

# **Safe Child Thailand**

## **Report and Financial Statements**

31 March 2022

Company limited by guarantee  
Registration Number 4157530 (England and Wales)

Charity Registration Number 1085407

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**Reference and administrative information** 31 March 2022

<b>Trustees</b>	Mr S Buckley – Chairman Mr A Chatikavanij (resigned 10 March 2022) Dr S Conway (appointed 13 May 2021) Mr F L Cremer Mr M Hurley (appointed 12 May 2022) Mr S Landy Mr M Patterson
<b>Secretary and Chief Executive</b>	Mr P Bradley
<b>Registered office</b>	72 Venn Street London SW4 0AT
<b>Website</b>	<a href="http://www.safechildthailand.org">www.safechildthailand.org</a>
<b>Company number</b>	4157530 (England and Wales)
<b>Registered charity number</b>	1085407
<b>Auditor</b>	Buzzacott LLP 130 Wood Street London EC2V 6DL
<b>Principal bankers</b>	Bank of Scotland plc Community Banking 38 St Andrew Square Edinburgh EH2 2AD
<b>Solicitors</b>	Bates Wells & Braithwaite LLP 10 Queen Street Place London EC4R 1BE

## Welcome and overview from the Chairman

It is my great pleasure to present the Report and Financial Statements for the financial year ending 31 March 2022.

This was my first full year as Chairman and - as nobody needs reminding - it was once again dominated by the effects of the Covid-19 pandemic. As such, fundraising proved challenging; however the fundraising team remained determined, resulting in some good returns from activities such as the regular newsletter to our supporters and the Covid-19 appeal.

Although our staff were mainly home-based, online communication (one of the few Covid-19 related benefits) facilitated both internal team meetings and regular communications with our many Thai partners. Regular video meetings enabled us to review our staffing structure and implement some useful portfolio restructuring as well as the recruitment of key new personnel. All these measures resulted in our now having a committed and strong team in place to navigate the future challenges ahead.

Despite Covid-19 disruption, the Safe Child Thailand team's commitment to keeping both children and their families safe remained very much to the fore. So much so that I'm pleased to report that during the 2021/22 financial year we directly benefited over 9,000 children (predominantly in the fields of Child Protection, Keeping Families Together and Health & Nutrition) as well as indirectly benefitting no less than 86,000 children – something that simply would not have been possible without the support of our long-standing individual donors and Trusts listed in the Fundraising and Development section of this report.

A memorable occasion was in September 2021 when the Royal Thai Embassy led by the Ambassador Pisanu Suvanajata participated in the 10k fun run at Kew Gardens. "Team Thailand" consisted of over 35 runners who all helped to raise funds for COVID – relief and disability projects. We are proud to have such strong support from the Royal Thai Embassy and look forward to future events to support children in Thailand.

As we progress with our recent Care Reform Strategy, I would like to say a special thanks to UBS Optimus Foundation and af Jochnick Foundation for giving us substantial funding to enable us to progress Care Reform initiatives.

Steve Buckley

Chairman

The Trustees of Safe Child Thailand (SCT), who are also the directors of the charity for the purposes of company law, present their report and audited financial statements for the year to 31 March 2022. This report has been prepared in accordance with Part 8 of the Charities Act 2011 and constitutes a directors' report for the purpose of the Companies Act 2006.

The financial statements have been prepared in accordance with the accounting policies set out on pages 27 to 31 of the attached financial statements and comply with the charitable company's Memorandum of Association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102).

#### **INCORPORATION AND LEGAL STATUS**

The charity is constituted as a company limited by guarantee and is governed by its Memorandum and Articles of Association. As a charitable company, the company is not required to formally describe itself as 'Limited'.

#### **CHARITABLE OBJECTS**

The charity's objects are in respect of its support for the people of Thailand and its border countries and comprise:

1. The relief of poverty, sickness and distress amongst young people;
2. The feeding, housing, general care and education of young people; and
3. Such other charitable purposes including but not limited to work with parents, carers or guardians of the young people referred to in 1 and 2 above as the Trustees shall from time to time think fit.

The Trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and when planning future activities.

#### **Safe Child Thailand's VISION**

A Thailand where all children grow up in a safe and loving family.

#### **Safe Child Thailand's MISSION**

We will work with families and communities to ensure that children grow up in a safe and nurturing environment.

## **CHARITABLE OBJECTS** (continued)

### **Safe Child Thailand's MISSION** (continued)

We believe every child in Thailand should have the right to:

1. Go to school and receive quality education;
2. Benefit from equal rights and opportunities;
3. Live without fear of exploitation or abuse;
4. Receive adequate food and shelter; and
5. Not be discriminated against and/or excluded because of disability, gender, religion or ethnicity.

## **OUR VALUES**

### **Transparent**

We are transparent and honest with our donors, those who support us, our partner organisations in Thailand and our service users. This is reflected through all our literature, website and audited report and accounts.

### **Respectful**

We respect the views and rights of each other and all those with whom we work.

### **Effective**

We maximise the funds we receive, ensuring that our administration costs are justifiable and the funds we send to Thailand are utilised to provide maximum benefit.

### **Ambitious**

We will challenge ourselves and our partners to push the boundaries to achieve long-term positive change for children in Thailand. We actively seek to maximise the number of innovative and dynamic projects we support in Thailand to achieve our mission.

## **WHAT WE DO**

For over 39 years SCT has been constantly working toward improving the situation for disadvantaged children in Thailand, like those children with disabilities or those who have no other choice but to live in an orphanage. In addition to our work with abandoned or orphaned children we are now raising awareness of the importance of keeping a family together so children can grow up in a loving and caring family unit. By raising funds for these dedicated partners, we can help develop crucial services. In addition to financial support we provide programmatic guidance and ensure a comprehensive appraisal of the partner's policies and procedures.

## WHAT WE DO (continued)

### Supporting Care Reform in Thailand

This year has seen significant new developments in SCT being able to support Care Reform in Thailand. We have worked closely with the *Alternative Care Thailand Group* with the purpose of financially and programmatically supporting their action plan to support vulnerable children and their families. Care Reform within Thailand is crucial in helping keep families together and also improving the quality of care children are entitled to in residential settings.

