

# Safe Child Thailand

## Report and Financial Statements

31 March 2023

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

Charity Registration Number 1085407

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**Reference and administrative information 31 March 2023**

|                                      |                                                                                                        |
|--------------------------------------|--------------------------------------------------------------------------------------------------------|
| <b>Trustees</b>                      | Mr S Buckley – Chairman<br>Dr S Conway<br>Mr F L Cremer<br>Mr M Hurley<br>Mr S Landy<br>Mr M Patterson |
| <b>Secretary and Chief Executive</b> | Mr P Bradley                                                                                           |
| <b>Registered office</b>             | 72 Venn Street<br>London<br>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<br>130 Wood Street<br>London<br>EC2V 6DL                                                 |
| <b>Principal bankers</b>             | Bank of Scotland plc<br>Community Banking<br>38 St Andrew Square<br>Edinburgh<br>EH2 2AD               |
| <b>Solicitors</b>                    | Bates Wells & Braithwaite LLP<br>10 Queen Street Place<br>London<br>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 2023.

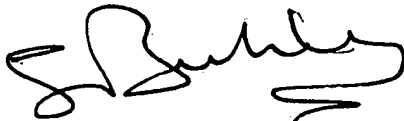
Another challenging year but one - helped by having a conscientious, focussed and hardworking team consistently producing quality material - that was not short of notable activities.

Care Reform continues to drive our agenda and it was good to see the start of transitioning a Children's Home in Chiang Mai Province as well as the initiation of an important Child Protection and Safeguarding Teaching Programme in Mae Sot. Training was also provided for residential accommodation staff on the United Nations Guidelines for the Alternative Care of Children.

In tandem - and as part of the conclusion of the many UBS Optimus Foundation funded projects - a most successful Conference on Care Reform was staged in Bangkok as well as a high-profile House of Commons presentation. The former attracted a number of senior officials who are becoming increasingly aware of the scale of the problem (something highlighted in the Safe Child Thailand funded ground breaking Study 'No Child Left Behind: No less than 120,000 Children in Institutional Care in Thailand') and which will hopefully pave the way for Care Reform to receive enhanced support from the new Thai Government.

Against these positive developments, however, it is important to highlight the continued difficulties in raising funds. Never an easy situation but one, undoubtedly, made worse by the current Cost of Living crisis and the increasing demands placed upon all our Corporate and Institutional donors.

Finally, my sincere thanks go to both the Safe Child Thailand team and my fellow Trustee colleagues for the continued support received throughout the year.



Steve Buckley  
Chairman

## **Report of the Trustees 31 March 2023**

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 2023. 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 28 to 32 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 40 years SCT has been constantly working toward improving the situation for disadvantaged children in Thailand. We work with the most vulnerable of children and their families aiming to end the cycle of poverty, discrimination and health inequalities. We are now raising awareness of the importance of keeping a family together and to become less reliant on residential care for children. By raising funds for our partners working in Thailand, 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 past year has seen a significant increase in our Care Reform Projects. We have continued to work 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. We are working with residential care providers to increase their awareness of Care Reform and the importance of following the United Nations Guidelines for the Alternative Care of Children.

## 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
- ◆ Keep families together
- ◆ Reduce the risks facing children by supporting Child Protection programmes
- ◆ Increase access to services (education, healthcare etc.)
- ◆ Build the capacity of local partners working with children

Within the financial year 2022-2023, Safe Child Thailand has directly benefited 9,125 children and their families and indirectly benefited up to 87,876 children and families at risk of poverty and harm.

|                                         | Direct<br>Beneficiaries | Indirect<br>Beneficiaries |
|-----------------------------------------|-------------------------|---------------------------|
| 1. Health and Nutrition                 | 2,145                   | 502                       |
| 2. Child Protection and<br>Safeguarding | 2,966                   | 9,000                     |
| 3. Keeping Families<br>Together         | 173                     | 45,355                    |
| 4. Residential                          | 2,325                   | ---                       |
| 5. Education                            | 978                     | 233                       |
| 6. Alternative Care<br>Reform           | 538                     | 32,786                    |

Projects implemented and supported in 2022/23 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.



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

**1. Health & Nutrition**

This programme aims to enhance the overall health and well-being, both physically and mentally, of children by offering nutritional support and healthcare services to those who are vulnerable or at risk. Additionally, the program supplies fresh water and nutritious food to students at Migrant Learning Centres and residential settings. Safe Child Thailand's health programme includes medical check-ups, as well as the promotion of physical health development activities.

Furthermore, Safe Child Thailand collaborates with local partners in Mae Sot on a mental health project, which involves conducting awareness sessions on mental health and social well-being at Migrant Learning Centres and within communities. In addition, SCT has organised Psychological First Aid (PFA) training sessions for focal persons from Migrant Learning Centres.

