964,173 |
| Total Education Partnerships | 30,137,231 |
| Total Health Programmes | 18,137,324 |
| Total Indirect Implementation Cost | 9,205,036 |
| Total Project Expenses by Programmes and Partnerships | 113,443,764 |

Information for Donors

Please **only** use our Thai legal entity for donations in Thai Baht (THB). If you wish to donate to our organisation in other currencies or by credit card, PayPal, cheque or crypto currencies, visit the donation page on our website under:

<http://childsdream.org/donate/>

Bank Transfers

Bank transfers can be made to the following account:

| | |
|------------------------|-----------------------------|
| <i>Bank:</i> | Siam Commercial Bank |
| | Rajabhat Branch |
| | Chiang Mai 50300 |
| | Thailand |
| <i>Account Holder:</i> | Child's Dream Foundation |
| <i>Account Number:</i> | 821-222061-4 (THB) |

Please inform us by email or phone about your donation to our Thai bank account since we might not see the name of the depositor. info@childsdream.org

By Cheque

Please **only** make Thai Baht cheques payable to 'Child's Dream Foundation' and send them to our address in Thailand as stated below under 'Contact Information and Legal Domicile'.

For cheques in all other currencies, please make them payable to 'Child's Dream Association' and send them also to our office in Chiang Mai.

If you are interested in making a bequest to us in your will, please get in touch with one of the two founders. Alternatively, you find more information under the link below

<https://childsdream.org/donate/last-will/>

If you would like further information on how to make a donation, a grant or setup an Endowment Fund, please don't hesitate to contact us.

Contact Information and Legal Domicile

Please contact and visit us! We will be happy to show you where and how we work. It would be a pleasure for us to bring our very special world a bit closer to you.

Child's Dream Foundation
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Thailand

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Website: www.childsdream.org

Facebook: www.facebook.com/childsdreamfoundation

LinkedIn: www.linkedin.com/company/child's-dream-foundation?trk=tabs_biz_home

Twitter: www.twitter.com/Childs_Dream

YouTube: www.youtube.com/user/childsdreamtube

Report of the Auditor



บริษัท ไทยออดิเตอร์ กรุ๊ป จำกัด

THAI AUDITOR GROUP Co., Ltd.

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INDEPENDENT AUDITOR'S REPORT

To Committee of Child's Dream Foundation

Opinion

I have audited the financial statements of Child's Dream Foundation (the Foundation), which comprise the statement of financial position as at December 31, 2022, and the statement of income and expenditures, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at December 31, 2022, and its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Foundation in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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



I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



(Assoc. Prof. Boonsawart Prugsiganont)
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Thai Auditor Group Co., Ltd.
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Tel. 0-5323-4301, 0-5325-1566
February 16, 2023