The Alternative Care Thailand Group is one of six thematic working groups under the Convention on the Rights of the Child Coalition of Thailand Steering Committee. The goal of care reform is to strengthen families by providing more robust social welfare services and childcare choices, and to stop needless placement of children in orphanages and institutions.

### Helping the vulnerable and those at risk

In large parts of Thailand poverty and deprivation are rife, meaning that life at the bottom of the social ladder can be very hard. Being at the centre of South East Asia also means that Thailand is often a destination for economic migrants and refugees fleeing conflicts or brutal regimes. All too often children from these groups find themselves living in desperate poverty and in need of help.

Our current Organisational Strategy is paving the way ahead for SCT to be more engaged in care reform. We are now engaging with partners to develop existing and new opportunities which will ensure fewer children are housed in residential homes. We recognise that for a smaller number of children an orphanage or residential setting is required and in these cases, we will work with our residential partners to strive for the best care and facilities possible.



*Birth registration – Mae Sot*



## DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS

### Programmatic development

Safe Child Thailand supports partner organisations and projects across Thailand. Our programmatic activities aim to:

- ◆ Support Care Reform projects keeping families together;
- ◆ Reduce the risks facing children by supporting Child Protection programmes;
- ◆ Increase access to services (education, healthcare etc.); and
- ◆ Build the capacity of local partners working with children.

Within the financial year 2021/22, SCT programme has directly benefited 9,054 children and their families; and indirectly benefited up to 86,004 children and families at risk.

1.	<b>Health &amp; Nutrition</b>	<b>928</b>
2.	<b>Child Protection &amp; Safeguarding</b>	<b>5,138</b>
3.	<b>Keeping Families Together</b>	<b>1,569</b>
4.	<b>Residential</b>	<b>639</b>
5.	<b>Education</b>	<b>747</b>
6.	<b>Alternative Care Reform</b>	<b>33</b>

Projects implemented and supported in 2021/22 are discussed below. These projects are unique but may have activities or elements that could be considered under other themes. The number of children and support staff reached for each project we have contributed to, as provided by our charity partners, is given below.

#### 1. Health & Nutrition

This programme aims to improve the health, physical and mental development of the children by providing food, nutrition and health support to vulnerable and at-risk children. The programme also provides fresh and nutritious food for students at Migrant Learning Centres and boarding houses.

The programme also helped to renovate school toilets, enabling the students and the staff to develop hygienic habits as well as improve the washroom facilities. During the pandemic, a special Covid-19 relief fund supported the children and families at risk with nutritious food to keep them healthy during the lockdown period. The relief fund also provided materials to the schools like facial masks and sanitisers and other daily necessities.

**We worked with 7 partners, directly benefited 928 children and indirectly benefitted over 1,627 stakeholders.**



## **DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS (continued)**

### **Programmatic development (continued)**

#### **2. Child Protection & Safeguarding**

The purpose of the programme is to provide a comprehensive child protection and safeguarding network for children at risk of harm. The outputs include providing child protection and safeguarding training for school management groups, teachers and staff including a ToT model (The Training of Trainers). We support the Child Protection Respond and Referral System (CPRS) based in Mae Sot which comprises over 20 organisations with a focus on Safeguarding and Child Protection. CPRS rescues and assists children to escape from sexual abuse, neglect cases and physical abuse.

We also support children at risk to obtain legal identity in Mae Sot so that they will be entitled to receive services including education and health. A team of specially trained staff known as case workers protect the children directly when they are in need.

**We worked with 7 partners, directly benefited 5,138 children and indirectly benefitted over 54,368 stakeholders.**

#### **3. Keeping Families Together**

Our vision is for children to grow up in a safe and loving family, subsequently we are actively promoting the reduction in residential settings and encouraging partners to develop alternatives. The programmes they deliver include training modules in financial inclusion, psychosocial well-being, health and hygiene, and the importance of education. Our partners are providing vital outreach work to the poorest families and communities.

Those families in greatest need often put their child with a disability into a residential care facility. This is not because of a lack of love, but is most often driven by poverty or lack of awareness or facilities to care for their child at home. Our programme aims to keep families together through family-supported approach activities like rehabilitation training for the parents and providing day care facilities.

During the pandemic, we supported families with children with disabilities with food and daily necessities to prevent them from further separation.

**We worked with 5 partners, directly benefited 1,569 children and indirectly benefitted over 27,230 stakeholders.**

#### **4. Residential**

Although SCT has shifted our work towards alternative care reform, we still provided residential support when necessary. Due to different families' difficulties, some children are still under residential care. SCT programmes aim to support residential at-risk children with food, education, care and protection.

**We worked with 7 partners, directly benefited 639 children and indirectly benefitted over 1,200 stakeholders.**

## DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS (continued)

### Programmatic development (continued)

#### 5. Education

SCT's education programme includes providing specialist educational support for vulnerable children including children with disabilities. The programme also provides scholarships and educational support to children in residential care. The education support covers the cost of school uniforms, books and materials, tutors and extra-curricular activities.

**We worked with 8 partners, directly benefited 747 children and indirectly benefitted over 1,550 stakeholders.**

#### 6. Alternative Care Reform

SCT has significantly contributed to the development and raising of awareness for alternative care reform in Thailand by supporting local partners to undertake care reform projects. This includes the transition of an orphanage and conducting national research. The orphanage transition project aims to develop a model for further residential settings to focus on the needs of the child and try wherever possible to connect children with families. We are working with our partners to develop transition tool kits as well as experience sharing for other homes.

**We worked with 2 partners, directly benefited 33 children and indirectly benefitted over 29 stakeholders.**



*Covid-19 Relief*

**DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS** (continued)

**Programmatic development** (continued)



*Keeping families together - A child learns to cook. He is learning to make fried dry fish with chilies.*



*A child received a donated phone during the Covid -19 lockdown to access online learning.*



## **DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS** (continued)

### **Fundraising and development**

Despite ongoing challenges to raising funds through individual giving and corporate sponsorship caused by the COVID-19 pandemic and the global recession, Safe Child Thailand has done remarkably well in its fundraising efforts with donation and sponsorship income remaining constant for the financial year 2021/22. This was achieved through a reduced budget and the efforts of our staff. This was a rebuilding year for the fundraising team. In November 2021, we were pleased to welcome Nishat Mahwiyat as our Communications Officer and Caroline Pratt as our Trusts and Foundations Officer. Nishat has helped raise funds through appeals and Caroline has helped us to build and maintain our support from Trusts and Foundations.

