



# ANNUAL REPORT & FINANCIAL STATEMENTS 2018





# 2018 AT A GLANCE

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We reached over 12,000 people in 25 of the poorest communities across Thailand, Myanmar and Laos.

We continued to build our capacity to provide activities, programs and resources to effect change locally.

We managed to reach goals on very small income.



# OUR CORE VALUES

**Honesty:** Without honesty and integrity, our organisation could not truly succeed.

**Commitment:** Long-term investment and commitment are key to eliminating poverty and empowering people to transform their own lives.

**Perseverance:** We strive to face problems with patience and commitment.

**Innovation:** Creative thinking is needed in the face of very difficult operating environments.

**Accountability:** Accountability and transparency are central to all of our actions and use of resources.

# INTRODUCTION

2018 was a very challenging year for One Thousand Villages. You might not know this, but we've struggled to raise funds and total donations have declined. Our ability to carry out our programs is dependent on the generous ongoing financial support of individuals and organisations. We've got tons of work to do to connect with as many people as possible.

One Thousand Villages is a unique organisation, made up of a diverse network of staff, board members, volunteers and supporters. I lead an extraordinary team who all share the same agenda; to empower vulnerable young women and their families to put an end to cruel abuse and exploitation. I really believe that the more people enjoy giving and are inspired to give, the more financial support will increase for One Thousand Villages, and the more good can be achieved.

Throughout 2018 we continued to focus on education programs, income generating activities and regional networking. In partnership with communities and village-based schools, we delivered a wide range of targeted activities and programs to the most vulnerable children and their families including: increasing income with new crops and farm projects, ensuring children stay enrolled in school, providing toilets and sanitation programs, and improving knowledge of online sexual exploitation and abuse. While every program is different, our community-driven process empowers people to determine how best to meet their unique needs.

We're always looking for ways we can learn and improve what we're doing. Given the name of our brand you can imagine the amount of work that goes into networking and building relationships and One Thousand Villages needs to take that and make it an integral part of our promotions.

The choices we make aren't straightforward, but we'll continue to work hard and look for ways to raise money to support children and help families thrive.

The main objectives for fundraising in 2019 are to:

- Raise \$100,000 from the public.
- Raise \$50,000 from governments and other co-funders.
- Develop a diversified income base that is not overly reliant on any one source of funds.

Need to get in touch? Send me an email:  
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Justin Whitecross  
CEO



# ONE THOUSAND VILLAGES

One Thousand Villages is a non-profit organisation based in Thailand and Australia.

One Thousand Villages has stayed true to its underlying vision; to have a lasting impact on girls' empowerment in Thailand and across the Mekong and prevent the sexual exploitation and trafficking of girls, and to do this by building strong relationships with communities in our region.

The common thread that defines our work is commitment to forging long-term partnerships. Our approach unites people together and fosters progress by empowering people to effect change in their local areas; building on strengths, both at an individual and local level. Our focus on relationships and locally driven action is what makes us special and inspires trust.

Between now and 2020 we will focus on four key areas – our approach, our programs, our people and our partners – to prevent and respond to the trafficking and sexual exploitation of girls in Thailand and the Mekong region.

We believe that the key to sustainable development is to empower people to effect change in their local areas. Long term investment and commitment enables us to build trust, skills, networks and linkages with locals, government, businesses and groups. Our programs bring people together to participate in local activities; there are opportunities to pool resources and access a broader base of expertise, knowledge and skill.

We focus on education and economic development because education and economic development are the two most important factors of development.

Our approach is underpinned by the following values: (1) empowerment of people we work with (2) building on strengths, both at an individual and local level (3) long term investment and commitment.

“Having One Thousand Villages in our village is so important. I know how easy it is to become overwhelmed and the team provides so much support for our school and families. Many families are extremely poor and programs improve livelihoods and help people to start enterprises. Scholarships and education programs are important for children.”

Yupin, Sakon Nakhon, Thailand



# PROGRAMS

We work to empower people, supporting them to identify and achieve agreed social, educational and economic outcomes in their local areas.

