



Child's Dream

Annual Report 2005



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Introduction

By continuously gaining experience and being constantly exposed to the harsh reality of life, not only has Child's Dream evolved, but so have we. Our skins have grown thicker, our souls more compassionate and our minds more determined. But nothing comes without a price! Everyday we encounter evidence of discrimination, human rights abuses, and despair - it is easy to feel the weight of these many problems. Fortunately, we have powerful help constantly at our sides. With thousands of children in our projects, we can count on an army of love and happiness. Their weapons are their cheerful smiles and their everblooming hope despite their tragic past.

2005 was a very successful year and we expanded our scope, completing 12 projects and reaching more than 5,000 children.

However, 2005 was in many ways also a demanding year asking for determination and patience. The main challenges were: The continuous improvements of our office infrastructure; the expansion into Cambodia and Vietnam; the heavy rainy season and some isolated disputes with project leaders were the main challenges.

On behalf of the children and from the bottom of our hearts, we would like to thank you all, who actively supported us in our work.



Marc Jenni
President

Daniel Siegfried
Vice-President

Organisation

Child's Dream is a charity organisation dedicated to providing unconditional help for underprivileged children in the Mekong Sub-Region.

Child's Dream is incorporated as a charitable society under Swiss law (ZGB, article 60ff). Furthermore, Child's Dream is tax-exempt by the tax authorities of the Canton Zurich (Steueramt des Kantons Zürich) as well as the federal tax authorities. The domicile of Child's Dream is at the residential address of its secretary, currently in Zurich.

Board

President
Vice-President
Secretary
Ambassador Singapore
Ambassador Singapore
Ambassador Switzerland
Ambassador Hong Kong

Child's Dream is run by a circle of friends spread all over the globe. We currently have ambassadors in Switzerland, Singapore, Hong Kong and Abu Dhabi. The co-ordination and management is done by Daniel Siegfried and Marc Jenni, the two co-founders, based in Chiang Mai, Thailand.

Thanks to its lean cost structure and full transparency, Child's Dream operates with high cost-effectiveness and integrity.

Marc JENNI
Daniel SIEGFRIED
Ursula BISIG
Laurent ROSSIER
Sandra ROSSIER
Tanja SIEGFRIED
Susanna RUEEGGER KOECHLI

Situation Analysis

The Mekong Sub-Region (MSR) combines the country-specific problems of Burma, Laos, Thailand, Cambodia and Vietnam, thus creating a humanitarian 'super-crisis'.

It is a poisonous underground market place, where some of the least developed countries (Burma, Laos and Cambodia) meet some of the most booming economies in the world (China, Thailand and Vietnam) and their business partners of the West. This leads to a continuously increasing wealth gap, hindering the opportunity for development of the poorer countries.

Additionally, the sickening trade of drugs, humans and anything that money can buy is driven by the omnipresent corruption, and the suppression and forced relocation of ethnic minority groups.

With their parents either dead, in prison for drug trafficking or in prostitution, these children do not know where to go and are extremely vulnerable to exploitation. Most of them are children from ethnic minorities with no belongings, no nationality and no rights.

Common Forms of Exploitation

- ▶ Drug lords push children into addiction in order to abuse them for smuggling their goods over the border
- ▶ Highly organised child prostitution & begging gangs promise them a better life
- ▶ Burmese junta is still abducting children to serve in the army
- ▶ Ruthless businessmen exploit children for cheap labour

Objectives

Through our research we realized that charitable funds are spread unevenly among various projects, resulting in an inefficient use of funds. Child's Dream aims to help by selectively supporting projects, which really need help (grass root). In order to ensure an optimal use of funds, we provide infrastructure as well as personal items to meet health and educational needs (clothes, stationery, etc.) directly to the projects concerned rather than giving money to cover running costs.

By selectively providing support to projects caring unconditionally for children in need, Child's Dream aims to prevent child exploitation and migration through

- ▶ improving living and health conditions and education standards;

- ▶ raising the awareness of child trafficking among families and communities;
- ▶ helping children to take pride in themselves and to restore their dignity;
- ▶ cultivating a better attitude towards life and society and
- ▶ encouraging the children to love and respect their own customs and culture.