We are grateful for the generous support of our COVID-19 appeal for emergency response in Thailand from new and existing individual donors. A total of £4,900 was raised and used to provide our partners with necessary supplies such as food, hygiene kits, masks, and other personal protective equipment. In addition to our successful COVID-19 appeal, Safe Child Thailand raised £47,488 from newsletter appeals.

Legacies and Memoriam gifts continued to help us keep children safe. In 2021/22 Safe Child Thailand received £26,877 in legacy gifts. We are very grateful for these generous donations.

Within 2021/22 we participated in several fundraising events. In September 2021, Safe Child Thailand partnered with The Royal Thai Embassy for the Richmond Runfest at Kew Gardens. More than thirty-five participants ran the 10k in support of Safe Child Thailand. The event raised £15,800 with a donation of £15,000 from the Royal Thai Embassy. The money raised was used for both supporting children with disabilities and COVID relief.

Safe Child Thailand also attended Magic of Thailand in the Summer of 2021. This two-day event showcases Thai culture in the UK and includes Thai food, arts and crafts, Thai dancing, Thai boxing, LadyBoy shows, and Thai massages.

In 2021/22, we have continued working with Trusts and Foundations to deliver life-changing support to children and families in Thailand. We have also worked to create new partnerships with Trusts and Foundations while maintaining strong relationships with current donors. This year marked the end of our current funding from the af Jochnick Foundation in support of the "Protecting Thailand's Invisible Children through Birth Registration" programme. In January 2022, we received £15,580 for the extension of the project for the period January to March 2022. Since 2018, Safe Child Thailand and the af Jochnick Foundation have worked together to protect migrant children living on the Thai-Myanmar border. The project ensured that migrant children could live free from abuse, granted them the right to have an identity and nationality, and ensured their access to vital services such as healthcare and education. In collaboration with our local partners, we worked to keep refugees and migrant children safe from harm, raised awareness on child protection and child trafficking, provided birth registration awareness, and assisted children and families to obtain birth registration documents. Due to the influx of migrants and displaced people from Myanmar caused by the ongoing civil war following the February 2021 coup, this programme was even more vital to ensure that migrant children can get the documents they need for vital services.

## **DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS (continued)**

### **Fundraising and development (continued)**

In 2021/22, Safe Child Thailand and the UBS Optimus Foundation have made significant progress on the "Keeping Children Safe at Home in Thailand" programme. This project supports the advancement of care reform in Thailand while protecting the most vulnerable children from trafficking and abuse. Despite delays caused by Covid-19, throughout 2021/22 the project has progressed in the research, transition support for homes, and child protection trainings. The UBS Optimus Foundation has agreed to a no-cost extension of the project until May 2023 to ensure that all activities go ahead as planned.

We also continued to work with the Evan Cornish Foundation to protect Thailand's most vulnerable children. Through our local partner, we worked to deliver training for their child protection working group, produced awareness-raising materials on child protection which were distributed to community members and local restaurants, and trained students and teachers on online child protection risks such as online grooming in Kanchanaburi, one of the poorest provinces of Thailand.

A thank you to all the Trusts who have continued working with us to support families and children in Thailand throughout 2021/22. We are very grateful to the David Lister Charitable Trust which donated £1,000 in July 2021, The Community of the Presentation Trust which donated £1,000 in September 2021, The Sir John Sumner's Trust which donated £250 in November 2021, and The Pat Newman Memorial Trust which donated £750. All of these donations supported families and children with disabilities. We are also very grateful for the generous donations of £10,000 from the OdysseyRe Foundation and £4,490 from the Donald R Mott Trust. We are also thankful to The Exit Trust for their continued support of £10,000.

### **Communications**

In 2021/22, we have continued to see a steady increase in the number of people visiting the Safe Child Thailand website. The highest count of website users this financial year was in December with a total of 2,046 visits. Of those, 91.8% were new visitors.

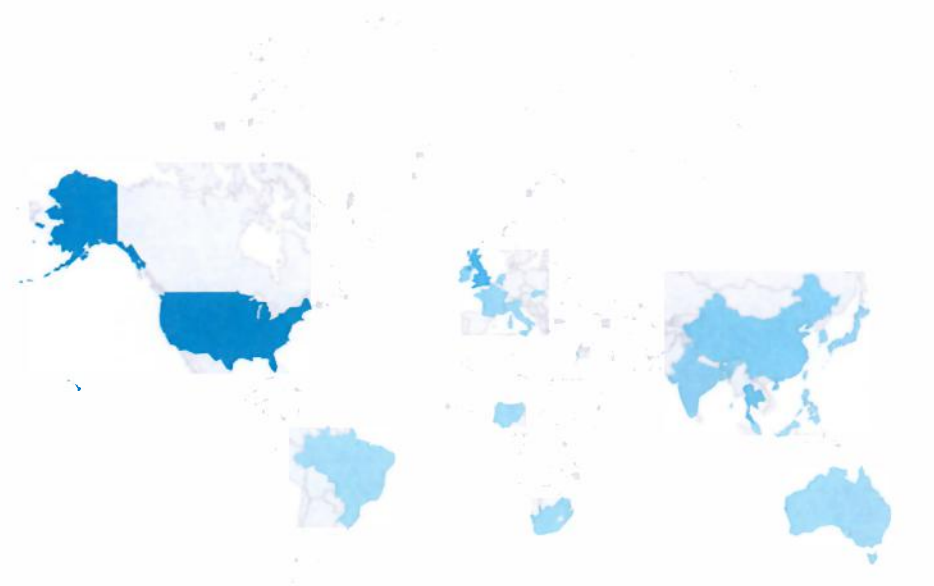
This increase in new website users could be a result of our awareness-raising campaigns which have included a variety of topics. For example, our mini-campaigns in December for World AIDS Day and the International Day of People with Disabilities brought 2,046 visits to our website.

Unlike previous years, developing our Instagram has become one of our main social media focuses. By targeting Instagram users, we hope to increase our regular donors and supporters.

Our audience has come from a range of countries. The top five countries our audience comes from are The United States, The United Kingdom, Thailand, China, and India.

**DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS** (continued)

**Communications** (continued)



According to our Google Analytics, the majority of our website users come from our social media accounts which demonstrates the effectiveness of both our awareness campaigns and consistent posting. Long term, we hope to begin a digital marketing campaign to generate more income.

Our Twitter account has also gained a considerable amount of following this year including Save the Children Kenya and Madagascar along with many other organisations working within Asia. This is essential to increase awareness in the UK, the Thai community, and across Asia.

We continue using Facebook to raise awareness and strengthen our relationships with online communities. There has been an increase in our Facebook page followers and how many people it reaches. Our Facebook page is liked by a total of 30,502 people, the majority of which are from Cambodia and Vietnam.

## PROJECT SUPPORT POLICY

### Due diligence on partner organisations

SCT has continued to improve due diligence procedures for grant making, recipient organisations, and project implementation. Due diligence is carried out to ensure that all partners are reputable, and acting in compliance with Thai charitable law and internationally recognised child protection standards.

All partners and grant recipients are regularly vetted to ensure financial viability and transparency, accountability for delivery of activities and to ensure the protection of any vulnerable beneficiaries in their care. SCT collects documents and policies from partner organisations, and also regularly visits partners in Thailand to monitor projects.

In 2021/22, SCT required that all partner organisations must have:

- ◆ Registration in Thailand, or operate under the umbrella of a registered Thai organisation;
- ◆ Externally audited accounts, except in the cases where support is non-financial;
- ◆ A comprehensive, up-to-date child protection and safeguarding policy;
- ◆ Sufficient financial controls in place, with clear, comprehensive financial manuals; and
- ◆ Capacity to monitor and evaluate project impact.

SCT has continued to improve and strengthen due diligence procedures throughout 2021/22 and will do so further into the future. Our commitment remains first and foremost to the protection of children and championing Care Reform in Thailand. SCT will continue to expect high standards of child protection, financial transparency, and project effectiveness from all partners and grant recipients.

## FINANCIAL REVIEW

### Results for the year

A summary of the results for the year is given in the statement of financial activities at page 24. This shows total income for the year of £538,844 compared to £761,432 in 2021. The principal sources of the charity's income are donations, grants from trusts and legacies.

Expenditure during the year totalled £618,515 (2021 – £678,461) and comprised £123,896 (2021 – £144,298) on raising funds and £494,619 (2021 – £534,172) on direct and indirect expenditure aimed at providing support to children in Thailand and its border countries.

The charity's deficit for the year was £79,671 (2021 – surplus of £82,971).

### Reserves policy and financial position

The Trustees have established a policy whereby the unrestricted funds not committed or invested in the tangible fixed assets the charity holds ('the free reserves') should be between three and six months of the total expenditure. At this level, the Trustees feel that in the event of a significant drop in funding they would be able to carry on the charity's activities for at least this period.



## **FINANCIAL REVIEW** (continued)

### **Reserves policy and financial position** (continued)

As of 31 March 2022, the charity had total funds of £672,125 (2021 – £751,796). Of this total, £102,905 (2021 – £174,613) is restricted and held for application towards specific projects and/or activities. A further £50,000 (2021 – £80,000) has been designated for specific purposes. Free reserves, or general funds, at 31 March 2022 totalled £519,220 (2021 – £496,350) and equated to 7.6 months' expenditure based on the budget for the next financial year, falling slightly above the desired level set out in the charity's reserves policy.

Following the outbreak of Covid-19 in 2020 the Trustees have discussed in detail the potential impact on the charity's ability to raise funds and on its charitable activities. A continued impact of Covid-19 is expected for 2022/23, especially on programmatic activities in Thailand. The Finance Committee will continue to have regular meetings where an updated forecast will be discussed to monitor the situation.

### **Investment policy and returns**

Under the Memorandum and Articles of Association, the charity has the power to make any investment which the Trustees see fit. The Trustees have considered the most appropriate policy for investing funds given the time frame for holding monies and investment risk. As a consequence, they hold the majority of the charity's funds in Treasury Reserve deposits. The Trustees consider the return on these deposits to be disappointing but in line with prevailing rates available in respect of this type of investment.

### **Tangible fixed assets**

Details of movements in tangible fixed assets are set out in note 8 to the financial statements.

## **FUTURE PLANS AND STRATEGIES**

We will continue to focus on Care Reform working with Thai partner organisations to adopt and develop new initiatives. Raising awareness of Child Protection and Safeguarding will remain central to our work as will the importance of ensuring that children with disabilities will feature in all our Care Reform themes.

During this next year we aim to open a bank account held within Thailand to receive and distribute in-country donations. This will be facilitated by an additional member of staff, Thailand based, who will scope new in country funding opportunities.



*Home-based learning*

## STRUCTURE, GOVERNANCE AND MANAGEMENT

### Trustees

All Trustees of the charity constitute company directors for the purpose of company legislation. Existing Trustees have the power to appoint additional Trustees as they consider necessary. The Trustees who served throughout the year or who have been appointed since 31 March 2022 were as follows:

Trustees	Appointed/Resigned
Mr S Buckley	
Mr A Chatikavanij	Resigned 10 March 2022
Dr S Conway	Appointed 13 May 2021
Mr F L Cremer	
Mr M Hurley	Appointed 12 May 2022
Mr S Landy	
Mr M Patterson	

## **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

### **Trustees (continued)**

Trustees are supported to meet their responsibilities in three main areas as highlighted by the Charity Commission: Ensuring Compliance, Duty of Prudence, Duty of Care. They receive regular updates of their responsibilities and are encouraged to develop their roles within the charity. The Trustees meet four times each year to determine the charity's strategy and oversee its activities.

In order for the Trustees to more efficiently manage and oversee the strategic direction of the organisation, they have formed four committees: Finance, Governance, Programmes and Fundraising. Each Committee is chaired by a different Trustee and includes at least two other Trustees together with the Chief Executive Officer (CEO). The Head of Fundraising and Development and the Manager of Programmes and Partnerships sit on the Programmes Committee. Each Committee has developed a terms of reference and has the power to invite non-Trustees with specific and relevant experience to sit on the Committees on an ad hoc basis.

The charity has a CEO responsible for the day-to-day work of the charity and a small team of staff which manages the work of the charity.

