

Blue Dragon Children's Foundation

Annual Report

July 1, 2009 – June 30, 2010



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Section 1

Message from the CEO

What does it take to be a hero?

The news, coming to us constantly through TV, internet, print and radio, speaks to us endlessly of the amazing achievements of outstanding individuals. These are often sports people running, swimming, or jumping for their country; celebrities leading the way in philanthropy; or alternate leaders challenging the political system.

Here at Blue Dragon Children's Foundation, we see countless 'everyday heroes' who will never make the news, but who deserve to stand in the spotlight and be applauded for their accomplishments.

The Blue Dragon kids have survived some terrible things, such as abandonment, trafficking, poverty and illness – but have risen above their disadvantages to make something of their lives.

Every day, we work with boys who were living on the streets but now live in our shelter and go to school. We see girls who had been trafficked, but were brought home by Blue Dragon staff and now live with their families and study vocational training.

As time goes by, we are increasingly seeing these same young people move on to good jobs, live independently, and even start their own families.

They are far from the glare of the media spotlight, and yet their achievements are remarkable: to come from so far behind, and yet to not only 'catch up' but to actually 'get ahead' is worthy of an accolade.

Our work at Blue Dragon Children's Foundation is not easy, but it is truly worthwhile and deeply rewarding.

We owe a debt of gratitude to all our donors, friends and partners who stand beside us in this important and often difficult work of changing the lives of Vietnamese children and youth.

Sincerely,



Michael Brosowski
Founder and CEO
Blue Dragon Children's Foundation



A child with cerebral palsy learning to swim as part of Blue Dragon's Step Ahead program

Section 2

Who we are

Blue Dragon is a grassroots foundation working with kids in crisis throughout Vietnam.

With education at the heart of everything we do, Blue Dragon sets out to transform the lives of the poorest children and families.

Our kids come from many backgrounds, but all are in difficult circumstances and need a chance to make a change.

We meet the kids on the streets, or at their workplaces, or in their homes, and work with them until they can stand on their own feet, and live happy, prosperous lives.

Our range of services to children includes:

- *Social Workers* – making individual plans and monitoring children's progress.
- *Child Rights Advocacy* – standing up for kids when they are in conflict with the law.
- *Psychological services* – offering counselling and group therapy to help kids deal with issues such as anger management, grief, and behavioural problems.
- *Career guidance* – helping teenagers and young adults as they choose their career path.
- *Accommodation* – giving kids a place to live in a healthy family environment.
- *School fee relief* – enabling the poorest of the poor to afford a basic education.
- *Vocational training* – offering opportunities for older teens to explore vocational courses, from computing to cooking.
- *Employment counselling* – helping teens to think about their futures, and supporting them to find good jobs.
- *A Drop in Centre* – providing a safe haven for children to play and learn.
- *Creative therapy* – engaging kids through drama, art, music and dance.

Blue Dragon achieves its aims utilising professional Vietnamese staff and long-term international volunteers.

We see the girls and boys as part of our extended family, and we care for them accordingly.



Section 3

Our history

September 2002	Three friends start meeting street kids in Hanoi and offering classes in English, maths, art and yoga.
January 2003	Soccer for street kids begins. The team, called <i>Real Betis Vietnam</i> , meets every Sunday morning.
February – December 2003	The idea for founding Blue Dragon as an official charity grows. About 40 street children receive support from volunteers to return to school and employment.
March 2004	Blue Dragon is registered as an Incorporated Association in New South Wales, Australia.
August 2004	Blue Dragon's <i>Stay In School</i> program is launched, initially supporting 75 rural children in Bac Ninh province, north of Hanoi.
November 2004	Blue Dragon is registered as an Independent Non-Governmental Organisation in Vietnam.
March 2005	Blue Dragon opens a combined office/ centre near Long Bien market in Hanoi.
May 2005	<i>Step Ahead</i> , Blue Dragon's program for street children and children with disabilities, is launched as a pilot project.
August 2005	<i>Stay In School</i> provides support to 350 rural children.
January 2006	<i>Step Ahead</i> opens a drop-in centre in Hanoi.
October 2006	A residence for homeless children is established in Hanoi.
November 2006	Blue Dragon opens a computer learning centre for street children.
August 2007	Blue Dragon starts our work at the Hoi An <i>Children's Home</i> .
September 2007	Blue Dragon moves to a new location in Hanoi, with a combined office, drop-in centre, and learning centre.
April 2008	Launch of <i>Safe And Sound</i> , an anti-trafficking program based in Hue.
August 2008	<i>Stay In School</i> has grown, and is now supporting 350 rural children.
January 2009	At Blue Dragon's leading, the major national newspaper runs a series of 6 articles on child trafficking.
March 2010	Blue Dragon rescues 3 kidnapped girls from China. Blue Dragon Children's Foundation International is formed as a not-for-profit company in Australia with a Board of Directors.



