



# 2022 Impact Report

# Hands Across the Water

Hands Across the Water is a charity that has sought to provide equal value to those that support the work that we do as much as those that benefit from the support that we generate. The value that has flowed back to those that provide financial support to the charity has been in witnessing the growth and development of the children in a safe and happy environment, but it has also been in the participation in meaningful shared experiences that have enriched their lives.

The growth of the charity and the supporter base has allowed us to expand the support provided to the children and communities of Thailand both vertically and horizontally. There had been an increase in the numbers of those benefiting from the support and the depth of that support had grown. As we provided more opportunities for our supporters to be involved in their own journey be that through an experience in Thailand or something closer to home we were increasingly differentiating ourselves from charities in that we sought to provide value to our supporters first and foremost knowing that if we did that well, the charity dollars would follow.



Indeed the charity had built a reputation for creating meaningful shared experiences that were having a profound impact on the lives of those who participated. We had built a model that created deeply engaged supporters who's contribution was associated with their next experience. The charity became a victim of our own success during the global pandemic with the model we had built our supporter base on.

Whilst the charity has an active regular donors program that raises funds through low touch points the greatest fundraising stream was from the peer to peer fundraising on the back of the Thailand bike rides that we were hosting. The year of 2020 was to be our most successful year of fundraising on the back of the number of bike riders who had committed to ride in Thailand. We had over 200 riders who had paid their way and fundraised to be part of one of six rides that were to occur in Thailand. Each of the rides were of varying distance of 500 to 800kms and each of the riders was raising a minimum of \$5000 and \$10,000 respectively to ride. The immediate and sustained impact of the closure of international borders from early 2020 meant the cancellation or postponement of a number of our international experiences for our supporters including events in New Zealand and Thailand.

It would be two and half years from the cancellation of our first ride in Thailand in March of 2020, before we could return to leading our rides and experiences in Thailand. The impact of the cancellation of the rides meant that our supporters who had grown accustomed to fundraising towards a personal target, no longer had those personal targets nor the opportunity to engage with us as they once had.





# Our way forward

We initially braced for an impact that would last six to nine months and adjusted our delivery of our events accordingly. We created a number of online experiences that gave our supporters in lock down a reason to engage and connect with the community of supporters and our homes in Thailand. Many of those events that were created in 2020 were well patronised, but we also quickly realised that the appetite for online experiences would end as soon as the restrictions on our lives were relaxed and eventually lifted. What was working in mid 2020, was not going to work six months later. We needed to respond to the changing environment as quickly as we could.

Like many in both the not for profit and for profit business world, we were banking on returning to normal business by 2021. Of course the impact would carry on into the first quarter of 2022 with international travel really only opening up in the third quarter of 2022 well over two years since the impact of the pandemic was first felt.

Upon realisation that the impact was going to last well beyond the first six to nine months we considered all areas of our operations and analysed what changes could be made to reduce costs and what revenue streams were vulnerable and what were reliable. The small team in Australia all agreed to taking pay cuts and the support of the Australian Government JobKeeper program allowed us to retain the team. We conducted an audit of the expenditure of the homes that we support in Thailand to see what savings could be made there. There were small savings to be made across the homes which was both a positive and a negative. The positive aspect of the small savings demonstrated to us that the money that was supporting each of the homes pre covid was being spent effectively and the negative was that the considerable operating costs for the properties meant there was little savings that could be made without compromising the level of care to the children and communities.

After looking at expenditure the next area for review was revenue. We created new opportunities for people to engage with Hands and we saw very positive responses to those activities that whilst not filling the void created by the loss of the rides and other International experiences they gave us the belief that we had the support of the community. Try as we might to create new and engaging experiences we were, like all charities, limited in what we could do.

Whilst we were seeing the impact on income generated by the loss of our experiences the support that we received from our founding sponsors at Narta continued and indeed grew during the two years of the pandemic. Narta has been the primary and only continuous corporate supporter of Hands since 2007. They increased their donations and support which allowed us to meet the obligations we had to the children and communities in Thailand. In addition to the support from Narta we welcomed the very generous support of The Seek Foundation which has directly supported a number of the programs in Thailand both in recurrent expenses and new initiatives.

We will continue to explore new income generation activities and we will work with the homes in managing their expenses as we move forward. What should be reassuring for all our supporters is the enthusiasm the homes and staff have demonstrated in contributing to reducing the burden on fundraising and indeed in taking an active role in raising funds. Pama House was the first to invest in a Food Van which has been taken to local markets selling the produce that they grow. The local community has embraced the offering and often the fresh produce sells out within hours. Baan Tharn Namchai witnessed the success and they too have taken to selling the produce they grow within the local community. Baan Home Hug has for many years had an active interest in livestock and growing of fruit and vegetables which provides food to the home and income via the sale of surplus stock.