**We worked with 7 partners, 2,145 Direct Beneficiaries and with over 502 Indirect Beneficiaries**

**2. Child Protection and Safeguarding**

The objective of the programme is to enhance the understanding and implementation of Child Protection and Safeguarding among practitioners and children. The programme encompasses various activities such as providing Child Safeguarding training to teachers and skilling up Trainers to facilitate Safe Touch awareness sessions for migrant students.

**We worked with 1 partners, 2,966 Direct Beneficiaries and with over 9,000 Indirect Beneficiaries**

**3. Keeping Families Together**

Families with children who have disabilities often opt for residential care. However, Safe Child Thailand's primary focus is on keeping families together by providing comprehensive support to families with children who have disabilities. This approach aims to dissuade parents from choosing to send their children to residential care centres.

SCT's approach includes tailored physiotherapy activities and physical rehabilitation that are customised to each child's specific disability. The programme addresses the overall health, development, and well-being of children with disabilities.

For children with intellectual disabilities, occupational therapy is provided to help them learn essential life skills and daily routines. SCT also provides dry food packages to families with disabled children.

SCT extends community-based rehabilitation services to families with children who have disabilities within their communities. Collaborative partners offer in-house rehabilitation training to parents, enabling them to provide care at home reducing the need to bring their disabled children to external centres.

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

### **3. Keeping Families Together (continued)**

This year, we raised vital funds to purchase a school bus for a special care centre, enabling the children to travel safely and comfortably between home and school.

**We worked with 4 partners, 173 Direct Beneficiaries and with over 45,355 Indirect Beneficiaries**

### **4. Residential**

Safe Child Thailand's main strategy is to focus on Care Reform. Whilst this aims to keep children within their families, there are times when it is necessary for children to be housed in residential settings. This is to ensure the child's safety and must be reviewed regularly. In these urgent cases we continue to support residential centres but only where it is deemed necessary. The objective of Safe Child Thailand's residential programme remains centred on providing comprehensive support – including food, education, care, and protection – to at-risk children in residential settings.

In addition to its residential support efforts, SCT has introduced a "Care and Love" programme. This initiative involves regular weekly meetings between our staff and sponsored children, aimed at expressing care whilst also providing an important update on the welfare of the child.

**We worked with 7 partners, Direct Beneficiaries 2,325 children**

### **5. Education**

The SCT education program is designed to extend educational assistance to students facing challenges. This support encompasses education scholarships and the provision of new school uniforms. Moreover, the program seeks to enhance the overall quality of education for underprivileged children, offering opportunities such as extra tutorial classes during summer breaks, engaging summer camps, dynamic sports activities, and scout camps.

Additionally, the education program is committed to aiding young adults attending vocational schools by imparting skills that enable them to achieve independent livelihoods.

**We worked with 8 partners, 978 Direct Beneficiaries and with over 233 Indirect Beneficiaries**

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

**6. Alternative Care Reform**

Safe Child Thailand has taken a pioneering role in advancing alternative Care Reform in Thailand through launching a range of comprehensive programmes, including a residential home transition project and research initiatives. One significant endeavour is the Home Transition Project, which seeks to establish a pilot project for the numerous homes across Thailand. In collaboration with partners, SCT is developing transition toolkits and facilitating the exchange of experiences to benefit other residential homes. Additionally, Safe Child Thailand has formed a partnership with Mahidol University, Bangkok, to conduct research that involves mapping out residential homes in Thailand. This research serves as a foundation for subsequent advocacy efforts within the field of alternative Care Reform.

Our in-country partner has produced two research papers that have been presented at the National Alternative Care Conference in Bangkok and other media events, effectively disseminating valuable insights. Safe Child Thailand has also hosted two conferences targeting distinct stakeholders. Both conferences shared a common goal of advocating for the significance of Care Reform in Thailand while also showcasing best practices related to various aspects of Care Reform.

With the aim of introducing and reiterating the United Nations Guidelines on Alternative Care, Safe Child Thailand has organised training sessions for local NGOs. This initiative is geared towards empowering practitioners to implement operational changes within their own services and residential centres.

Safe Child Thailand's signature project, "Child's Voice," positions the empowerment of children in residential care at the core of care reform. This project has been warmly embraced by children and young adults, as well as local partners who recognise its importance in promoting meaningful change within the care system.

**We worked with 4 partners, 538 Direct Beneficiaries and with over 32,786 Indirect Beneficiaries**

DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS (continued)



*Child protection training to teachers*



*Love and Care Programme*

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



*National Alternative Care Conference in Bangkok*



*Care Reform Matters Conference in Bangkok*



*United Nations Alternative Care Guidelines training*

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

### **Fundraising and development**

We are incredibly grateful that despite the global challenges we all continue to face, our donors continued to support our work in 2022/23. We would like to thank each and every one of our incredible supporters who continued working with us throughout the year to support families and children in Thailand. Despite the continued decline in child sponsorship globally and ongoing challenges to corporate fundraising caused by the global recession, Safe Child Thailand has done remarkably well in its fundraising efforts with donation, grant and sponsorship income remaining constant for the financial year 2022/23.