Concept & Guiding

Principles

Providing support to projects caring for orphans and children living in poverty

Our primary objective is to selectively support grass-root projects that provide relief and aid to orphans or children living in poverty.

Unconditional support

It is our top priority to provide support to projects that care 'unconditionally' for children in need. Unconditional means that these projects do not link any conditions to their support (e.g. conversion of religion) and that the children's nationality, gender, religion, ethnic affiliation etc. is not a selection criteria.

Minimal administration expenses

We strive to maintain an administration expense ratio below or at 10%, which is well below the industry average.

Fund allocation with integrity

We are determined to allocate charitable funds where aid and relief seem most appropriate. A thorough 'due diligence' report about the project is done before support is given.

Full financial transparency

Child's Dream is striving for full transparency with regards to fund raising and allocation. A clear book keeping in accordance with Swiss GAAP FER21 (for charitable, social non-profit organisations) is maintained and disclosed.

Maintain independence and diversity

We are determined to stay politically and religiously independent to avoid or limit conflicts of interest. In order to ensure an unbiased allocation of funds, we aim to stay autonomous from the projects concerned.

Important Events

Jan 2005 - The tragedy of Tsunami affects the whole NGO community in Thailand

Mar 2005 - With the founding meeting of the Child's Dream Foundation in Thailand a locally recognised entity is borne

Mar 2005 - UBS Singapore accepts Child's Dream again in its match giving scheme

Apr 2005 - A long-term volunteer develops a professional donation & contact management tool

Aug 2005 - www.childsdream.org undergoes restructuring making it more user-friendly and even more transparent

Sep 2005 - Child's Dream starts with the ground work in Vietnam by sending a representative to Hanoi

Sep 2005 - Child's Dream appoints ambassadors in Abu Dhabi to represent us in the Middle East

Oct 2005 - A Mitsubishi pick-up truck was donated in order to increase our efficiency by reducing travel time while increasing cargo capacity.

Nov 2005 - Child's Dream is officially approved by the Thai Royal Government as a charitable foundation in Thailand

Nov 2005 - Child's Dream starts its first project in Cambodia

Dec 2005 - A new home for Child's Dream is found which is bigger and more centrally located

Dec 2005 - Child's Dream appoints an ambassador in Basel (Switzerland) to represent our work

Financial Statements

Balance Sheet

	CHF 31.12.05	CHF 31.12.04
Assets		
Liquid assets	325,819	125,468
Inventories (Donations in kind)	11,928	4,320
Intangible assets	18,852	0
Total assets	356,599	129,788
Liabilities, funds and capital		
Liabilities	0	0
Restricted funds	0	0
Paid-in capital	0	0
Internally generated unrestricted operating funds	226,811	129,788
Unrestricted capital	129,788	0
Surplus for the year (after allocation)	0	0
Total liabilities, funds and capital	356,599	129,788

Statement of Operations

		CHF 1.1.05 - 31.12.05	CHF 22.11.03 - 31.12.04
Income			
Donations private individuals	339,867		
Restricted	<u>70,841</u>	410,708	178,843
Donations corporates	49,171		
Restricted	<u>82,069</u>	131,240	44,840
Donations in kind		30,304	9,554
Interest		343	298
Total income		572,595	233,535
Expenditures			
Project expenditures		303,858	89,828
Administration & fundraising expenditures			
Personnel costs	3,990		
Rent & utilities costs	5,739		
Vehicle & transportation costs	1,603		
Administration & IT costs	6,489		
Travelling costs	1,539		
Others costs	26		
Financial costs	99		
Depreciation	<u>155</u>	19,640	13,919
Donation transfer to Child's Dream Foundation		22,286	0
Total expenses		345,784	103,747
Surplus for the year (prior allocation)		226,811	129,788
Total		572,595	233,535

Statement of Changes in Capital for 2005

in CHF	Opening balance	Allocation (external)	Internal funds transfers	Use (external)	Closing balance
Internally generated funds					
Internally generated unrestricted capital	0	0	226,811	0	226,811
Unrestricted funds	129,788	0	0	0	129,788
Surplus for the year	0	226,811	-226,811	0	0
Capital of the organisation	129,788	226,811	0	0	356,599
Restricted funds	0	152,910	0	152,910	0