# Financial Management





# Continuity in the Level of Care

It may very well be that the greatest success story in years to come of what Hands Across the Water has done is not in the 15 years that preceded the pandemic, but the fact that not only did we survive the global shut down, but that there was no compromise to the level of care that our children received during the two and half years from March 2020.

Whilst there was a “tightening of the belts” across all our homes, which was a welcome demonstration that they too shared the pain of the pandemic and a realisation of the challenges we faced in raising income, from a financial point of view there was little change to the lives of the children in our homes. There was no downturn in the level or standard of care. All of the staff that we had pre covid, retained their positions which was equally important to the operation of our homes and to the families that relied upon the security and certainty that employment within our homes gave them.

We continued in the support of the older students who had or were to leave school and start their tertiary studies at University or elsewhere. We celebrated the graduation of a number of students who completed their university studies and equally celebrated those commencing their journey into life beyond the school yard.

# Life beyond the Pandemic

As we welcome the return to some of our pre-covid activities such as our international bike rides, we would be negligent not to reflect upon and learn from the opportunities and challenges that we faced during the last two years.

Our survival was not by chance or good luck. We survived by having a prudent level of savings held for such a disruption to our operations. We enjoyed the continued contributions made by Narta and The Seek Foundation, and having a very small and dedicated team who continued to find ways to ensure continuity of service.

But there is no doubt the pandemic exposed our reliance on leading our international shared experiences as a significant source of income. We have relied heavily, perhaps too heavily, on leading teams from Australia and New Zealand into Thailand to participate in their own life changing experience.

We recognise that the longer term future and growth of Hands Across the Water rests with those who have a fundamental reason to support Thai children, the Thai community.





# Building a Reliance and Dependence

There is no doubt the lives of many children and communities exist with a reliance, in part, upon the work of Hands Across the Water and the funds that are raised. By providing the support that we have over the last 17 years there is a dependence and it is therefore incumbent upon us to ensure we meet those needs.

To better meet the needs of the communities in Thailand, to provide for the future opportunities that exist we recognise that the growth for Hands can and should come from within Thailand. With the establishment of a new Board of Directors in Thailand our mission is to build a supporter base from within Thailand, amongst the Thai people, who have a logical reason to support the children and communities that we currently support.

The charter for the new board is to build a team in Thailand who will initially work with the Australian team in pursuit of common goals and then be the predominate group leading both the peer to peer fundraising and future corporate support of our work in Thailand. The objective is not to make redundant the Australian team, merely to compliment and share the responsibilities of fundraising and the future strategic direction.

The risks in running a charity are many and include the solvency of operations, maintaining a high level of care to those that we support and the good governance of our operations. The good work and reputation built over decades can be undone by financial or other transgressions.

We have recognised that what we can control to the best of our ability is the good governance and transparency when it comes to the use of funds and the operations of homes. This means reporting the good the bad and everything in between. We have prided ourselves, that whilst we have not always got every decision right, we have been transparent and provided timely advice to our community of our actions.

We acknowledged that supporters want to know their funds are being used in a prudent manner and that expenditure on administration and fundraising is essential but their tolerance is limited on how much is spent in these areas. We also recognise that the general donor entrusts the auditing and compliance of the charities they support to the Governments in the country they donate.

We too value the reporting, auditing and governance that is imposed by relevant Governments when it comes to how funds are raised and used. To that end Hands Across the Water has since our inception in 2005 maintained operations to one degree or another in Australia, New Zealand and of course Thailand. We have always worked with the relevant government agencies across the three countries and sought their endorsement of our operations.

It was then – incredibly pleasing that in the last twelve months we have seen the culmination of many years of work in relation to governance and compliance be rewarded in New Zealand and most recently in Thailand. Hands Across the Water Australia has since early 2007 held Deductible Gift Recipient (DGR) status which was a great success for a charity that was only formed in 2005. Since that time and as we grew operations in both New Zealand and Thailand we have been on the path to achieve the same level of government endorsement that we enjoy in Australia in both New Zealand and Thailand.

In 2022, it was confirmed by way of Government Gazette in New Zealand and Thailand that we now hold the equivalent of DGR in those countries as well as Australia. There is the obvious tax benefits to those making eligible donations but beyond that there is the endorsement of both Governments as to the way that Hands has and continues to operate. They have had the history of our operations over the last 17 years to look at in making their respective decisions and have endorsed our operations and importantly our level of governance, transparency and compliance.

This gives our donors an immense level of comfort that we are using their donations in an effective and responsible way.

# Government Endorsement





# Looking Forward

On the back of what has been the most challenging two years we have all faced at Hands we are excited at the opportunities that present. We look forward to reengaging with the children and communities that we support and we look forward to sharing time with our supporters as they too return to enjoying our shared experiences.

As we work towards the objective of building a supporter and operational base in Thailand over the next number of years, we remain focused on providing a high level of care to the children and communities that bring choice to their lives.



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