We received exceptional support from individual donors who generously donated a total of £341,343 towards our work with marginalised children and families. During 2022/23, our child sponsorship programmes continued to operate in five provinces enhancing the well-being of sponsored children through essential resources and opportunities. We are incredibly grateful to our regular and individual donors whose generous contribution played a critical role in supporting our mission to provide a safe and nurturing environment for children, and enabled us to respond to urgent needs through targeted initiatives in communities.

During the year, we raised £6,130 in donations from online fundraisers and social media campaigns and a further £6,803 from community groups such as the Developing World Group, who kindly supported our teacher training programme in Mae Sot. We raised an additional £4,803 from other community fundraising activities such as the Magic of Thailand, and Richmond RUNFEST which took place during the year. We are very grateful for the generous support of EP Legal Services and the Anglo Thai Society enabling us to reach even more children and families in need of assistance.

In 2022/23, we continued working with trusts, foundations and statutory partners to deliver life-changing support to children and families in Thailand to ensure that children grow up in a safe and nurturing environment. We created new partnerships, whilst maintaining strong relationships with current donors. A huge thank you to all the trusts and foundations who have continued working with us to support families and children in Thailand throughout the year. We are very grateful to those who donated to our Education Appeal to support the education of migrant children in Mae Sot, such as the David Lister Charitable Trust, Sir John Sumner's Trust, Wallace Bell Charitable Trust, The Tula Trust, Belacqua Charitable Trust, Christadelphian Samaritan Fund, Dennis Allan Yardy Charitable Trust, Stella Symons Charitable Trust, and The Cuckoo Hill Trust. We are grateful to the Pat Newman Memorial Trust, Community of the Presentation Trust, and Trelix Charitable Trust who donated to our Minibus Appeal and successfully raised funds for a new minibus for children with disabilities. We are grateful for the generous donations from the Paget Trust and the Donald R Mott Trust, the CB and HH Taylor 1984 Trust's grant towards our mobile migrant application programme, and the Cuckoo Hill Charitable Trust's donation towards our Care Reform work in Thailand.

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

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

During the year, we started a new project with the State of Guernsey's Overseas Aid & Development Commission. We received a total of £16,460 towards our project, "Mental Health Support to Improve Educational Attainment for Displaced Children on the Myanmar/Thailand Border following the COVID-19 Pandemic". Through this project, we have directly supported migrant students, parents, and teachers through child-focused personal development training, mental health training for students, teachers and parents, family support for children with disabilities, and IT training for students and teachers.

This year marked the end of most of our programme activities with current funding from the UBS Optimus Foundation for the first phase of the "Keeping Children Safe at Home in Thailand" programme. In the year 2022/23, UBS Optimus Foundation contributed £94,764 towards the programme which began in 2020. Over the course of the programme, Safe Child Thailand and the UBS Optimus Foundation have worked together to reform care practices in Thailand. We have protected migrant children through Child Protection trainings for migrant students, teachers, and staff at migrant learning centres, we have ensured the voices of children living in residential care are heard through our Child's Voice project, we have transitioned children living in residential care into kinship care and have worked with an orphanage in Chiang Mai to begin their transition into a family support centre. Additionally, we funded a National Care Reform Conference in Bangkok in February with representatives from UNICEF, the Department of Children and Youth, NGOs, stakeholders, and representatives from the Royal Thai Government as well as local government. Additionally, we delivered a Care Reform Matters Conference in Bangkok which brought together Safe Child Thailand's residential partners to discuss different components of reforming their care practices and pledge the steps they will each take towards Care Reform. Finally, we released the "No Child Left Behind: No Less Than 120,000 Children in Institutional Care" report, a report endorsed by the Department of Children and Youth, and eye-opening to the number of children still living in institutional care across Thailand.

All of us at Safe Child Thailand remain incredibly thankful to our donors who continue to kindly support us. We would like to thank each and every one of our generous supporters, for continuing to share our commitment to deliver life-changing support to children and families in Thailand.

## 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 2022/23, 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 2022/23 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 25. This shows total income for the year of £543,676 compared to £538,844 in 2022. The principal sources of the charity's income are donations, grants from trusts and legacies.

Expenditure during the year totalled £708,928 (2022 – £618,515) and comprised £135,358 (2022 – £123,896) on raising funds and £573,570 (2022 – £494,619) 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 £165,252 (2022 – deficit of £79,671).