Section 4

Our way

Our Mission

To provide opportunities and tools that empower the most disadvantaged children and their families to break out of poverty, forever.

Our Philosophy

Blue Dragon works according to the following ideals:

- *Respect, not pity:* The children we work with are treated with at least the same respect that we would treat our own sons and daughters, brothers and sisters.
- *Development, not charity:* Our work is to help children develop fully as they grow, through providing a broad range of experiences and opportunities. Rather than simply provide a handout, we provide a hand up for those who choose to better their circumstances and themselves.
- *Empowerment, not dependency:* Our role is to provide opportunities for children to pursue as individuals, rather than to force our views or values on to the children.
- *Collaboration, not control:* Our staff work alongside the children and their families, so that the beneficiaries are involved in all stages of our programs, rather than simply being recipients of charity.
- *Massive interventions, not quick-fix solutions:* We tackle the problem of poverty from every angle, rather than focusing on one obvious cause or effect. Our interventions may take years, as we persist until we are successful.

Our Values

- Blue Dragon cares for the children in our programs. They are a part of our extended family, and not just program beneficiaries.
- Blue Dragon provides safe shelters for children who need a place to escape turmoil.
- Blue Dragon treats the children with the greatest of respect and we include them in every part of our planning.
- Blue Dragon sees children as individuals, with their very own needs, dreams and personalities.
- Blue Dragon hopes that our children will grow up to share our values and concerns for those who are disadvantaged.



Blue Dragon's football team celebrating the opening of the Hanoi football league

Section 5

Our programs

Program 1: Step Ahead

Location: Hanoi

Local Partner: Hanoi Association for the Relief of Handicapped Children

Who we serve

The *Step Ahead* program supports around 300 highly disadvantaged children and teens living in Hanoi. Most are street kids or living with families effected by drugs, crime, or poor health. Approximately 30% of *Step Ahead* children have a physical or mild intellectual disability.

What the program offers

Each child who enrolls in *Step Ahead* has an Individual Assistance Plan created through a process of negotiation between Social Workers, the child, and the child's family or caregivers (if any). Individual Assistance Plans take into account all of the children's needs, with the long term goal of enabling each child to break out of poverty, forever.

Step Ahead operates a Drop-in Centre, a shelter, as well as a host of outreach and social activities specifically for street children and children with disabilities.

A defining feature of *Step Ahead* is its diverse range of services including: school fee relief; psychology groups and counselling; tuition and homework assistance; arts and crafts; social activities, including outings and camps; certified computer courses, preparing students for the International Computing Drivers' Licence (ICDL) certificate; classes in health and sexuality; and providing nutritious meals. Children and young people receive support according to need, rather than a 'one size fits all' approach.

Step Ahead in 2009 - 2010

During the year, *Step Ahead* developed several important services that are important to the program. In particular:

- Our outreach work to street children expanded considerably, enabling us to make more frequent contact with homeless children and to help reunite many runaway children with their families.
- Our health services have become more comprehensive with the creation of a small clinic inside the Drop-in Centre, and a greater range of health and reproductive workshops for children.
- Career Development Workshops have been added to the services offered.
- Services to families have been improved, with regular parent support groups being held and workshops to help parents learn important skills such as First Aid and Positive Discipline.



Future plans

Step Ahead is looking to target both education and training services and psychosocial support in the coming year. Increasingly, *Step Ahead* beneficiaries are aspiring to university and/or overseas scholarships. This means that program staff must find ways to support them, and seek out new opportunities. In addition, many of our beneficiaries need to explore other pathways to a future career such as apprenticeships and traineeships. Career development and creating more opportunities for beneficiaries are central to our activities over the next year.

Many of the children in *Step Ahead* come from situations of trauma, and arrive at Blue Dragon with behavioural difficulties and complex psychosocial needs. In the coming year, we plan to employ a psychologist to provide counselling, group work and education sessions for children and parents.