### **Key management personnel**

The Trustees consider that they together with the CEO, Head of Fundraising and Development, and the Manager of Programmes and Partnerships comprise the key management of the charity in charge of directing and controlling, running and operating the charity on a day to day basis.

The remuneration of key management is decided upon by the Trustees. A formal policy for the review of management remuneration has been developed by the Trustees.

### **Risk Management**

The Trustees, in conjunction with the CEO, have carried out a comprehensive audit of all potential risks facing the organisation which will be monitored over the coming year. The risk register is reviewed at Trustee meetings outlining the risks and what is being done to mitigate them.

The three principal risks faced by the charity are:

- ◆ Generation of income;
- ◆ Ensuring that funds remitted overseas are applied correctly for the intended purposes; and
- ◆ Ensuring high standards of Safeguarding and Child Protection procedures are implemented and followed by Thai partners.

Each of the above areas is explained in more detail below:

## **STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

### **Risk Management** (continued)

#### ◆ **Generation of income**

The charity is very dependent on the generosity of the public for the donation of funds to enable its work and is never complacent about the fact that its income relies on such giving continuing even in challenging economic times. The charity strives to ensure that donors are kept informed of the progress and successes achieved by the charity and looks always to maximise its fundraising by publicising the plight of children in Thailand and its border countries and the need for support. The Trustees, together with the CEO, are currently reviewing the charity's strategic approach to generating funds in the future from the public and from other sources such as grant making trusts and corporate giving. In doing so, the charity is very aware of the need always to raise monies in an ethical manner compliant with the fundraising rules laid down by the Fundraising Regulator and the Fundraising Standards Board and other regulatory bodies.

Despite the roll out of vaccines and the lifting of Covid-19 restrictions, there is still an impact on fundraising. Community, Corporate and Individual donations have been slow to recover to pre-pandemic levels and the future of growth in these areas will continue to be slow.

#### ◆ **Overseas donations and grants**

The charity donates significant sums to support children in Thailand. The Trustees and management of the charity always ensure that they are fully briefed about and familiar with the work of a potential recipient of funds, that funds are transferred via bank transfer, that proof of receipt is obtained and that, wherever possible (and always in the case of monies sent overseas), a full written report of how the monies have been utilised and applied is obtained from the recipient.

#### ◆ **Safeguarding**

As an organisation that works exclusively to protect and uphold the rights of the most disadvantaged children in Thailand, we are committed to having in place robust and stringent safeguarding policies. We have policies in place and are constantly striving to improve these so that they are appropriate for both the UK and Thailand.

### **Fundraising statement**

The charity aims to achieve best practice in the way in which it communicates with supporters. It takes care with both the tone of its communications and the accuracy of its data to minimise the pressures on supporters. The charity is registered with the Fundraising Regulator and adheres to the Code of Fundraising Practice. It applies best practice to protect supporters' data and never sells data, it never swaps data with other organisations, and ensures that its communication preferences can be changed at any time. The charity manages its own fundraising activities and does not employ the services of Professional Fundraisers. The charity undertakes to react to and investigate any complaints regarding its fundraising activities and to learn from them and improve its service. During 2021/22, the charity received no complaints about its fundraising activities.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)**

### **Trustees' responsibilities in relation to the financial statements**

The Trustees (who are directors of Safe Child Thailand for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income and expenditure of the charitable company for that period. In preparing these financial statements the Trustees are required to:

- ◆ Select suitable accounting policies and apply them consistently;
- ◆ Observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- ◆ Make judgements and estimates that are reasonable and prudent;
- ◆ State whether applicable accounting standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- ◆ Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- ◆ the Trustee has taken all the steps that he or she ought to have taken as a Trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.



**STRUCTURE, GOVERNANCE AND MANAGEMENT** (continued)

**Trustees' responsibilities in relation to the financial statements** (continued)

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**APPROVAL**

This report was approved by the Trustees and signed on their behalf by:

Steve Buckley

Trustee

Approved on:

  
19-10-22

*Child sponsorship*

## **Independent auditor's report to the members of Safe Child Thailand**

### **Opinion**

We have audited the financial statements of Safe Child Thailand (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.



**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the Trustees' report, which is also a directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purpose of company law, has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures of Trustees' remuneration specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities in relation to the financial statements contained within the Trustees' report, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine 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, the Trustees are responsible for assessing the charitable company'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 the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement director ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations; and
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charity and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011) and those that relate to fundraising including The Code of Fundraising Practice.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and

**Auditor's responsibilities for the audit of the financial statements** (continued)

- ♦ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ♦ performed analytical procedures to identify any unusual or unexpected relationships;
- ♦ performed substantive testing on expenditure including the authorisation thereof;
- ♦ tested journal entries to identify unusual transactions; and
- ♦ assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ♦ reading the minutes of meetings of those charged with governance; and
- ♦ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Gumayel Miah (Senior Statutory Auditor)  
For and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL

Date: 15 November 2022

**Statement of financial activities** Year to 31 March 2022  
(including income and expenditure account)

	Notes	Unrestricted funds £	Restricted funds £	Total funds 2022 £	Unrestricted funds £	Restricted funds £	Total funds 2021 £
<b>Income and Expenditure</b>							
<b>Income from:</b>							
Donations, grants and legacies	1	475,842	62,943	538,785	570,561	190,687	761,248
Interest receivable		59	—	59	184	—	184
<b>Total income</b>		<b>475,901</b>	<b>62,943</b>	<b>538,844</b>	<b>570,745</b>	<b>190,687</b>	<b>761,432</b>
<b>Expenditure on:</b>							
Raising funds	2	123,896	—	123,896	144,289	—	144,289
Charitable activities – supporting children in Thailand	3	379,512	115,107	494,619	410,006	124,166	534,172
<b>Total expenditure</b>		<b>503,408</b>	<b>115,107</b>	<b>618,515</b>	<b>554,295</b>	<b>124,166</b>	<b>678,461</b>
<b>Net (expenditure) income</b>	5	<b>(27,507)</b>	<b>(52,164)</b>	<b>(79,671)</b>	16,450	66,521	82,971
Transfers between funds	13	19,544	(19,544)	—	7,528	(7,528)	—
<b>Net movement in funds</b>		<b>(7,963)</b>	<b>(71,708)</b>	<b>(79,671)</b>	23,978	58,993	82,971
<b>Reconciliation of funds:</b>							
Fund balances brought forward at 1 April 2021		577,183	174,613	751,796	553,205	115,620	668,825
<b>Fund balances carried forward at 31 March 2022</b>		<b>569,220</b>	<b>102,905</b>	<b>672,125</b>	<b>577,183</b>	<b>174,613</b>	<b>751,796</b>

All of the charity's activities derived from continuing operations during the above two financial years.