### 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 2023, the charity had total funds of £506,873 (2022 – £672,125). Of this total, £71,524 (2022 – £102,905) is restricted and held for application towards specific projects and/or activities. A further £30,000 (2022 – £50,000) has been designated to cover the cost for the office accommodation and £456 represents the tangible fixed assets. Free reserves, or general funds, at 31 March 2023 totalled £404,893 (2022 – £519,220) and equated to 5.9 months' expenditure based on the budget for the next financial year, falling in line with the desired level set out in the charity's reserves policy.

### **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.

### **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 2022/23, the charity received no complaints about its fundraising activities.

## **FUTURE PLANS AND STRATEGIES**

Following on from this year's exceptional Care Reform activities we will continue to focus on supporting Care Reform within Thailand. We will build upon what we have learnt and work with both the Royal Thai Government, local partners and those providing residential care to drive change forward. 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 recruit an in country fundraising consultant to assist with raising funds within Thailand. We now hold a Thai bank account and this will enable more Thai based funders to support our work.

## 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 from the start of the 2022/23 financial year and up to the date of approval of this report are shown below:

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#### Trustees

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Mr S Buckley  
Dr S Conway  
Mr F L Cremer  
Mr M Hurley  
Mr S Landy  
Mr M Patterson

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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.

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

### **Risk management (continued)**

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:

#### ◆ **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.

#### ◆ **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.

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

### **Statement of 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)**

**Statement of 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: 15.12.23

**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 2023 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 2023 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.

## **Independent auditor's report Year to 31 March 2023**

### **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), the Charities Act 2011, and the Companies Act 2006.

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



## **Independent auditor's report Year to 31 March 2023**

### **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: 18 December 2023

**Statement of financial activities** Year to 31 March 2023  
(including income and expenditure account)

|                                                         | Notes | Unrestricted funds<br>£ | Restricted funds<br>£ | Total funds<br>2023<br>£ | Unrestricted funds<br>£ | Restricted funds<br>£ | Total funds<br>2022<br>£ |
|---------------------------------------------------------|-------|-------------------------|-----------------------|--------------------------|-------------------------|-----------------------|--------------------------|
| <b>Income and Expenditure</b>                           |       |                         |                       |                          |                         |                       |                          |
| <b>Income from:</b>                                     |       |                         |                       |                          |                         |                       |                          |
| Donations, grants and legacies                          | 1     | 383,172                 | 158,218               | 541,390                  | 475,842                 | 62,943                | 538,785                  |
| Interest receivable                                     |       | 2,286                   | —                     | 2,286                    | 59                      | —                     | 59                       |
| <b>Total income</b>                                     |       | <b>385,458</b>          | <b>158,218</b>        | <b>543,676</b>           | <b>475,901</b>          | <b>62,943</b>         | <b>538,844</b>           |
| <b>Expenditure on:</b>                                  |       |                         |                       |                          |                         |                       |                          |
| Raising funds                                           | 2     | 135,358                 | —                     | 135,358                  | 123,896                 | —                     | 123,896                  |
| Charitable activities – supporting children in Thailand | 3     | 408,731                 | 164,839               | 573,570                  | 379,512                 | 115,107               | 494,619                  |
| <b>Total expenditure</b>                                |       | <b>544,089</b>          | <b>164,839</b>        | <b>708,928</b>           | <b>503,408</b>          | <b>115,107</b>        | <b>618,515</b>           |
| <b>Net expenditure</b>                                  | 5     | <b>(158,631)</b>        | <b>(6,621)</b>        | <b>(165,252)</b>         | <b>(27,507)</b>         | <b>(52,164)</b>       | <b>(79,671)</b>          |
| Transfers between funds                                 | 13    | 24,760                  | (24,760)              | —                        | 19,544                  | (19,544)              | —                        |
| <b>Net movement in funds</b>                            |       | <b>(133,871)</b>        | <b>(31,381)</b>       | <b>(165,252)</b>         | <b>(7,963)</b>          | <b>(71,708)</b>       | <b>(79,671)</b>          |
| <b>Reconciliation of funds:</b>                         |       |                         |                       |                          |                         |                       |                          |
| Fund balances brought forward at 1 April 2022           |       | 569,220                 | 102,905               | 672,125                  | 577,183                 | 174,613               | 751,796                  |
| <b>Fund balances carried forward at 31 March 2023</b>   |       | <b>435,349</b>          | <b>71,524</b>         | <b>506,873</b>           | <b>569,220</b>          | <b>102,905</b>        | <b>672,125</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 2023**