Notes

- 1) The financial statements were compiled in accordance with Swiss GAAP FER21 (for charitable, social non-profit organisations).
- 2) Income and expenditure are recorded on cash basis.
- 3) The administrative expenses are not allocated to projects. An allocation would be calculated proportionally to the project costs.
- 4) The administration & fundraising expenditures count for 3.4% of the total donation income.
- 5) The insured value of the tangible assets is CHF 20,000.
- 6) A funds flow statement has not been compiled.
- 7) The board members do not receive remuneration.
- 8) Liabilities concerning projects are disclosed in the performance report.
- 9) No provisions have been made.

Performance Report for 2005

Project expenditures	Infrastructure / Support	in CHF	Page
Hsa Thoo Lei Migrant School Mae Sot, Tak, Thailand	Learning center complex	101,072	12
Loi Kaw Wan School Chiang Rai, Thailand	School complex & orphanage	35,145	13
Child IPD Mae Tao Clinic Mae Sot, Tak, Thailand	Children IPD	32,685	14
EMFS Andy Hinkle Nursery Mae Hong Son, Thailand	Nursery school	21,727	15
Refugee Camps Mae Hong Son, Thailand	Children clothes	19,765	16
CDC School Mae Sot, Tak, Thailand	Extension of learning center	14,492	17
Damnok Toek Poipet, Cambodia	Shelters & class rooms	12,890	18
Karen Junior College Tha Son Yang, Tak, Thailand	Learning center & dorms	12,888	19
Refugee Camps Mae Hong Son, Thailand	Upgrading of nusery schools	12,174	20
Stationery Bank Regional	Supply of stationery	6,792	21
Maintenance and running costs of existing projects		17,808	
Various smaller projects		12,342	
Project evaluation expenditures		4,078	
Total project expenses		303,858	

Hsa Thoo Lei Migrant School **Learning Center Complex**
Mae Sot, Tak, Thailand

- Target group** Approximately 300 Burmese migrant children with various ethnicities in Mae Sot seeking education between grade one to ten
- Infrastructure** Construction of a new school building with 16 classrooms (56m² each), 12 toilets, 1 teacher room, 1 computer room and 1 library
- Objectives**
- > To provide a safe and humane learning environment
 - > To improve education standards and health conditions
 - > To accommodate more students and widen the access to education
- Partners** BMWEC, Mae Sot, Thailand
- Status** In realization
- Costs** CHF 101,072 (as of December 31, 2005)
 Restricted funds: CHF 82,100
 Budget: CHF 125,000
- Comment** The construction, undertaken by our foreman in Mae Sot, is progressing as scheduled and is almost completed. The official school opening is planned to take place in February 2006. We are confident to achieve the stated objectives.

Photos



Loi Kaw Wan School **School Complex & Orphanage**
Chiang Rai, Thailand

- Target group** Approximately 350 Burmese migrant children mostly with Shan, Lahu and Akha ethnicity seeking education
- Infrastructure** Construction of a new school building with 7 classrooms (72m² each) including furniture and 12 toilets, a canteen and dormitories with toilets (96m²) for orphaned girls
- Objectives**
- > To provide a safe and humane learning environment
 - > To improve education standards and health conditions
 - > To allow more students to participate in education
- Partners** SWAN, Chiang Mai, Thailand
- Status** Completed (04/08/05)
- Costs** CHF 35,145
- Comment** The construction was slightly delayed due to the heavy rain. But ever since the school was finished in August 2005, it has been very effective in achieving our objectives. More students can attend school, which now provides a good learning environment and cleaner sanitation facilities.

Photos



Child IPD Mae Tao Clinic **Children In-Patient Department**
Mae Sot, Tak, Thailand

- Target group** Burmese migrant children and children of internally displaced people (IDPs) from Burma hospitalized at the Mae Tao Clinic
- Infrastructure** Construction of a new enlarged children ward (209m²) including sanitation facilities and air-conditioned store room for medicine
- Objectives**
- > To provide more space and sanitation facilities
 - > To improve health and hygiene standards
 - > To improve working environment for doctors and medics
- Partners** Mae Tao Clinic, Mae Sot, Thailand
- Status** Completed (21/07/05)
- Costs** CHF 32,685
 Restricted funds: CHF 20,000
- Comment** The construction was faster than expected. The new children in-patient department provides much more space allowing the parents and patients to have more privacy. The hygiene standards have also improved dramatically. Therefore, this new facility has met its objectives.