For the longer term, we hope that *Step Ahead* can secure a property that will house all of our work, including more space for activities and an outdoor area. The lease on our current premises expires in 2012, and the owner has indicated an intention to sell. Therefore, we will need to locate to a new centre, hopefully one that provides a long-term solution to ensure the best service possible to the children in our care.



A busy lunch time at Blue Dragon's drop in centre in Hanoi

Program 2: Stay In School

Location: Thuan Thanh District, Bac Ninh Province

Local Partner: Bac Ninh Red Cross

Who we serve

Blue Dragon's *Stay In School* program enables impoverished rural children at high risk of quitting school to continue with their education from Grade 5 up to the end of Grade 12. *Stay In School* reaches approximately 450 students in 16 schools throughout Thuan Thanh District and Yen Phong District of Bac Ninh province, about 40kms north of Hanoi.

What the program offers

Inspiration for the *Stay In School* program came from Blue Dragon staff working with street kids in Hanoi. It was noticed that nearly all of the children working on the streets were from rural areas and had dropped out of school because of poverty. The idea came about that we should find a way to reach children while they were still with their families in the countryside, before they quit school to become street kids.

Each child in *Stay In School* receives support to enable them to attend school. Blue Dragon provides all school equipment – including a school bag, text books, note books, stationery, and a school uniform – and pays school fees and insurance directly to each school. Apart from material support, *Stay In School* provides encouragement to the children and their families, such as:

- An Opening Ceremony to celebrate the start of each school year (August).
- A Tet (Lunar New Year) celebration in which all sponsored children receive gifts (February).
- A Closing Ceremony to celebrate the results of the students and all the activities of Blue Dragon in the year.

Stay In School in 2009 – 2010

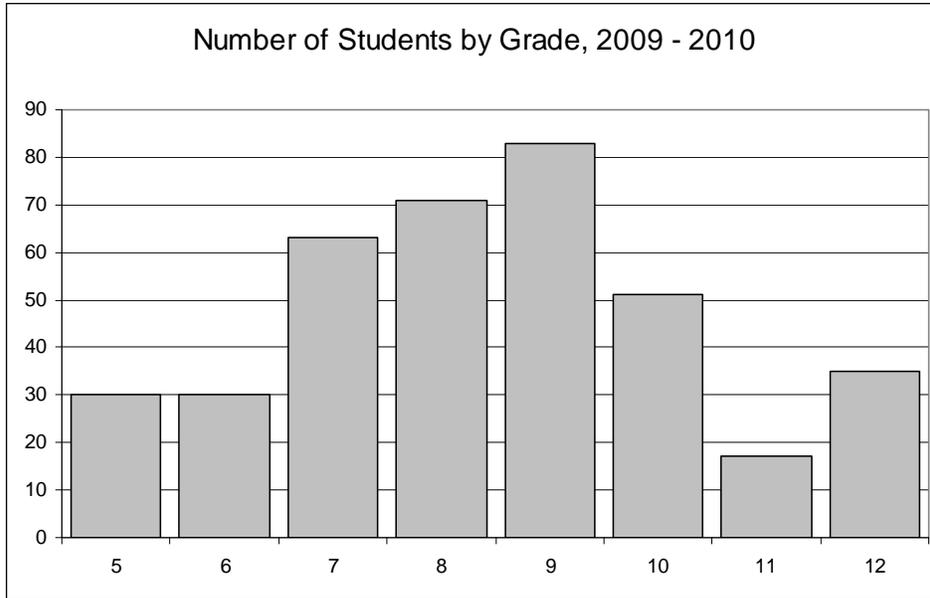
In 2009-10, Blue Dragon supported 380 children across grades 5 to 12. Blue Dragon could only find sponsors to support 213 children, and used our general funds and donations to support the remaining 167.

Sponsored children were spread throughout school grades as represented by the table on the following page. In addition to supporting 380 children attending school, Blue Dragon was involved in several small projects to directly assist children in need. These projects included: Building 3 houses for beneficiaries; and supporting one Year 12 graduate to attend college.

blue dragon



Students supported by Blue Dragon listen attentively in a workshop



Future plans

In 2010 - 2011, Blue Dragon plans to expand to 7 new schools in order to reach more disadvantaged students. Our initial goal is to increase the number of program beneficiaries to 600 and to provide teaching and learning resources to 5 schools.

We also hope to find new avenues of funding that will enable us to direct more material support to beneficiaries and provide more additional services, such as workshops for students.