|                                                | Notes | 2023<br>£       | 2023<br>£      | 2022<br>£       | 2022<br>£      |
|------------------------------------------------|-------|-----------------|----------------|-----------------|----------------|
| <b>Fixed assets</b>                            |       |                 |                |                 |                |
| Tangible assets                                | 8     |                 | 456            |                 | —              |
| <b>Current assets</b>                          |       |                 |                |                 |                |
| Debtors                                        | 9     | 36,968          |                | 38,416          |                |
| Cash at bank and in hand                       |       | <u>528,796</u>  |                | <u>687,120</u>  |                |
|                                                |       | 565,764         |                | 725,536         |                |
| <b>Liabilities:</b>                            |       |                 |                |                 |                |
| Creditors: amounts falling due within one year | 10    | <u>(59,347)</u> |                | <u>(53,411)</u> |                |
| <b>Net current assets</b>                      |       |                 | 506,417        |                 | 672,125        |
| <b>Total net assets</b>                        |       |                 | <u>506,873</u> |                 | <u>672,125</u> |
| <b>The funds of the charity:</b>               |       |                 |                |                 |                |
| Unrestricted funds                             |       |                 |                |                 |                |
| . General funds                                |       | 404,893         |                | 519,220         |                |
| . Designated funds                             | 12    | 30,000          |                | 50,000          |                |
| . Tangible fixed assets fund                   | 11    | <u>456</u>      |                | <u>—</u>        |                |
|                                                |       |                 | 435,349        |                 | 569,220        |
| Restricted funds                               | 13    |                 | <u>71,524</u>  |                 | <u>102,905</u> |
|                                                |       |                 | <u>506,873</u> |                 | <u>672,125</u> |

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standard 102.

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

  
Steve Buckley  
Trustee

Approved on:

15.12.23

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

# Statement of cash flows Year to 31 March 2023

|                                                          | Notes | 2023<br>£        | 2022<br>£       |
|----------------------------------------------------------|-------|------------------|-----------------|
| <b>Cash flows from operating activities:</b>             |       |                  |                 |
| Net cash used in operating activities                    | A     | (160,097)        | (64,593)        |
| <b>Cash flows from investing and capital activities:</b> |       |                  |                 |
| Interest received                                        |       | 2,286            | 59              |
| Purchase of tangible fixed assets                        |       | (513)            | —               |
| Net cash provided by investing activities                |       | 1,773            | 59              |
| <b>Change in cash and cash equivalents in the year</b>   |       | <b>(158,324)</b> | <b>(64,534)</b> |
| Cash and cash equivalents at 31 March 2022               | B     | 687,120          | 751,654         |
| Cash and cash equivalents at 31 March 2023               | B     | 528,796          | 687,120         |

## Notes to the statement of cash flows for the year to 31 March 2023.

### A. Reconciliation of net (expenditure) to net cash used in operating activities

|                                                                | 2023<br>£ | 2022<br>£ |
|----------------------------------------------------------------|-----------|-----------|
| Net expenditure (as per the statement of financial activities) | (165,252) | (79,671)  |
| <b>Adjustments for:</b>                                        |           |           |
| Depreciation charge                                            | 57        | 833       |
| Interest receivable                                            | (2,286)   | (59)      |
| Decrease (increase) in debtors                                 | 1,448     | (13,264)  |
| Increase in creditors                                          | 5,936     | 27,568    |
| Net cash used in operating activities                          | (160,097) | (64,593)  |

### B. Analysis of changes in net debt

|                                         | 2022<br>£ | Cash flows<br>£ | 2023<br>£ |
|-----------------------------------------|-----------|-----------------|-----------|
| <b>Total cash and cash equivalents:</b> |           |                 |           |
| Cash at bank and in hand                | 687,120   | (158,324)       | 528,796   |

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

## **Principal accounting policies Year to 31 March 2023**

### **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 2023, with comparative information provided in respect to the year to 31 March 2022.

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.

## **Principal accounting policies Year to 31 March 2023**

### **Assessment of going concern (continued)**

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.

## Principal accounting policies Year to 31 March 2023

### 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.

## Principal accounting policies Year to 31 March 2023

### 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.



## Principal accounting policies Year to 31 March 2023

### **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 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.

**Notes to the financial statements Year to 31 March 2023**

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

|                    | Unrestricted funds<br>£ | Restricted funds<br>£ | 2023 funds<br>£ | Unrestricted funds<br>£ | Restricted funds<br>£ | 2022 funds<br>£ |
|--------------------|-------------------------|-----------------------|-----------------|-------------------------|-----------------------|-----------------|
| Donations          | 123,702                 | 32,669                | 156,371         | 156,904                 | 28,913                | 185,817         |
| Child Sponsorship  | 197,759                 | —                     | 197,759         | 220,715                 | —                     | 220,715         |
| Gift Aid           | 47,668                  | 1,075                 | 48,743          | 60,856                  | 1,450                 | 62,306          |
| Grants from Trusts | 6,443                   | 124,474               | 130,917         | 14,490                  | 28,580                | 43,070          |
| Legacies           | 6,312                   | —                     | 6,312           | 22,877                  | 4,000                 | 26,877          |
| Other income       | 1,288                   | —                     | 1,288           | —                       | —                     | —               |
|                    | <b>383,172</b>          | <b>158,218</b>        | <b>541,390</b>  | <b>475,842</b>          | <b>62,943</b>         | <b>538,785</b>  |

During the year ended 31 March 2022 (the comparative period), the charity was notified of a legacy of approximately £34,000. This legacy has not yet been recognised as income as there is still significant uncertainty about the likelihood of receipt of this legacy.