Programs are developed and delivered locally. For example, some outcomes that have been achieved this year include:

- development of a range of pre-employment training opportunities for people (for example, office skills training, English training, taking on leadership roles, and community farming workshops)
- development of a range of livelihood opportunities for families with young children (for example, fish farms, mushroom farms, and various vegetable farms)
- facilitation of opportunities for people to share their ideas and solutions to effect change (for example, participation in community workshops and working groups)
- working with families to build toilets in remote communities in northeast Thailand and hygiene training
- learning and development workshops for teachers and students to improve skills and knowledge

Projects have been implemented in central, north and northeast Thailand, as well as Yangon and the Ayeyarwady region in Myanmar.

## LONGER TERM STRATEGY

Our strategic plan runs to 2022 and commits the organisation to progress in six key areas or goals. See Strategic Plan.

Overall we need to improve our ability to attract increased levels of funding to deliver programs at a greater scale than we ever have before. The nature of our partnership approach means that programs can be well planned and executed effectively and efficiently, but funding is critical to the success of One Thousand Villages. In 2017-18, individuals, churches and groups have built our achievements on consistent and generous support. The key risks facing the organisation are concerned with the organisation's income level.

# COMMUNITIES WE SERVE

## MEKONG SUB-REGION

The Mekong Sub-Region (MSR) is composed of the countries of Myanmar, Laos, Thailand, Cambodia, and Vietnam and is glued together by the lower parts of the mighty Mekong River.

This area is amazingly diverse in many respects including biodiversity (second only to the Amazon), natural resources, cultural wealth (literally hundreds of ethnic groups with their own distinctive cultures), and, notably, social development.

Three of the MSR countries are ranked among the world's least developed (Laos, Cambodia and Myanmar); while the remaining two are among the world's fastest developing. For these reasons, the MSR is a potent mixture, and a recipe for both humanitarian and ecological disasters as this is the frontier where the least developed countries fall prey to the fastest developing.

Uneven development across the MSR countries has created many disturbing issues in the region. More often than not, governments focus on the development of natural resource extraction for export, rather than the development of communities. Of the 218 million people in the MSR, well over half are employed in agriculture - many being subsistence farmers and fishermen and living on only a few dollars per day. As the rate of urbanisation and development increases, people are under intense pressure to improve their livelihoods for survival. This is difficult to achieve because education is often lacking and illiteracy rates are higher than 25% of the population in some MSR countries.

Furthermore, health care systems are inadequate and access to clean water remains beyond the reach of many rural communities. As a consequence, the rural-urban divide is widening and rural villages, ethnic minorities, and other marginalised people are exposed to an increasingly alarming degree of exploitation. As the most vulnerable members of these communities, children face especially high risk of exploitation. Add the usual layer of corruption to this setting and you pave the way for drug and human trafficking, forced resettlement, and natural resource mismanagement. The result is some of the poorest living conditions anywhere in the world, an entrenched poverty cycle and communities who are unable to improve their livelihoods or secure those of their children.

# 2019

Partnerships are a key focus for One Thousand Villages. In Thailand, Myanmar and Laos, we will continue to partner with schools and community leaders to provide education, livelihoods and sanitation programs.

Our livelihood programs provide funds for people to develop sustainable and resilient livelihoods. We provide technical support, training and mentoring to improve knowledge and community capacity.

We will continue to focus on education and sanitation programs. Our work with teachers and families improves learning outcomes through strengthening local resources and the quality of education provided. We seek to improve sanitation in schools and homes by establishing training and repairing infrastructure.

We are invited to work with new schools and communities in 2019. New commitments will require additional funding of over \$50,000 for work in areas of teacher and youth training, resource development and formal and community education. We face big challenges. We are committed to continued improvement of our programs and promoting the importance of prevention and early intervention. Increasing support is key to our work.

We know that a strong board is vital for One Thousand Villages. Our founder and CEO Justin Whitecross continues to provide great leadership and his depth of experience and expertise are invaluable. A newly shaped board will help us to achieve longer-term strategy and objectives.

## Livelihood Enterprises

Community-based projects developing skills, knowledge and income opportunities for families with young children. These small-scale projects are effective at reducing poverty and improving opportunities for women and girls in rural communities.