Program 3: Hoi An Children's Home

Location: Hoi An Town, Quang Nam Province

Local Partner: Quang Nam Union of Friendship Organisations

Who we serve

The *Hoi An Children's Home* accommodates 30 girls and boys, aged 11 to 18, from severely impoverished families in and around Hoi An in Quang Nam province. Many residents of the Home are from families living on Cham Island, and all would be forced to quit school if not for the Home.

What the program offers

The *Hoi An Children's Home* is located in a two storey building surrounded by gardens on the outskirts of Hoi An town. The children live together in a close-knit environment, cared for by Social Workers and Direct Care staff who provide for their daily needs while also offering social and educational support.

Children live at the Home primarily so that they can have access to school. Therefore, all residents are enrolled in local schools and receive support to attend extra classes in the evenings and weekends. Activities such as cooking clubs, IT classes, foreign language training, and swimming lessons are also offered.

The Hoi An Children's Home in 2009 - 2010

This was a busy year at the *Hoi An Children's Home*:

- The Home moved from having an expatriate manager to a Vietnamese manager.
- An Australian Social Worker joined the Home as a volunteer in March 2008 to train local staff, and stayed until early 2009.
- A Social Work manual was compiled.
- A new Social Work filing system was developed, incorporating all documentation and paperwork on each child into a single system.
- Significant work was put into developing the gardens around the Home.
- A room in a detached building was converted into a study and 'quiet space' for residents.
- A reunion for past residents was held.



Traditional lion dancing at the Hoi An Children's Home

Future plans

In coming months, Blue Dragon will partner with another charity, Children's Hope In Action (CHIA), to provide locally-based long-term management of the Home. Blue Dragon is committed to continuing an involvement at the Home until at least mid 2013.



Program 4: Safe And Sound

Location: Phu Vang District, Hue Province

Local Partner: Hue Red Cross

Who we serve

Safe And Sound works with children and families living in extreme poverty in Phu Vang and Phu Loc districts of Hue province in central Vietnam. The children who receive support from this program are girls and boys who have been taken by child traffickers from their homes to Ho Chi Minh City to work on the streets or in garment factories.

What the program offers

Safe And Sound seeks to apply a comprehensive approach to stamping out child trafficking from rural to urban areas. The program identifies and, where necessary, rescues children who have been trafficked. This normally involves facilitating the return home of children from Ho Chi Minh City to Hue.

Once the children are home, Blue Dragon continues to support them to return to school and recover their health, through medical and nutritional support. Many children need help to obtain legal documents such as birth certificates.

In order to prevent trafficking, *Safe And Sound* develops education programs aimed at either the communities or local government officials, to raise awareness of the consequences of trafficking. In one village, we operate a community centre; and in two villages we offer aquaculture training to impoverished families.

Safe And Sound in 2009 - 2010

This was another great year for *Safe And Sound*. A total of 17 children were rescued from factories in Ho Chi Minh City; five new houses were built for families; a community centre was opened in Hai Tien village; 12 families joined an income generating project learning to breed snapper fish; and the program expanded into a second district of Hue province.

There was some excellent progress in various individual cases, too: one formerly trafficked child took up a scholarship to study in Singapore; 2 program beneficiaries went to Hanoi to study motorbike repair at VIP Bikes; and one hearing impaired girl started studying for the first time in her life.

Future plans

During the coming year, *Safe And Sound* needs to increase the pressure on child traffickers and the factories in Ho Chi Minh City that employ children



This photo is typical of the conditions in the factories Blue Dragon rescues children from

from Hue. We can do this by utilising the local media, and encouraging the authorities to prosecute the traffickers.

We anticipate expanding further within the new district, Phu Loc, to at least one more commune, and build a road linking an isolated village to a highway. *Safe And Sound* aims to build 10 new houses for families in 2010-2011, and extend the aquaculture training to another 10 families.



Section 6

Other programs

Legal Advocacy

Since the conception of Blue Dragon, we've met many children in need of legal advice and services, which we have sought to provide to the best of our abilities. What started off as a legal student talking to and assisting children in 2002 has evolved into a fully fledged Child Rights Legal Advocacy Service for 2009-2010.

