



Child's Dream Foundation

Audited Financial Report 2011

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Introduction

2011 was our eighth year and the auspicious number 8 lived up to our expectations. In many Asian societies, the number 8 is a lucky number. For the Chinese, it symbolises wealth and longevity. For Thais, or basically any Buddhist society, it represents the Eightfold Path to enlightenment. Even for Islam, the number 8 is the number of named angels. For the culturally diverse Child's Dream, 2011 was a bit of everything from the above.

Financially it was a very successful year despite the economic crisis. We also had a few moments of enlightenment that helped us to initiate new ideas, such as creating an 'urgent funding needs' section on our website.

We are also sure that some guardian angels were watching over us to keep us safe, since we had another serious car accident in 2011, but luckily nobody was harmed.

Overall, 2011 was a year of stability and consistency. We had no changes to our organisational structure and hardly any staff turnover, which meant that we could allocate all our efforts and resources to our beneficiaries. Our workload and the available resources, both in terms of staff and finances, were in harmony. In other words Child's Dream ran like a Swiss clock, year round.

Never before, were we able to implement so many new projects while expanding our existing ones. 2011 also marked the start of our 150th project. The new contact database for more efficient donor management and the organisational restructuring introduced back in 2009 were bearing fruit. All our staff embraced their new responsibilities, which created an even stronger identification with Child's Dream and our work.

In order to give all our stakeholders an overview of our work in the Mekong Sub-Region, we decided to introduce the 'Child's Dream Yearbook - 2011'. The Yearbook reviews the past year, month by month, highlights our achievements and allows you a glimpse into our daily lives. For those of you who like number crunching, consolidated financials are also available on our website.

Of course, all this would not have been possible without the contributions of our generous supporters from all corners of the world. In 2011 we received donations in the amount of CHF 3,052,136 ⁽¹⁾. For the first time in Child's Dream's history, more money was donated from Asia, notably Japan, Singapore and Hong Kong, than the rest of the world. Although most of our donations come from private individuals, we are very proud to be supported by a handful of corporate donors.

It has always been one of our objectives to give a firsthand experience to our donors and to involve them in our work. Many decided to join us on a trip or even organised a team building event together with Child's Dream.

We also upgraded our marketing materials and became more prominent in the social media world. Our Facebook and Youtube sites have many followers who enjoy unique insights into Child's Dream.

⁽¹⁾ Consolidation of Child's Dream Foundation and Child's Dream Association.

As Child's Dream grew, some of our smaller supporters started to question their contributions, but let us say this: it might seem like a drop in the ocean, but for some children this drop might be the life-saving malaria treatment (USD 6.--) or the first set of school stationery (USD 2.--) ever received. With our administrative cost ratio at 7.6% ⁽¹⁾ as of the end of 2011, it really means that every cent counts.

We are looking forward to yet another exciting year. The promising political changes in Myanmar towards democratic reform will hopefully allow us to expand our work inside Myanmar. We also plan to expand our support to underprivileged children and youth in Laos, Cambodia and Thailand.

We hope to be able to count on the continuing support of our donors, volunteers and staff. We are determined to improve the lives of marginalised children in the Mekong Sub-Region sustainably.

Thank you very much for your trust.



Marc Thomas Jenni
Founder & President



Daniel Marco Siegfried
Founder & Vice-President

Reference to our Consolidated Financials 2011

Child's Dream, as a charitable organisation, consists of Child's Dream Association Switzerland and Child's Dream Foundation Thailand. Our sister organisation, *diversethics* Foundation Switzerland complements the work of Child's Dream in the Mekong Sub-Region. In order to give you an overview of our work, the consolidated financials are available on our website.

This Audited Financial Report 2011 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 11.