Photos



EMFS Andy Hinkle Nursery **Nursery School**
Mae Hong Son, Thailand

- Target group** Approximately 50 migrant children with various ethnicities between 3 and 5 years of age
- Support** Construction of a new nursery school with 1 big classroom, 1 storage room and 1 teacher room as well as two separate toilets and a kitchen. Since this is a start-up project, Child's Dream agreed to cover its running costs.
- Objectives**
- > To allow migrant children to attend day-care activities
 - > To improve the children's health, hygiene and nutrition
- Partners** Ethnic Migrant Families Society, Mae Hong Son, Thailand
- Status** Construction completed (10/12/05) and coverage of running costs ongoing
- Costs**
- | | | |
|-------------------|-----|--------|
| Construction: | CHF | 18,827 |
| Running costs: | CHF | 2,900 |
| Restricted funds: | CHF | 4,389 |
- Comment** The construction was slightly delayed because of the heavy rainy season. Since this is a start-up project, Child's Dream agreed to cover the running costs to ensure a successful implementation. All objectives were achieved.

Photos



Refugee Camps

Children's Clothes

Mae Hong Son, Thailand

- Target group** Approximately 3,200 refugee children in the age of 2.8 to 5 years living in one of the 3 refugee camps in the Mae Hong Son province and attending nursery school
- Support** Purchase of 1 set of warm clothes (pullover & trousers), 1 set of nursery school uniform (shorts/skirt & shirt) and 1 rain coat for each of the 3,200 pupils
- Objectives**
- > To protect the children against the cold and rain
 - > To improve health and hygiene
 - > To offer an additional incentive to attend school
- Partners** WEAVE, Chiang Mai, Thailand
- Status** Ongoing until 2008/09
- Costs** CHF 19,765 (as of December 31, 2005)
- Comment** The warm clothes were bought from a wholesale factory in Chiang Mai and transported to Mae Hong Son and Mae Sariang, where the transportation to the 3 camps was organized. The distribution took place through the 23 nursery schools within the camps.

Photos



CDC School

Extension & Upgrade of School

Mae Sot, Tak, Thailand

- Target group** Approximately 300 Burmese migrant children with various ethnicities in Mae Sot seeking education between grade 1-10
- Infrastructure** Extension and upgrade of the existing school building by adding a second storey, which houses 2 spacious classrooms and 1 teacher room and connects to the other building via footbridge
- Objectives**
- > To provide a safe and humane learning environment
 - > To improve education standards and health conditions
 - > To accommodate more students and widen the access to education
- Partners** Mae Tao Clinic, Mae Sot, Thailand
- Status** Completed (15/06/05)
- Costs** CHF 14,492
Restricted funds: CHF 14,138
- Comment** The construction was executed by our foreman in Mae Sot and was done during the school holidays in order not to disrupt the teaching activities. The additional space not only allowed more students to join, but also improved the overall learning environment. Therefore, all objectives were achieved.

Photos



Damnok Toek **Shelters & Classrooms**
Poipet, Cambodia

Target group Approximately 200 Cambodian children, who are victims of child labor, trafficking, drug-abuse and extreme poverty

Infrastructure Construction of 2 houses for victims of child trafficking, 3 houses for long-term child boarders, 2 classrooms for day-care activities and 2 common rooms

Objectives

- > To provide shelter and protection for children in distress
- > To improve the living and learning environment
- > To allow the project to relocate to a permanent site

Partners Goutte d'Eau, Switzerland

Status In realization

Costs CHF 12,890 (as of December 31, 2005)
 Budget: CHF 75,000

Comment Two of the nine buildings are almost completed. All buildings are built in Khmer style by two local foremen using local material. The construction is expected to be finished in June 2006. We are optimistic that all objectives will be achieved once the construction is finished.

