



Child's Dream - *diversethics* Foundation Limited

Audited Financial Report 2008

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Introduction

Child's Dream – *diversethics* Foundation Limited was incorporated in Hong Kong SAR as a charitable organization on 26th March 2008 and registered in the Companies Registry. On the 16th April 2008 the Inland Revenue Department granted us tax exemption under Section 88 of the Inland Revenue Ordinance.

Our mandate is to alleviate disadvantaged, persecuted and oppressed children and communities in need in Asia, in particular in the Mekong Sub-Region which includes - but is not limited to - Thailand, Burma, Laos, Cambodia and Vietnam. We reach out to communities in need by providing financial and material assistance for basic physical needs such as food, clothing, medical supplies, education and other basic needs for survival and assistance with self-help. We fight for social justice, combat exploitation and abuse of children. .

Our foundation works in partnership with Child's Dream Foundation of Thailand and Switzerland as well as *diversethics* Foundation of Switzerland. Child's Dream Foundation and *diversethics* Foundation are established charitable organizations and have completed more than 70 projects in the Mekong Sub-Region over the past five years.

Our foundation's goal is to raise donations in Hong Kong in order to contribute to the activities of its partner organizations Child's Dream Foundation and *diversethics* Foundation. This fact also explains the name of our Hong Kong charity.

A successful year lies behind us and we are very happy to have been able to raise close to 2 million Hong Kong Dollars since the start of our operation in June 2008.

When cyclone Nargis hit Burma in early May 2008, hundreds of thousands of Burmese were affected by the storm that so fiercely hit mainly the Irrawaddy Delta. Together with our partner organizations, we were able to support the victims of cyclone Nargis with close to HK\$ 400'000 in funding. Furthermore, we started our support for a primary school building in Laos and construction is still ongoing. We also financially support and mentor five university scholarship students, currently enrolled at universities in Bangkok and Hong Kong.

On behalf of all the children and concerned communities and from the bottom of our hearts, we thank you for your ongoing trust and support.



Marc Thomas Jenni
Founder and Director



Daniel Marco Siegfried
Founder and Director

Reference to our Partner Organisations

Child’s Dream – *diversethics* Foundation Limited was setup in 2008 as a fundraising entity to support the work of the following charity organisations:

- Child’s Dream Foundation (Thailand) covering the countries Thailand and Laos
- Child’s Dream Association (Switzerland) covering the countries Burma and Cambodia
- *diversethics* Foundation (Switzerland) covering the Mekong Sub-Region

All three legal entities are based in Chiang Mai, Thailand.

For more details about the work of our partner organisations, kindly visit their websites at www.childsdream.org and www.diversethics-foundation.org.

Our Mandate

The objectives for which our foundation is established are exclusively charitable and include:

- Reaching out and alleviating the disadvantaged, persecuted and oppressed children and communities in need in Asia, in particular in the Mekong Sub-Region which includes - but not is not limited to - Thailand, Burma, Laos, Cambodia and Vietnam. We reach out to communities in need by providing financial and material assistance for basic physical needs such as food, clothing, medical supplies, education and other basic needs for survival and assistance with self-help;
- Fighting for social justice, combating exploitation and abuse of children;
- Undertaking, organizing, supporting, sponsoring and promoting charitable activities and projects for the promotion of quality education, improved health and living standards for the benefit of children and communities in need.

Our Board

Marc Thomas JENNI	Director and Founder
Daniel Marco SIEGFRIED	Director and Founder
Thu Than PHAN	Secretary

2008 Financial Statements

2008 Balance Sheet in HKD

Assets	31.12.2008
Liquid assets	1,111,962
Inventories (Donations in kind)	-
Fixed Assets	-
Total assets	1,111,962
Liabilities, funds and capital	
Liabilities	-
Restricted funds	-
Paid-in capital	-
Internally generated unrestricted operating funds	1,111,962
Unrestricted capital	-
Surplus for the year (after allocation)	-
Total liabilities, funds and capital	1,111,962

2008 Statement of Operations in HKD

		1.1.2008
		31.12.2008
Income		
Donation private individuals	374,460	
Restricted	<u>831,425</u>	1,205,885
Donations corporate	319,000	
Restricted	<u>389,829</u>	708,829
Donations in kind		-
Interest		5,347
Total Income		1,920,061
Expenditures		
Project expenditures		
Cyclone Nargis Emergency Relief	387,936	
Sukuma Primary School	236,643	
University Scholarship Programme	<u>183,510</u>	808,089
Administration & fundraising expenditures		10
Total Expenditures		808,099
Surplus for the year (prior to allocation)		1,111,962
Total		1,920,061

Notes

1. Set up fees and administration expenses were covered by Child's Dream Foundation, Thailand.
2. Income and expenditure are recorded on a cash basis.
3. No statement of change in capital was compiled.
4. A funds flow statement has not been compiled.
5. There are currently no liabilities concerning projects, otherwise, this would be disclosed in the following 'breakdown on project expenses'.

Project Performance Report in HKD

Project Name & Description

2008 Expenses

University Scholarship Programme Ongoing programme to cover all costs involved (tuition, living costs and essential school supplies) for five students studying at accredited universities in Bangkok and Hong Kong	183,510
Cyclone Nargis Emergency Relief Supported the Emergency Assistance Team (EAT) for their relief efforts after cyclone Nargis hit Rangoon, Irrawaddy and Pegu divisions. Covering costs to provide food, livelihood rehabilitation (agriculture, fishery, etc.), safety and education of children, temporary shelters and administration.	387,936
Sukuma Primary School Costs for constructing two new buildings with a total of twelve classrooms, furniture as well as new toilets at Sukuma village in Champasak province in southern Laos	236,643
TOTAL	808,089





BAKER TILLY
HONG KONG LIMITED
CERTIFIED PUBLIC ACCOUNTANTS

香港天華會計師事務所有限公司

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Independent auditors' report to the members of Child's Dream – diversethics Foundation Limited (Incorporated in Hong Kong and limited by guarantee)

We have audited the financial statements of Child's Dream – diversethics Foundation Limited (the "Foundation") set out on pages 5 to 12, which comprise the balance sheet as at 31 December 2008, and the income and expenditure statement, statement of changes in equity and cash flow statement for the period from 26 March 2008 (date of incorporation) to 31 December 2008, and a summary of significant accounting policies and other explanatory notes.

Executive Committee's responsibility for the financial statements

The Executive Committee of the Foundation is responsible for the preparation and the true and fair presentation of these financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and true and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Executive Committee, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Independent auditors' report to the members of
Child's Dream – diversethics Foundation Limited (continued)**
(Incorporated in Hong Kong and limited by guarantee)

Opinion

In our opinion, the financial statements give a true and fair view of the state of the Foundation's affairs as at 31 December 2008 and of its surplus and cash flows for the period from 26 March 2008 (date of incorporation) to 31 December 2008 in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.



Baker Tilly Hong Kong Limited

Certified Public Accountants

Hong Kong, 16 FEB 2009

Chan Kwan Ho, Edmond

Practising certificate number P02092