All recognised gains and losses are included in the statement of financial activities.

# Balance sheet 31 March 2022

	Notes	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Tangible assets	8		—		833
<b>Current assets</b>					
Debtors	9	38,416		25,152	
Cash at bank and in hand		<u>687,120</u>		<u>751,654</u>	
		725,536		776,806	
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	10	<u>(53,411)</u>		<u>(25,843)</u>	
<b>Net current assets</b>			672,125		750,963
<b>Total net assets</b>			<u>672,125</u>		<u>751,796</u>
<b>The funds of the charity:</b>					
Unrestricted funds					
. General funds		519,220		496,350	
. Designated funds	12	50,000		80,000	
. Tangible fixed assets fund	11	<u>—</u>		<u>833</u>	
		569,220		577,183	
Restricted funds	13	<u>102,905</u>		<u>174,613</u>	
		<u>672,125</u>		<u>751,796</u>	

Approved by the Trustees of Safe Child Thailand and signed on their behalf by:

Steve Buckley

Trustee

Approved on:



Company Registration Number 4157530 (England and Wales)  
Charity Registration Number 1085407

## Statement of cash flows Year to 31 March 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities:</b>			
Net cash (used in) provided by operating activities	A	(64,593)	137,084
<b>Cash flows from investing activities:</b>			
Interest received		59	184
<b>Net cash provided by investing activities</b>		<b>59</b>	<b>184</b>
<b>Change in cash and cash equivalents in the year</b>		<b>(64,534)</b>	<b>137,268</b>
<b>Cash and cash equivalents at 31 March 2021</b>	B	<b>751,654</b>	<b>614,386</b>
<b>Cash and cash equivalents at 31 March 2022</b>	B	<b>687,120</b>	<b>751,654</b>

Notes to the statement of cash flows for the year to 31 March 2022.

### A Reconciliation of net (expenditure) income to net cash (used in) provided by operating activities

	2022 £	2021 £
<b>Net (expenditure) income (as per the statement of financial activities)</b>	<b>(79,671)</b>	<b>82,971</b>
<b>Adjustments for:</b>		
Depreciation charge	833	1,444
Interest receivable	(59)	(184)
(Increase) Decrease in debtors	(13,264)	60,706
Increase (Decrease) in creditors	27,568	(7,853)
<b>Net cash (used in) provided by operating activities</b>	<b>(64,593)</b>	<b>137,084</b>

### B Analysis of changes in net debt

	2021 £	Cash flows £	2022 £
<b>Total cash and cash equivalents:</b>			
Cash at bank and in hand	751,654	(64,534)	<b>687,120</b>



## **Principal accounting policies Year to 31 March 2022**

### **Basis of preparation**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

These financial statements have been prepared for the year to 31 March 2022, with comparative information provided in respect to the year to 31 March 2021.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these financial statements.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

### **Critical accounting estimates and areas of judgement**

Preparation of the financial statements requires the Trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ assessing whether the criteria for the recognition of legacy income has been met;
- ◆ the allocation of staff costs between support costs, expenditure on raising funds and expenditure on charitable activities; and
- ◆ the estimation of future income and expenditure for the purpose of assessing going concern (see below).

### **Assessment of going concern**

The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of at least one year from the date of approval of these financial statements.



**Assessment of going concern (continued)**

Following the outbreak of Covid-19 in 2020 the Trustees have discussed in detail the potential impact on the charity's ability to raise funds and on its charitable activities. A continued impact of Covid-19 is expected for 2022/23, especially on programmatic activities in Thailand. The Finance Committee will have regular meetings where an updated forecast will be discussed to monitor the situation.

The Trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The Trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due, but they are mindful of the need for the charity to continue to generate donations and the fact that this has become more difficult in recent years because of the challenging economic conditions. The Trustees, together with the Chief Executive, continue to review the charity's strategic approach to generating funds from the public and from other sources such as grant making trusts and corporate giving.

**Income recognition**

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, grants from trusts, legacies and interest receivable.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period. Where donors specify that donations and grants must be used in future accounting periods, the income is deferred.

Grants from trusts are credited to income when the charity has both confirmation of the amount and entitlement to the income. In the event of grants confirmed but not received, the amount is accrued for where the receipt is considered probable.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

**Income recognition (continued)**

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has or will be granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**Expenditure recognition**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs (including governance costs). All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with fundraising, including applicable staff costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity by supporting children in Thailand and its border countries. Such costs include charitable grants, direct costs and support costs including governance costs.
- ◆ Charitable grants and donations are made where the Trustees consider there is real need following a review of the details of each particular case and comprise single year payments rather than multi-year grants. Grants and donations are included in the statement of financial activities when approved for payment. Provision is made for grants and donations approved but unpaid at the period end.

All expenditure is stated inclusive of irrecoverable VAT.

**Allocation of support and governance costs**

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel, financial procedures, provision of office services and equipment and a suitable working environment. Staff costs are allocated between raising funds and charitable activities on the basis of time spent on these activities by staff. All other support costs are included with the expenditure on charitable activities.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs form part of the costs of the charitable company.

**Tangible fixed assets**

All assets costing more than £500 and with an expected useful life exceeding one year are capitalised.

Tangible fixed assets are depreciated on a straight line basis over their estimated useful lives as follows:

- ♦ Computer equipment 3 years
- ♦ Office furniture, fixtures and fittings 5 years

**Debtors**

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

**Cash at bank and in hand**

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

**Creditors and provisions**

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

### **Fund structure**

Funds held by the charity are divided into the following categories:

- ◆ Unrestricted general funds are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.
- ◆ Unrestricted designated funds, which consist solely of the accommodation fund. This fund has been designated to cover the cost of office accommodation over the term of the charity's lease.
- ◆ The tangible fixed assets fund represents the net book value of the tangible fixed assets used by the charity in furtherance of its objectives.
- ◆ Restricted funds are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by a donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to these financial statements.