**2 Expenditure on: Raising funds**

|                             | Unrestricted funds |                |
|-----------------------------|--------------------|----------------|
|                             | 2023<br>£          | 2022<br>£      |
| Staff costs (note 6)        | 121,588            | 112,706        |
| Advertising and photography | 3,192              | 334            |
| Postage                     | 5,395              | 2,897          |
| Printing                    | 3,382              | 3,906          |
| Online fundraising costs    | 398                | 259            |
| Event costs                 | 445                | 2,679          |
| Fundraising travel          | 601                | 654            |
| Other expenses              | 357                | 461            |
|                             | <b>135,358</b>     | <b>123,896</b> |

Notes to the financial statements Year to 31 March 2023

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

|                                                                   | 2023                    |                       |                | 2022                    |                       |                |
|-------------------------------------------------------------------|-------------------------|-----------------------|----------------|-------------------------|-----------------------|----------------|
|                                                                   | Unrestricted funds<br>£ | Restricted funds<br>£ | Total<br>£     | Unrestricted funds<br>£ | Restricted funds<br>£ | Total<br>£     |
| <b>Amounts for application to projects in Thailand</b>            |                         |                       |                |                         |                       |                |
| Health & Nutrition                                                | 32,500                  | 5,550                 | 38,050         | 28,124                  | 15,420                | 43,544         |
| Child Protection & Safeguarding                                   | 18,500                  | 1,648                 | 20,148         | 20,418                  | 60,922                | 81,340         |
| Keeping Families Together                                         | 5,000                   | —                     | 5,000          | 11,006                  | 4,000                 | 15,006         |
| Residential                                                       | 40,000                  | 1,644                 | 41,644         | 45,635                  | 14,807                | 60,442         |
| Education                                                         | 28,000                  | 50,471                | 78,471         | 17,500                  | 10,000                | 27,500         |
| Alternative Care Reform                                           | —                       | 95,180                | 95,180         | —                       | 9,958                 | 9,958          |
|                                                                   | <b>124,000</b>          | <b>154,493</b>        | <b>278,493</b> | <b>122,683</b>          | <b>115,107</b>        | <b>237,790</b> |
| <b>Directly attributable project costs</b>                        |                         |                       |                |                         |                       |                |
| Staff costs (note 6)                                              | 92,487                  | —                     | 92,487         | 105,918                 | —                     | 105,918        |
| Programme support                                                 | 6,903                   | —                     | 6,903          | 6,889                   | —                     | 6,889          |
| Information and awareness                                         | 2,952                   | —                     | 2,952          | 7,474                   | —                     | 7,474          |
|                                                                   | <b>102,342</b>          | <b>—</b>              | <b>102,342</b> | <b>120,281</b>          | <b>—</b>              | <b>120,281</b> |
| <b>Support costs</b>                                              |                         |                       |                |                         |                       |                |
| Staff costs (note 6)                                              | 93,417                  | —                     | 93,417         | 42,020                  | —                     | 42,020         |
| Accommodation and establishment                                   | 25,847                  | —                     | 25,847         | 32,070                  | —                     | 32,070         |
| Travelling expenses                                               | 3,225                   | 10,346                | 13,571         | 63                      | —                     | 63             |
| Bank and direct debit collection charges and exchange differences | 8,620                   | —                     | 8,620          | 10,637                  | —                     | 10,637         |
| Office expenses                                                   | 24,643                  | —                     | 24,643         | 25,728                  | —                     | 25,728         |
| Depreciation (note 8)                                             | 57                      | —                     | 57             | 833                     | —                     | 833            |
| Accounting support                                                | 12,914                  | —                     | 12,914         | 13,521                  | —                     | 13,521         |
| Governance costs (note 4)                                         | 13,666                  | —                     | 13,666         | 11,676                  | —                     | 11,676         |
|                                                                   | <b>182,389</b>          | <b>10,346</b>         | <b>192,735</b> | <b>136,548</b>          | <b>—</b>              | <b>136,548</b> |
|                                                                   | <b>408,731</b>          | <b>164,839</b>        | <b>573,570</b> | <b>379,512</b>          | <b>115,107</b>        | <b>494,619</b> |