## Scholarships

Working with schools in rural areas, scholarship programs & grants support the education of girls. We are already engaged through various activities in the community and working in partnership with schools. Scholarship programs provide school uniforms, shoes, & books. The program also helps families and households when needed with food and healthcare.

## Toilets

We build toilets in poor villages. Good for children, great for families. We help communities to develop hygiene programs & we develop workshops for students on health and hygiene.

# GOVERNANCE STATEMENT

One Thousand Villages Ltd is a company limited by guarantee established for the purpose of preventing trafficking and sexual exploitation of girls across the Mekong region.

One Thousand Villages is a registered charity.

Private donations are the principal source of funding for One Thousand Villages operations.

The responsibilities of the Board of directors of One Thousand Villages include governance for One Thousand Villages and strategic direction of the organisation.

The Board has adopted a formal Governance Charter, which sets out the functions and responsibilities of the Board and promotes high standards of governance.

The following three documents form the foundations for the internal governance of One Thousand Villages:

1. The One Thousand Villages Constitution;
2. The Members Agreement; and
3. Vision, purpose and values of One Thousand Villages

The Board will regularly review the Governance Charter to ensure that it remains appropriate to the needs of One Thousand Villages as it matures as a company.

The Governance Charter will be publicly available and posted on the One Thousand Villages website.

## Role of the Board

The role of directors is to collectively ensure the delivery of the organisation's objectives, to set strategic direction, and to uphold its values. Directors should collectively be responsible and accountable for ensuring and monitoring that the organisation is performing well, is solvent, and is complying with all its legal, financial and ethical obligations. The role of the board includes:

- Determine strategic direction of organisation
- Appointment/dismissal of CEO
- Monitor organisational performance

- Manage risk
- Liaise and engage with Stakeholders
- Demonstrate the value of One Thousand Villages and monitor the culture of the organisation

## Role of the Chair

### The Chair:

- Provides leadership to the Board;
- Sets the agenda for Board meetings in consultation with the CEO;
- Chairs Board meetings;
- Is the major point of contact between the Board and the CEO

## Role of Individual Directors

Directors have a duty to question, request information, raise any issue which is of concern to them, fully canvas all aspects of any issue confronting the company and cast their vote on any resolution according to their own judgement. Directors will keep confidential board discussions, deliberations and decisions.

Confidential information received by a director in the course of the exercise of their duties remains the property of the company and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been properly authorised, or is required by law.

## Role of the Chief Executive Officer

Accountable to the Board, the CEO is responsible for managing the operations of One Thousand Villages and to address key management and operational issues within the direction and the policies laid down by the Board, responsibilities include:

- Acting as the primary spokesperson for the organisation
- Developing and implementing organisational strategies and making recommendations to the Board on significant strategic initiatives;
- Setting and demonstrating the values and culture that underpin achievement of the One Thousand Villages vision and mission;
- Making the appointment of key management personnel in consultation with the Board, appointment and removal of other staff, determining terms of appointment, evaluation performance, and developing and maintaining succession plans for staff;
- Providing leadership for the development of professional excellence and high standards of conduct for One Thousand Villages staff;

- Developing the annual budget and managing day to day operations within the budget;
- Maintaining an effective risk management framework;
- Keeping the Board and donors informed about any developments with a material impact on One Thousand Villages performance and;
- Managing day to day operations of the One Thousand Villages in accordance with agreed standards for social, ethical and environmental practices.

### Key Board Functions

The primary functions and responsibilities of the Board are to:

- Ensure compliance with the objects, purposes and values of the One Thousand Villages, and with its Constitution;
- Set or approve policies, plans and budgets to achieve objectives, and monitor performance against them;
- To ensure that the organisation complies with all relevant laws, regulations and regulatory requirements;
- Review the organisation's budget, monitor management and financial performance to ensure the solvency, financial strength and good performance of the organisation;
- Consider and approve annual financial statements and required reports to government;
- Set and maintain a framework of delegation and internal control;
- Planning for Board, CEO and executive succession, and determine senior management remuneration;
- Review and monitor the effectiveness of risk management and compliance in the One Thousand Villages and agree or ratify all policies and decisions on matters which might create significant risk, financial or otherwise;
- Consider the social, ethical and environmental impact of all activities and operations and ensure that these are acceptable; and
- Continue to evaluate and improve the performance of One Thousand Villages Board.