Photos



Karen Junior College **Learning Center & Dormitories**
Tha Son Yang, Tak, Thailand

Target group Approximately 50 migrant & refugee teenagers with Karen ethnicities seeking a higher education

Support Construction of a school building and dormitories using wood and bamboo. Since it was a start-up project, Child's Dream agreed to cover the running costs.

Objectives

- > To provide higher education and better job opportunities
- > To prepare the students for universities

Partners Project Umbrella Burma, Canada

Status Funding terminated on August 26, 2005

Costs CHF 12,888
 Restricted funds: CHF 12,888

Comment Since the safety and well-being of the students at the college's remote location could no longer be ensured, Child's Dream had no other option than to stop this project. As we are very keen to fulfil our commitment to provide higher education to the Karen youth, we have started to explore various locations for a new college.

Photos



Refugee Camps

Upgrading of Nursery Schools

Mae Hong Son, Thailand

Target group Approximately 3,200 refugee children from the age of 2.8 to 5 years living in one of the 3 refugee camps in the Mae Hong Son province and attending nursery school

Infrastructure Upgrading 21 existing and building two new nursery schools using wood, bamboo and leaves

Objectives

- > To improve the learning environment, health and hygiene
- > To increase the safety standards of the nursery schools

Partners WEAVE, Chiang Mai, Thailand

Status Completed August 3, 2005

Costs CHF 12,174
Restricted funds: CHF 11,359

Comment Since long-lasting materials such as cement and iron are not allowed, we had to use wood, bamboo and leaves, which need to be replaced every two years. We are considering continuing with the maintenance of these nursery schools for the next three years to ensure that the objectives will be met in the long run.

Photos



Stationery Bank

Supply of Stationery

Regional

Target group Students of schools lacking stationery and learning materials in the Mekong Sub-Region

Support Supply of stationery and learning materials such as writing pads, pens, pencils, glue, rulers, student books, sports & art equipment, etc.

Objectives

- > To allow students to fully benefit from the education provided
- > To offer a better learning experience

Status Ongoing

Costs CHF 6,792

Comment Thanks to a generous donor, who is sending us stationery regularly, we could supply 37 schools in the Mekong Sub-Region this year. The supplied stationery not only allows the students to fully benefit from the education provided, but also offers an additional incentive to go to school and, therefore, increases attendance rates.

Photos



Report of the Auditors

IRT INTER REGIO TREUHAND AG

Report of the auditors to the
General Meeting of the
Society Child's Dream
Nidelbachstrasse 15
8038 Zürich

Basel, 31st March 2006

Report of the auditors

The managing committee has appointed us to audit the accounting records and the financial statements (balance sheet, statement of operations, statement of changes in capital, notes, performance report) as shown on pages 8 to 11 of the annual report of the society Child's Dream for the year ended 31st December 2005 and the previous year.

These financial statements are the responsibility of the managing committee. Our responsibility is to express an opinion on these financial statements based on our audit. We confirm that we meet the legal requirements concerning professional qualification and independence.

Our audit was conducted in accordance with auditing standards promulgated by the profession, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records and financial statements comply with the law and the bylaws of the society.

The financial statements are prepared in accordance with the principles of Swiss GAAP FER 21 for charitable, social non-profit organisations.

We recommend that the financial statements submitted to you be approved.

INTER REGIO TREUHAND AG


Max Müller
Certified Fiduciary
Auditor in charge


Matthias Scherrer
Certified Accountant

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Ein Unternehmen der ITAG-Gruppe

Member of the TREUHAND GROUP

Donor Information

If you want to make a difference, even if it seems to be just like a drop of water into the ocean, we will make sure that your donation does indeed make a difference. All donated funds are used for a pure charitable cause. Donations can be made by

Bank transfer

Bank transfers can be made into the following accounts:

Bank: UBS AG
Account: Child's Dream
Acc. no. 0274-821130.01J CHF
0274-821130.60A EUR
0274-821130.61V USD
SWIFT: UBSWCHZH80A

All major credit cards

Credit card donations can be made through our SSL-secured and cryptic website: www.childsdream.org

PayPal

Donations by PayPal can be made through the following account:

Account: Child's Dream
E-mail: info@childsdream.org

Checks

Please send a check payable to 'Child's Dream' to our office address in Chiang Mai (see contact information).

Contact Us

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