In 2009-2010, Blue Dragon has had two lawyers on staff to provide the children in our program and their families with knowledge, understanding and advice in all types of legal matters, including:

- Teaching children about their rights and responsibilities in terms of national and international laws and conventions.
- Ensuring that children who are in conflict with the law understand their rights and obligations and that they receive proper and just treatment.
- Obtaining legal registration papers such as birth certificates, marriage certificates and household registration booklets for children and their families.
- Working closely with local police and government authorities around the country to ensure that our kids get the best help available to them.
- Advising victims of crime on how to seek justice.

To our knowledge, Blue Dragon is still the only organisation in Vietnam to employ Legal Advocates who work directly with disadvantaged young people.

VIP Bikes

In early 2008, Blue Dragon worked with a local engineer and foreign volunteer mechanic to establish a social enterprise known as *VIP Bikes*.

By January 2010, *VIP Bikes* was thriving and became a separate entity from Blue Dragon, but has continued as a social enterprise supporting disadvantaged youth by providing them with the opportunity to be motorbike repair apprentices.

Individual Assistance

Many of the children that come to Blue Dragon for help do not fit into any of the 4 main programs that we offer. However, as we do not turn away children in need of help, we still provide them with support.

A common example of this is the runaway children we meet through the outreach work done in the *Step Ahead* program. They are children who we reunite with their families, and therefore do not become part of our *Step Ahead* program. However, these children may need some ongoing assistance, such as school fee relief.



As these cases do not fit in elsewhere, we offer a program simply called *Individual Assistance* in which staff and management can directly support any child according to their needs. We normally have 30-40 children receiving *Individual Assistance* every year.



Section 7

Our finances

Highlights of the 2009 – 2010 financial year

- An increase in donations and grants resulted in our income increasing by 41% over the 2008 – 2009 financial year. Much of this was in 'one off' donations rather than recurring grants.
- Blue Dragon's expenditure increased 16% compared to the previous year.
- We finished the year with an unexpected surplus, which will allow us to expand our programs further in the coming year.

Financial Audit

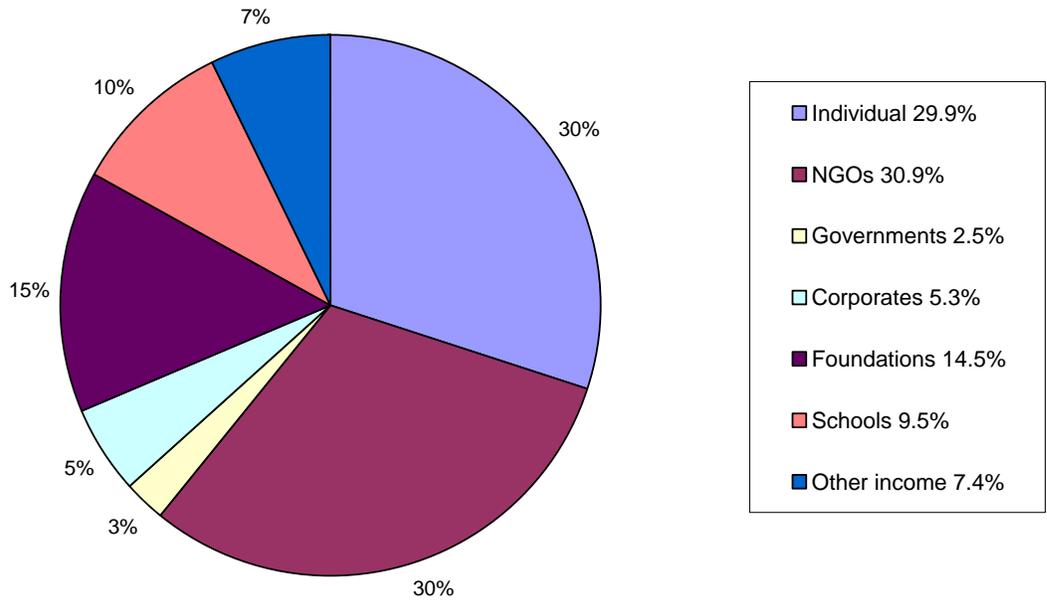
This was the fourth year in which Blue Dragon's accounts were audited by an independent, external auditing firm (KTC Assurance and Business Advisors). Their auditors concluded on September 30, 2010:

"We have audited the balance sheet of Blue Dragon Children's Foundation ... as at 30 June 2010, the statement of income, expenditure and fund balance... In our opinion, the financial statements give a true and fair view of the fund balance of the Organisation as at 30 June 2010 as well as the income and expenditure of the Organisation..."