**4 Governance costs**

|                                | Unrestricted funds |               |
|--------------------------------|--------------------|---------------|
|                                | 2023<br>£          | 2022<br>£     |
| Auditor's remuneration         | 9,240              | 8,040         |
| Legal and professional charges | 4,426              | 3,636         |
|                                | <b>13,666</b>      | <b>11,676</b> |

**5 Net expenditure**

This is stated after charging:

|                                          | 2023<br>£ | 2022<br>£ |
|------------------------------------------|-----------|-----------|
| Depreciation of tangible fixed assets    | 57        | 833       |
| Operating lease rentals                  | 17,000    | 25,500    |
| Auditor's remuneration (including VAT):  |           |           |
| • Audit services                         | 9,240     | 8,040     |
| Deficit on foreign exchange transactions | 447       | 2,450     |

## 6 Staff costs

|                       | 2023<br>£      | 2022<br>£      |
|-----------------------|----------------|----------------|
| Salaries              | 273,912        | 230,139        |
| Social security costs | 22,684         | 19,887         |
| Pension contributions | 10,515         | 8,473          |
|                       | <b>307,111</b> | <b>258,499</b> |
| Recruitment costs     | —              | 2,102          |
| Volunteer expenses    | 381            | 43             |
|                       | <b>307,492</b> | <b>260,644</b> |

During the year, one employee earned between £70,001 and £80,000 (2022 – one employee earned between £60,001 and £70,000) and contributions of £2,940 (2022 – £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:

|                | 2023      |           | 2022      |           |
|----------------|-----------|-----------|-----------|-----------|
|                | Full time | Part time | Full time | Part time |
| Average number | 7         | —         | 6         | 1         |

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 2023 was £174,674 (2022 – £155,324).

No Trustee received any remuneration during the year (2022 – £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.

**Notes to the financial statements Year to 31 March 2023**

**8 Tangible assets**

|                        | Computer<br>equipment<br>£ | Office<br>furniture,<br>fixtures<br>and fittings<br>£ | 2023<br>Total<br>£ |
|------------------------|----------------------------|-------------------------------------------------------|--------------------|
| <b>Cost</b>            |                            |                                                       |                    |
| At 1 April 2022        | 11,580                     | 5,052                                                 | 16,632             |
| Additions              | 513                        | —                                                     | 513                |
| At 31 March 2023       | 12,093                     | 5,052                                                 | 17,145             |
| <b>Depreciation</b>    |                            |                                                       |                    |
| At 1 April 2022        | 11,580                     | 5,052                                                 | 16,632             |
| Charge for year        | 57                         | —                                                     | 57                 |
| At 31 March 2023       | 11,637                     | 5,052                                                 | 16,689             |
| <b>Net book values</b> |                            |                                                       |                    |
| At 31 March 2023       | 456                        | —                                                     | 456                |
| At 31 March 2022       | —                          | —                                                     | —                  |

**9 Debtors**

|                      | 2023<br>£     | 2022<br>£     |
|----------------------|---------------|---------------|
| Gift aid recoverable | 10,131        | 12,386        |
| Prepayments          | 4,799         | 2,578         |
| Legacies receivable  | 12,250        | 14,000        |
| Other debtors        | 9,788         | 9,452         |
|                      | <b>36,968</b> | <b>38,416</b> |

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

|                              | 2023<br>£     | 2022<br>£     |
|------------------------------|---------------|---------------|
| Expense creditors            | 2,534         | 21,884        |
| Grants payable               | 29,500        | 7,000         |
| Taxation and social security | 9,405         | 8,256         |
| Accruals and other creditors | 17,908        | 16,271        |
|                              | <b>59,347</b> | <b>53,411</b> |

Notes to the financial statements Year to 31 March 2023

**11 Tangible fixed assets fund**

|                            | At<br>1 April<br>2022<br>£ | Movements<br>in year<br>£ | At<br>31 March<br>2023<br>£ |
|----------------------------|----------------------------|---------------------------|-----------------------------|
| Tangible fixed assets fund | —                          | 456                       | 456                         |

|                            | At<br>1 April<br>2021<br>£ | Movements<br>in year<br>£ | At<br>31 March<br>2022<br>£ |
|----------------------------|----------------------------|---------------------------|-----------------------------|
| Tangible fixed assets fund | 833                        | (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<br>1 April<br>2022<br>£ | Released<br>in year<br>£ | At<br>31 March<br>2023<br>£ |
|--------------------|----------------------------|--------------------------|-----------------------------|
| Accommodation fund | 50,000                     | (20,000)                 | 30,000                      |

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

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 £20,000 in the year represents accommodation cost for 2022/23 year.