Our Board

Marc Thomas JENNI	President & Founder	Swiss	(4 years – end 2013)
Daniel Marco SIEGFRIED	Vice-President & Founder	Swiss	(4 years – end 2013)
Pimpimon THONGTIAN	Vice-President	Thai	(4 years – end 2014)
Charuwan PHAISANTHAM	Treasurer	Thai	(4 years – end 2013)
Suneemat NOREE	Secretary	Thai	(4 years – end 2013)
Wathit HATHAIPATSON	Board Member	Thai	(4 years – end 2013)

Financial Statements 2011

Balance Sheet (in THB)

	31.12.2011	31.12.2010
Assets		
Liquid assets	11,386,803	8,951,569
Inventories & Deposits	10,000	10,000
Fixed assets	22,995,862	23,692,862
Total Assets	34,392,665	32,654,431
Liabilities, Fund and Capital		
Liabilities	2,010,882	1,214,724
Paid-in capital	300,000	300,000
Internally generated unrestricted operating funds	942,077	498,001
Unrestricted capital	31,139,706	30,641,706
Surplus for the year (after allocation)	-	-
Total Liabilities, Funds and Capital	34,392,665	32,654,431

Statement of Operations (in THB)

		01.01.2011 - 31.12.2011		01.01.2010 - 31.12.2010
Income				
Donation private individuals	36,852		1,113,466	
Restricted	-	36,852	-	1,113,466
Donations corporate	735,260		1,028,634	
Restricted	-	735,260	-	1,028,634
Interest		66,566		37,724
Donation transfer from Child's Dream Association Switzerland		65,805,968		45,239,746
Total Income		66,644,646		47,419,570
Expenditure				
Project expenditure		59,394,937		41,419,489
Administration & fundraising expenditure				
Personnel costs	7,228,687		5,900,097	
Utilities	61,385		119,489	
Vehicles & Transport	22,617		87,741	
Administration, Communication & IT	549,146		649,026	
Travelling & Fundraising	211,534		93,627	
Other costs	133,392		43,074	
Financial costs	10,466		23,846	
Depreciation	270,190		270,011	
Provisions	71,230		-	
Overhead contribution from <i>diversethics</i> Foundation Switzerland	-2,251,015	6,307,632	-1,684,831	5,502,080
Total Expenditure		65,702,569		46,921,569
Surplus for the year (prior to allocation)		942,077		498,001
Total		66,644,646		47,419,570

Notes

1. The financial statements were compiled in accordance with Swiss GAAP FER21 (for charitable, social non-profit organisations) but audited according to Thai audit standards
2. Income and expenditure are recorded on a cash basis
3. Administration expenditure is not allocated to projects. An allocation would be calculated proportionally to the project costs (according to Swiss GAAP FER21, Rz. 26)
4. No statement of change in capital was compiled
5. A funds flow statement has not been compiled (according to Swiss GAAP FER21, Rz. 27)
6. There are currently no liabilities concerning projects; otherwise, this would be disclosed in the following 'breakdown on project expenses'

Breakdown of Project Expenses 2011 (in THB)

	FY 2011	Status
Thailand		
Mae Hong Son Province		
Tomato Village English School	136,121	ongoing
Pung Yarm Boarding House	673,010	completed
Baan Huay Mae Surin Boarding House	546,362	completed
Baan Mae Jae Boarding House	803,312	completed
Long Phae Wittaya Boarding House	1,886,047	completed
Tak Province		
CDC School Complex (Maintenance & Renovation)	2,457,266	completed
BHSH Primary and Secondary Migrant School	113,504	completed
Karenni Community Learning Centre (KnCC)	1,248,706	ongoing
Leadership Management Training College (LMTC)	2,478,839	ongoing
Kaw Law Junior College (KLJC)	2,209,011	ongoing
Pu Taw Memorial Junior College (PTMJC)	1,888,723	ongoing
Youth Connect – Vocational Training Centre	2,914,974	ongoing
Youth Connect – Picture Book Guesthouse	2,483,829	in realisation
Youth Connect – Artistic Studio	901,627	completed
Knowledge Zone Vocational Training Centre (KZVTC)	485,451	ongoing
Curriculum Project (CP)	464,630	ongoing
Karen Refugee Committee – Education Entity (KRCEE)	4,428,535	ongoing
Chiang Rai Province		
Baan Pong Thawee Boarding House	706,497	completed
Baan Muang Karn Boarding House	894,103	completed
Phandanluang Boarding House	669,318	completed
Chiang Mai Province		
Baan Khun Tae Boarding House	824,806	completed
Baan Mae Suek Boarding House	1,057,839	in realisation
Baan Khun Mae Yod Boarding House	516,543	in realisation
Phang Nga Province		
Foundation for Education and Development (FED)	4,745,069	in realisation
All Thailand		
Building Guarantee Payments ¹	4,012	
Others ²	147,671	
Non Allocatable Expenses ³	254,742	
Total Thailand	35,940,547	