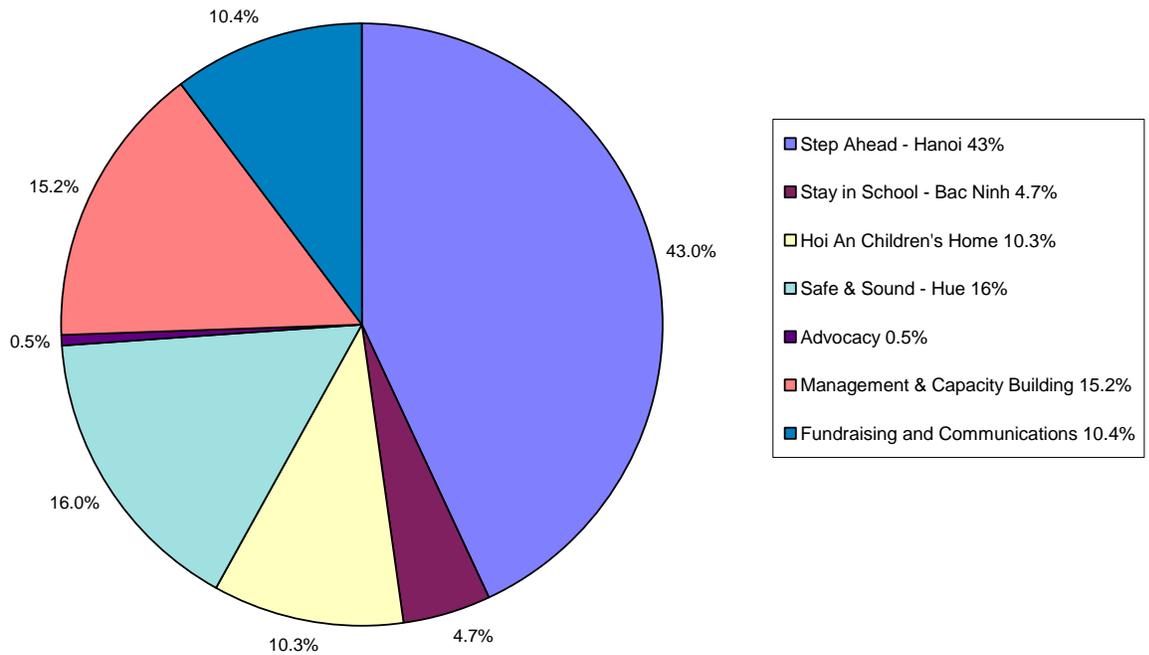


Income and Expenditure for year ended June 30 2010 at a glance

Income by Sectors



Expenditure by Programs



STATEMENT OF FINANCIAL POSITION		
As at 30th June 2010; all figures in \$USD		
	2010	2009
Current Assets		
Cash & cash equivalent	295,204	137,828
Receivables	92,154	118,606
Prepayments	42,451	27,865
Stock on Hand	2,088	2,331
Other current assets	19,220	14,583
Total Current Assets	451,117	301,213
Non-Current Assets		
Equipment at WDV	3,268	5,421
Computers at WDV	12,562	6,607
Vehicle at WDV	3,046	5,090
Leasehold improvement	13,357	18,026
Total Non-Current Assets	32,233	35,144
Total Assets	483,349	336,357
Current Liabilities		
Payables	12,249	8,704
Tied Funds for Future periods	141,897	133,498
Total Current Liabilities	154,146	142,202
Non-Current Liabilities	0	0
Total Liabilities	154,146	142,202
Net Assets	329,203	194,155
Available Funds		
Balance at Beginning of period	194,155	175,604
Currency Variations	(12,634)	(9,480)
Current year Surplus	147,682	28,031
Total Available Funds	329,203	194,155

STATEMENT OF FINANCIAL ACTIVITIES		
As at 30th June 2010; all figures in \$USD		
	2010	2009
Income		
Donations	589,563	429,975
Other Income	46,843	19,609
Total Income	636,406	449,584
Expenses		
Salaries and Employee costs	191,058	168,372
Office Supplies & Equipment	13,815	16,779
Education	58,508	46,680
Health	25,731	6,435
Nutrition	6,618	31,269
Relief supplies	78,459	54,892
Travel	50,564	24,596
Occupancy	42,297	48,157
Communication	0	4,513
Hospitality & Events	12,864	12,350
General & Administrative	8,810	7,510
Total Expenses	488,723	421,553
Operating Surplus	147,682	28,031



Section 8

Our friends

Blue Dragon is fortunate to have generous friends around the world who support us by providing the financial and material resources that help us sustain our programs. Without them, we could achieve nothing.