### **Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the net movement in funds.

### **Pension contributions**

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 6. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

### **Operating leases**

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term.

**1 Income from: Donations, grants and legacies**

	Unrestricted funds £	Restricted funds £	2022 funds £	Unrestricted funds £	Restricted funds £	2021 funds £
Donations	156,904	28,913	185,817	154,492	32,443	186,935
Child Sponsorship	220,715	—	220,715	239,301	—	239,301
Gift Aid	60,856	1,450	62,306	62,002	7,244	69,246
Grants from Trusts	14,490	28,580	43,070	40,000	151,000	191,000
Legacies	22,877	4,000	26,877	74,766	—	74,766
	<b>475,842</b>	<b>62,943</b>	<b>538,785</b>	<b>570,561</b>	<b>190,687</b>	<b>761,248</b>

During the year, the charity has been notified of a legacy of £34,000. This legacy has not been included in the income above as there is still significant uncertainty about the likelihood of receipt of this legacy.

**2 Expenditure on: Raising funds**

	Unrestricted funds	
	2022 £	2021 £
Staff costs (note 6)	112,706	121,950
Advertising and photography	334	—
Postage	2,897	6,815
Printing	3,906	4,496
Online fundraising costs	259	7,213
Event costs	2,679	—
Fundraising travel	654	—
Other expenses	461	3,815
	<b>123,896</b>	<b>144,289</b>

**3 Expenditure on: Charitable activities - supporting children in Thailand**

	2022			2021		
	Unrestricted funds £	Restricted funds £	Total £	Unrestricted funds £	Restricted funds £	Total £
<b>Amounts for application to projects in Thailand</b>	<b>122,683</b>	<b>115,107</b>	<b>237,790</b>	<b>130,639</b>	<b>124,166</b>	<b>254,805</b>
<b>Directly attributable project costs</b>						
Staff costs (note 6)	105,918	—	105,918	97,579	—	97,579
Programme support	6,889	—	6,889	11,938	—	11,938
Information and awareness	7,474	—	7,474	6,332	—	6,332
	<b>120,281</b>	<b>—</b>	<b>120,281</b>	<b>115,849</b>	<b>—</b>	<b>115,849</b>
<b>Support costs</b>						
Staff costs (note 6)	42,020	—	42,020	55,891	—	55,891
Accommodation and establishment	32,070	—	32,070	39,940	—	39,940
Travelling expenses	63	—	63	357	—	357
Bank and direct debit collection charges and exchange differences	10,637	—	10,637	14,585	—	14,585
Office expenses	25,728	—	25,728	24,780	—	24,780
Depreciation (note 8)	833	—	833	1,444	—	1,444
Accounting support	13,521	—	13,521	15,181	—	15,181
Governance costs (note 4)	11,676	—	11,676	11,340	—	11,340
	<b>136,548</b>	<b>—</b>	<b>136,548</b>	<b>163,518</b>	<b>—</b>	<b>163,518</b>
	<b>379,512</b>	<b>115,107</b>	<b>494,619</b>	<b>410,006</b>	<b>124,166</b>	<b>534,172</b>

**4 Governance costs**

	Unrestricted funds	
	2022 £	2021 £
Auditor's remuneration	8,040	7,704
Legal and professional charges	3,636	3,636
	<b>11,676</b>	<b>11,340</b>

**5 Net (expenditure) income**

This is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	833	1,444
Operating lease rentals	25,500	34,000
Auditor's remuneration (including VAT):		
· Audit services – current year	8,040	7,680
· Audit services – prior year under accrual	—	24
Deficit on foreign exchange transactions	2,450	5,053

**6 Staff costs**

	2022 £	2021 £
Salaries	230,139	244,093
Social security costs	19,887	21,228
Pension contributions	8,473	10,099
	<b>258,499</b>	<b>275,420</b>
Recruitment costs	2,102	—
Volunteer expenses	43	—
	<b>260,644</b>	<b>275,420</b>

During the year, one employee earned between £60,001 and £70,000 (2021 – one employee earned between £60,001 and £70,000) and contributions of £2,800 (2021 – £2,800) were paid for the provision of money purchase pension benefits in respect to this employee.

The average number of employees during the year was:

	2022		2021	
	Full time	Part time	Full time	Part time
Average number	6	1	6	1



**6 Staff costs (continued)**

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis comprise the Trustees, the Chief Executive, the Manager of Programmes and Partnerships and the Head of Fundraising and Development. The total remuneration (including taxable benefits, and including employer's National Insurance and pension contributions) of the key management personnel for the year to 31 March 2022 was £155,324 (2021 – £175,691).

No Trustee received any remuneration during the year (2021 – £nil). Expenses were not reimbursed to any Trustee during either period.

**7 Taxation**

Safe Child Thailand is a registered charity and, therefore, is not liable to income or corporation tax on income or gains to the extent that these are derived from its charitable objects, as they fall within the various exemptions available to registered charities.

**8 Tangible assets**

	Computer equipment £	Office furniture, fixtures and fittings £	2022 Total £
<b>Cost</b>			
At 1 April 2021	14,027	5,052	19,079
Disposals	(2,447)	—	(2,447)
At 31 March 2022	11,580	5,052	16,632
<b>Depreciation</b>			
At 1 April 2021	13,854	4,392	18,246
Charge for year	173	660	833
Elimination on disposal	(2,447)	—	(2,447)
At 31 March 2022	11,580	5,052	16,632
<b>Net book values</b>			
At 31 March 2022	—	—	—
At 31 March 2021	173	660	833

**9 Debtors**

	2022 £	2021 £
Gift aid recoverable	12,386	13,164
Prepayments	2,578	2,488
Legacies receivable	14,000	1,000
Other debtors	9,452	8,500
	38,416	25,152



**Notes to the financial statements** Year to 31 March 2022

**10 Creditors: amounts falling due within one year**

	2021 £	2020 £
Expense creditors	21,884	2,303
Grants payable	7,000	—
Taxation and social security	8,256	8,957
Accruals and other creditors	16,271	14,583
	<b>53,411</b>	<b>25,843</b>

**11 Tangible fixed assets fund**

	At 1 April 2021 £	Movements in year £	At 31 March 2022 £
Tangible fixed assets fund	833	(833)	—

	At 1 April 2020 £	Movements in year £	At 31 March 2021 £
Tangible fixed assets fund	2,277	(1,444)	833

The tangible fixed assets fund represents the net book value of the charity's tangible fixed assets. This has been separated from the charity's general funds in recognition of the fact that the assets are essential to the day-to-day work of the charity and as such their value should not be regarded as funds that would be realisable with ease, in order to meet future contingencies.