### Board meetings

- The Board will hold not less than four meetings a year and such additional meetings as the directors agree in order to perform its functions.
- A quorum consists of more than half the number of directors.
- Wherever possible, 10 working days' notice shall be given of the date, time and place of Board meetings. Where urgent matters arise, shorter notice may be given.
- Notice shall be given of meetings of any Board Committees as laid out in the Terms of Reference, or (where this has not been specified in the Terms of Reference) at the discretion of the Chairs of those committees.

- Notice shall be given of General Meetings according to the provisions specified in the company's Constitution.  
Board and committee operations

The Board may establish and terminate Board committees and advisory committees and set the terms of reference and appoint the members of such committees. The Board will establish Committees to assist the Board in exercising its authority.

#### Board Evaluation

The Chair will, on an annual basis, facilitate a discussion and evaluation of the Board's performance. This will include discussion both collectively and individually about:

- The Board's role, processes and performance
- The Board's group dynamics and skills set and
- Other relevant issues.

The Chair will consider the commissioning of an independent evaluation of the Board's performance at least every two years.

#### Conflicts of interest

Directors have duties under section 425.25 ACNC Regulation (governance standard 5 – duties of responsible entities), general law and the Constitution in relation to conflicts of interest.

A director's interest in a matter involves a personal interest of some real substance (Interest).

Whether an Interest real or perceived exists depends on the context. It may be a direct or indirect interest, a pecuniary interest or a non-pecuniary interest such as reputation, the opportunity to gain non-pecuniary rewards such as expertise, knowledge or the opportunity to influence policy decisions that may subsequently provide a pecuniary or non-pecuniary benefit.

The directors of One Thousand Villages present their report for the year ended 30 June 2018.

#### Directors

The names of each person who has been a director of the Company during the whole of the financial year and up to the date of this report are:

- Justin Whitecross
- Rattana Whitecross
- Peter Holt
- Nopphorn Prom Chan

Company Secretary: Ranida Wanngern

# PROFIT & LOSS

1 July to 30 June 2018

## Income

Donations and gifts	\$81,909.91
<b>Total Income</b>	<b>\$81,909.91</b>

**Gross Profit** **\$81,909.91**

## Operating Expenses

Isaan Female Empowerment Project	\$49,918.21
Myanmar Projects	\$17,000.00
Pattaya Connect Project	\$11,747.40
Southeast Asia Program Development	\$3,373.64
Australia Program	\$3,572.28
Office HQ	\$7,287.24
Wages	\$20,000.00
Superannuation	\$1,900.00
Branding	\$207.94
Travel and Transportation	\$7,801.44
Accounting Fees	\$1,138.64
Advertising and Marketing	\$1,216.00
Telephone and Postage	\$2,477.11
Depreciation	\$2,991.39
Services and Fees	\$48.00
Utilities	\$1,617.18

**Total Operating Expenses** **\$132,296.47**

**Net Profit** **-\$50,386.56**

# BALANCE SHEET

As at 30 June 2018

## Assets

Bank	
One Thousand Villages	47,982.91
Total Bank	47,982.91
Current Assets	
GST Refundable	786.66
Total Current Assets	786.66
Fixed Assets	
Company Vehicles	28,855.00
Less Accumulated Depreciation on Motor Vehicles	(19,880.81)
Total Fixed Assets	8,974.19
Total Assets	57,743.76

## Liabilities

Current Liabilities	
Provision for Long Service Leave	5,403.11
Superannuation Payable	3,657.48
Wages Payable - Payroll	10,000.00
Total Current Liabilities	19,060.59
Total Liabilities	19,060.59

Net Assets 38,683.17

## Equity

Current Year Earnings	(50,386.56)
Retained Earnings	89,069.73
Total Equity	38,683.17



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