Organisations who partnered with us this year include:

- AFAP (Australian Foundation for the Peoples of Asia and the Pacific)
- CHIA (Children's Hope in Action)
- Intrepid Foundation
- World Vision Vietnam
- 100 Friends (USA)



Blue Dragon is also grateful for the talented people who have come to volunteer with us through the following volunteer organisations:

- Australian Youth Ambassadors for Development (AYAD)
- Australian Business Volunteers (ABV)
- Australian Volunteers International (AVI)
- German Development Agency (DED)
- Volunteering for International Development from Australia (VIDA)

Financial and material support has come from a variety of sources and locations around the world. A list of financial supporters is provided below, and listed by category. A particular thank-you goes to World Vision Singapore for funding the bulk of our *Step Ahead Program*.

Non-Governmental Organisations

ANZ Community Group, Hanoi
Auscham Saigon
BEDCT (Ben Em Dang Co Ta)
Coup de Pouce
Country Women's Association, West Coast Plains Division
First Congressional United Church of Christ
Hanoi International Church
Hanoi International Women's club – HIWC
Hanoi Hash House Harriers
Netherlands Leprosy Relief
Project Happy Feet
Project Indochina
Rotary Club Randwick
SHARE
Swedish Camp
The Patatas
Transition House
World Vision Singapore
World Vision Vietnam
Youth VIP

Governments and Governmental Agencies

British Council Vietnam
Embassy of the Czech Republic to Vietnam
DED (German Development Agency)
Royal Thai Embassy to Vietnam
UNIAP (UN-Inter Agency Project - Human Trafficking)

Foundations

Cooper Foundation
Dorothea Haus Ross Foundation (DH Ross)
EMpower
Glencoe Foundation
Intrepid Foundation
Jenour Foundation
Mirja Sachs Stiftung
Olive Hutchins Charitable Foundation
Planet Wheeler Foundation
The Lee Foundation
WP Schmitz Stiftung



Corporate sponsors

Apollo Language School
Artspace Rouge
Beggars Group
CFMEU Mining Group
Estudio Editions
Francaustralia Education
Freshfields Law
Ground Floor media
Pacific Discovery Tours
Paintworkz Studios/Rhino Car Hire
Pegasus limited
Toxicology Associates, Denver
Vodafone

Schools

Bellerive Primary School
Bethany School
Boston College MBA group
Brendon Primary School
Campania District High School
Campbell Street Primary School
Central Paedeology College, Hanoi
Chatsworth International School
Claremont Public School
German European School Singapore (GESS)
Guilford Young College
Huonville High
Hutchins School
Hutt International Boys' School – HIBS
Kinderland, Belgium
Langports English Language College
Lycee Francais, Singapore
Mannering Park Primary School
Mt. Carmel College
Oatlands School
RMIT Events Club
Singapore American School – SAS
St Aloysius School
St. Elizabeth's University Slovakia
St. Joseph's Institution
St. Mary's College
St. Mary's Public School, Dubbo
Tanglin Trust School Singapore
Tara Anglican School
The Friends School
Triabunna DHS
Tuggerah Public School
United Nations International School (UNIS)
University of NSW Vietnamese Student Association
United World College SEA (UWC)
Wellington College



In addition to the NGOs, embassies, foundations, businesses and schools who support us, we have over 1000 individual, private donors who have contributed to helping us achieve our goals. Some donations are small, and some are quite substantial. But all donations are equally important and appreciated in our fight against poverty in Vietnam.

Contact information

In Vietnam

Postal address

PO Box 297
International Post Office
Hanoi, Vietnam

Contact

Phone +84 4 3717 0544
Email bluedragon@bdcf.org

PACCOM Registration No.: AT282/UB-HD

Banking details

Bank: ANZ Bank
Branch: 14 Le Thai To Street, Hanoi
Account name: Blue Dragon Children's Foundation
Account Number: 3467074
Telex: 411319 ANZHANVT
Swift code: ANZBVNVX

In Australia

Postal address

PO Box 445
EPPING NSW 2121

Australian Registration No.: ACN 142 233 207

Banking details

Bank: ANZ Bank
Account Name: Blue Dragon Children's Foundation
Account number: 903 117 402
BSB: 012 243