¹ Building guarantee payments of 5% of the labour cost is only paid one year after project completion

² Projects below THB 100,000 are not listed individually

³ This includes project related travel, overtime of project managers, project related communication expenses, per-diem allowances etc.

Laos	FY 2011	Status
Savannakhet Province		
Uthumporn Secondary School	938,103	completed
Phon Phang Secondary School	920,519	in realisation
Bua Khan Primary School	973,358	in realisation
Champasak Province		
Gae Lae Primary School	756,728	completed
Long Kang Nursery and Primary School	989,640	completed
Pha Lai Secondary School	615,527	in realisation
Hang Xang Phai Primary School	710,686	in realisation
Xaignabouli Province		
Na La Secondary School – Renovation	481,885	completed
Don Pung Secondary School	1,130,527	completed
Baan Thong Secondary School	522,716	completed
Pang Mon Primary School	445,006	completed
Pang Mon Nursery School	523,373	completed
Don Tan Secondary School	455,160	completed
Na Luam Secondary School	187,460	in realisation
All Laos		
Building Guarantee Payments ¹	44,350	
Others ²	222,686	
Non Allocatable Project Expenses ³	646,956	
Total Laos	10,564,680	

¹ Building guarantee payments of 5% of the labour cost is only paid one year after project completion

² Projects below THB 100,000 are not listed individually

³ Includes project related travel, project managers overtime, project related communication expenses, per-diem allowances etc.

Mekong Sub-Region	FY 2011	Status
Children Medical Fund	10,871,257	ongoing
Water Systems	463,764	ongoing
Playgrounds	423,766	ongoing
High School Scholarships	702,270	ongoing
Stationery	36,250	ongoing
Other Supporting Activities	274,072	ongoing
Expansion and Renovation	94,168	ongoing
Project Identification and Monitoring Expenses	17,753	ongoing
Project Evaluation / Capacity Building & Training	6,410	ongoing
Total Mekong Sub-Region	12,889,710	

Grand Total **59,394,937**

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, visit the donation page on our website under:

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

Bank Transfers

Bank transfers can be made to the following account:

Bank: **Siam Commercial Bank**
Rajabhat Branch
Chiang Mai 50300
Thailand
Account Holder: Child's Dream Foundation
Account Number: 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.

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 & Legal Domicile".

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

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

Contact Information & Legal Domicile

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

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Report of the Auditor



AUDITOR'S REPORT

To The committee of Child's Dream Foundation

I have audited the accompanying Statement of The Statement of Financial Position as of 31 December 2011, and The Statement of Income for the year then ended of Child's Dream Foundation. The Foundation's management is responsible for the correctness and completeness of information in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position as at 31 December 2011, and the results of operations for the year then ended of Child's Dream Foundation, respectively, in accordance with generally accepted accounting principles.

SUKANDA

(Miss Sukanda Pray-in)

Certified Public Accountant (Thailand)

Registration number 9114

Prawin Audit Company Limited.

Chiang Mai

February 25, 2012