**12 Designated fund**

	At 1 April 2021 £	Released in year £	At 31 March 2022 £
Accommodation fund	80,000	(30,000)	50,000

	At 1 April 2020 £	Released in year £	At 31 March 2021 £
Accommodation fund	120,000	(40,000)	80,000

In the financial year 2017/18 the Trustees designated £200,000 of the gain from the disposal of a property towards meeting the cost of office accommodation over the next five financial years. The release of £30,000 in the year represents the cost for 2021/22 year.

## 13 Restricted funds

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Capital Infrastructure Fund (Legacy)	50,914	—	—	—	50,914
Child Sponsorship Gifts	1,392	1,426	(2,514)	—	304
Chonburi Children's Home	—	3,275	(3,181)	(94)	—
Child Education and Development Centre	—	2,375	(2,264)	(111)	—
Nong Khai Children's Home	2,520	11,440	(12,520)	—	1,440
School Lunch Programme	1,607	444	(302)	—	1,749
Migrant Birth Registration	44,993	15,580	(58,925)	—	1,648
Migrant Special Education	—	63	(63)	—	—
COVID-19 relief	—	11,100	(11,100)	—	—
Disability Programme	—	10,000	(10,000)	—	—
Care Development	—	3,000	—	—	3,000
Tak Children's Home	480	240	(480)	—	240
Alternative Care Thailand - UBS	72,707	—	(9,958)	(19,139)	43,610
Rayong Childrens Home	—	4,000	(3,800)	(200)	—
<b>Total restricted funds</b>	<b>174,613</b>	<b>62,943</b>	<b>(115,107)</b>	<b>(19,544)</b>	<b>102,905</b>

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Capital Infrastructure Fund (Legacy)	50,914	—	—	—	50,914
Child Sponsorship Gifts	476	1,033	(117)	—	1,392
Chonburi Children's Home	—	13,800	(13,800)	—	—
Chonburi Women's Centre	25	—	(25)	—	—
Nong Khai Children's Home	1,080	10,440	(9,000)	—	2,520
School Lunch Programme	263	1,344	—	—	1,607
Migrant Birth Registration	48,102	44,993	(48,102)	—	44,993
Families Strengthening programmes	13,020	1,715	(14,735)	—	—
COVID-19 Emergency appeal	—	18,115	(18,106)	(9)	—
Tak Children's Home	240	240	—	—	480
Alternative Care Thailand - UBS	—	99,007	(18,781)	(7,519)	72,707
Teachers' Stipends	1,500	—	(1,500)	—	—
<b>Total restricted funds</b>	<b>115,620</b>	<b>190,687</b>	<b>(124,166)</b>	<b>(7,528)</b>	<b>174,613</b>

### 13. Restricted funds (continued)

Restricted funds at 31 March 2022 comprised:

- ♦ **Capital Infrastructure Fund (Legacy), £50,914.** This fund represents a legacy from the founder of Safe Child Thailand, Baron Carini. The legacy is to be used for a capital infrastructure or construction project(s) to be identified by Trustees.
- ♦ **Child Sponsorship Gifts, £304.**
- ♦ **Nong Khai Children's Home, £1,440.** This fund consists of donations for the ongoing running costs of a Children's Home in Nong Khai.
- ♦ **School Lunch Programme, £1,749.** This fund consists of donations which will benefit children living in the Migrant Learning Centres within the Mae Sot area.
- ♦ **Migrant Birth Registration, £1,648** This fund is for ongoing projects of Migrant Birth Registrations in the Tak province.
- ♦ **Tak Children's Home, £240.** This fund is for a contribution to the food and welfare costs of a child in a residential Safe House in the Mae Sot area.
- ♦ **Alternative Care Thailand - UBS, £43,610.** This fund is to support the Alternative Care Thailand Group (ACTG) on its Alternative Care action plan.
- ♦ **Care Development, £3,000.** This fund consists of funding toward care provisions for children with disabilities in a residential facility.

Transfers between funds occur where a proportion of restricted funds received has been released to unrestricted funds in accordance with the agreement of the funder. £19,139 has been transferred from the restricted fund "Alternative Care Thailand – UBS" to unrestricted funds to cover core costs associated with this project.

### 14. Analysis of net assets between funds

An analysis of the net assets between the funds at 31 March 2022 is as follows:

	General funds £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	2022 Total £
Tangible fixed assets	—	—	—	—	—
Net current assets	519,220	50,000	—	102,905	672,125
	<b>519,220</b>	<b>50,000</b>	<b>—</b>	<b>102,905</b>	<b>672,125</b>

	General funds £	Designated funds £	Tangible fixed assets fund £	Restricted funds £	2021 Total £
Tangible fixed assets	—	—	833	—	833
Net current assets	496,350	80,000	—	174,613	750,963
	<b>496,350</b>	<b>80,000</b>	<b>833</b>	<b>174,613</b>	<b>751,796</b>

## 15 Related party transactions

The charity's Trustees were not paid during the year to 31 March 2022 (2021 – no payment). No Trustee received any emolument or payment for professional or other services during either period.

During the year, the total amount donated by the Trustees to the charity for use on specific projects was £50 (2021 – £5,100). In addition, unrestricted donations of £216 (2021 – £216) were made by the Trustees.

Other than the above, there were no other related party transactions during the year ended 31 March 2022 (2021 – no other transactions).

## 16 Members' liability

In the event of the charitable company being wound up during the period of membership, or within the year following, members are required to contribute an amount not exceeding £1.

## 17 Commitments under operating leases

### Operating leases

At 31 March 2022, the total of charity's future minimum lease payments under non-cancellable operating leases was as follows:

	Land and buildings	
	At 31 March 2022 £	At 31 March 2021 £
Amounts due within one year	8,500	17,000
	<b>8,500</b>	<b>17,000</b>