## Notes to the financial statements Year to 31 March 2023

### 13 Restricted funds

|                                        | At<br>1 April<br>2022<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>£ | At<br>31 March<br>2023<br>£ |
|----------------------------------------|----------------------------|-------------|------------------|----------------|-----------------------------|
| Capital Infrastructure Fund (Legacy)   | 50,914                     | —           | —                | —              | 50,914                      |
| Child Sponsorship Gifts                | 364                        | 759         | (100)            | —              | 1,023                       |
| Child Education and Development Centre | —                          | 1,626       | (1,544)          | (82)           | —                           |
| Nong Khai Children's Home              | 1,440                      | 5,190       | (5,550)          | —              | 1,080                       |
| School Lunch Programme                 | 1,689                      | 124         | —                | (1,813)        | —                           |
| Migrant Birth Registration             | 1,648                      | —           | (1,648)          | —              | —                           |
| Special Education Teacher Training     | —                          | 2,000       | (2,000)          | —              | —                           |
| Care Development                       | 3,000                      | —           | —                | (3,000)        | —                           |
| Tak Children's Home                    | 240                        | 240         | —                | —              | 480                         |
| Alternative Care Thailand - UBS        | 43,610                     | 94,764      | (105,526)        | (22,455)       | 10,393                      |
| Education in Tak Province              | —                          | 8,670       | —                | (3,536)        | 5,134                       |
| University Scholarship                 | —                          | 22,500      | (22,500)         | —              | —                           |
| Community Schoolbus                    | —                          | 3,385       | (10,000)         | 6,615          | —                           |
| Migrant mobile application             | —                          | 2,500       | —                | —              | 2,500                       |
| Mae Sot Mental Health project          | —                          | 16,460      | (15,971)         | (489)          | —                           |
|                                        | 102,905                    | 158,218     | (164,839)        | (24,760)       | 71,524                      |

|                                        | At<br>1 April<br>2021<br>£ | Income<br>£ | Expenditure<br>£ | Transfers<br>£ | At<br>31 March<br>2022<br>£ |
|----------------------------------------|----------------------------|-------------|------------------|----------------|-----------------------------|
| 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       | (2,284)          | (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)          | —                           |
|                                        | 174,613                    | 62,943      | (115,107)        | (19,544)       | 102,905                     |

**13. Restricted funds (continued)**

Restricted funds at 31 March 2023 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, £1,023.**
- ♦ **Nong Khai Children's Home, £1,080.** This fund consists of donations for the ongoing running costs of a Children's Home in Nong Khai.
- ♦ **Tak Children's Home, £480.** 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, £10,393.** This fund is to support the Alternative Care Thailand Group (ACTG) on its Alternative Care action plan.
- ♦ **Education in Tak Province, £5,134.** This fund consists of funding towards migrant education in Tak Province.
- ♦ **Migrant mobile application, £2,500.** This fund consists of funding towards the development of a tool that provides migrants with information so that they can access essential services.
- ♦ **University Scholarship, £0.** This fund has been used to support the University education of a young person funded by a generous individual donor.
- ♦ **Community Schoolbus, £0.** This fund has enabled a partner organisation in the Tak province to purchase a new vehicle to provide transportation to school for children with disabilities.
- ♦ **Mae Sot Mental Health project, £0.** This fund is to provide training and mental health support to migrant parents, children and teachers in the Mae Sot area. It also provides livelihood support for families in the region.

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. £22,455 has been transferred from the restricted fund "Alternative Care Thailand – UBS" to unrestricted funds to cover core costs associated with this project.



**Notes to the financial statements** Year to 31 March 2023

**14. Analysis of net assets between funds**

An analysis of the net assets between the funds at 31 March 2023 is as follows:

|                       | General funds<br>£ | Designated funds<br>£ | Tangible fixed assets fund<br>£ | Restricted funds<br>£ | 2023 Total<br>£ |
|-----------------------|--------------------|-----------------------|---------------------------------|-----------------------|-----------------|
| Tangible fixed assets | —                  | —                     | 456                             | —                     | 456             |
| Net current assets    | 404,893            | 30,000                | —                               | 71,524                | 506,417         |
|                       | 404,893            | 30,000                | 456                             | 71,524                | 506,873         |

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

**15 Related party transactions**

The charity's Trustees were not paid during the year to 31 March 2023 (2022 – 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 £nil (2022 – £50). In addition, unrestricted donations of £348 (2022 – £216) were made by the Trustees.

Other than the above, there were no other related party transactions during the year ended 31 March 2023 (2022 – 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 2023, the total of charity's future minimum lease payments under non-cancellable operating leases was as follows:

|                             | Land and buildings          |                             |
|-----------------------------|-----------------------------|-----------------------------|
|                             | At<br>31 March<br>2023<br>£ | At<br>31 March<br>2022<br>£ |
| Amounts due within one year | 8,500                       | 8,500                       |
|                             | 8,500                       | 8,500                       |