Blue Dragon Children's Foundation

Annual Report

July 1, 2011 – June 30, 2012

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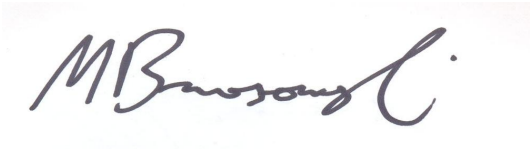
Section 1
Message from the CEO

Providing care, shelter, and education to Vietnamese kids is the core of Blue Dragon Children's Foundation. Blue Dragon does not just 'do the job' of achieving targets so we can write nice reports; we genuinely care for the kids who come to us. Our benchmark is that we should treat the children as well as if they were our own.

This year has seen us struggle with some great losses and tremendous challenges. In February 2012, one of the older Blue Dragon boys, then 20 years old, passed away in an accident, leaving behind many bereaved friends and family members. Our entire organisation has been shocked by the loss of Le Dinh Nghia.

We have faced the huge challenge of having to relocate the Blue Dragon centre, due largely to our need for a bigger space. The new centre will open in late 2012, and we hope it will allow the Blue Dragon family to continue to grow.

This has not been an easy year, but we will not lose focus on what is most important: the boys and girls who need us.



Michael Brosowski
Founder and CEO
Blue Dragon Children's Foundation

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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, self-sufficient 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.

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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 *Real Betis Vietnam*, 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 *Stay In School* 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	*Step Ahead*, Blue Dragon's program for street children and children with disabilities, is launched as a pilot project.
January 2006	*Step Ahead* opens a drop-in centre in Hanoi.
October 2006	A residence for homeless children is established in Hanoi.
August 2007	Blue Dragon starts working at the *Hoi An Children's Home*.
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 *Safe And Sound*, an anti-trafficking program based in Hue.
January - August 2009	Blue Dragon's anti-trafficking work gathers pace, attracting media attention and community support.
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.
January 2011	The number of trafficked children rescued passes 100.
May 2011	Blue Dragon's founder is named a *CNN Hero*.
January 2012	Blue Dragon's founder is made a member of the Order of Australia.
May 2012	Work begins on renovating a new centre for street children in Hanoi

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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.

Section 5
Our programs

Program 1: Step Ahead

Location: Hanoi
Local Partner: Hanoi Association for the Relief of Handicapped Children

Who we serve

Step Ahead supports around 400 highly disadvantaged children and teens living in Hanoi. Most are street kids or living with families affected by drugs, crime, or poor health. Approximately 20% of *Step Ahead* children have a physical or mild intellectual disability.

What the program offers

Each child 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; certified computer courses; 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 2011 - 2012

During this period, *Step Ahead* services continued to grow and expand to meet the needs of Hanoi's disadvantaged children.

- 207 children received support based on an Individual Assistance Plan, including 47 children with a disability.
- 97 children were met and helped by the Outreach team.
- 23 tertiary students and 33 teens in Vocational Training were supported.
- Throughout the year, 2 Parents Meetings were held, each meeting consisting of about 120 parents and carers of *Step Ahead* children.

- With the lease contract of the Step Ahead centre coming to an end in July 2012, much effort was put into finding a new building for the program. Step Ahead, and all of Blue Dragon, will move into the new premises upon completion of renovation work in September 2012.

Future plans

The great challenge for *Step Ahead* in the coming year will be to relocate the program to a new building while causing minimal disruption to program beneficiaries. The new premises which have been secured are a great improvement over the current *Step Ahead* centre, but much work must be done before the building is ready.

Step Ahead must also develop a new centre for children under the age of 10, due to the significant disparity of ages of children attending the centre, and open a second residential home for older teens who are starting employment.

Finally, during the coming year the program will continue to focus increasingly on outreach to the city's street children. For the past 2 years, *Step Ahead* has had this renewed focus but further refinement is required, including building up the Outreach staff team to more sustainable levels.

Program 2: Stay In School

Location: Bac Ninh Province
Local Partner: Bac Ninh Red Cross

Who we serve

Stay In School is a service to children in Yen Phong and Thuan Thanh districts of Bac Ninh province in northern Vietnam. The program provides targeted support for students in Grades 5-12 from financially disadvantaged families, as well as orphans, young people with disabilities, and families affected by HIV/AIDS.

In 2011-2012, 765 students across 22 schools received support, as well as 10 tertiary students.

What the program offers

Stay In School is a 'preventative' program, aiming to keep children in school and so prevent them from dropping out to become street children or become vulnerable to human trafficking.

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 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 program participants receive gifts (February).
- A Closing Ceremony to celebrate the results of the students and all the activities of Blue Dragon in the year (May/June).
- Bicycles for children living far from school.
- Teaching facilities for financially disadvantaged schools.
- Occasional workshops for students on topics such as human trafficking and drug use.
- A limited number of tertiary scholarships for Year 12 graduates.

Stay In School in 2011-2012:

During 2011-2012, the program:

- Supported 765 school students, up from 589 in the previous year.
- Supported 10 university and college students.
- Provided 24 bicycles to students.
- Organised a workshop about child trafficking for government officials.
- Installed clean water systems in 2 schools in partnership with "A Child's Right".

- Provided teaching facilities for 8 schools.
- Gave 6 sets of tables, chairs and lamps for program beneficiaries.
- Built a library in 1 school.
- Held successful opening and closing ceremonies as well as Tet celebrations in each district.

Future plans

Over the coming year, *Stay In School* is aiming to:

- Expand the program to reach a total of 800 students.
- Introduce up to 10 new scholarships to tertiary students, bringing the total to 20.
- Provide 60 beneficiaries with desks, chairs and study lamps.
- Provide 75 bicycles to students.
- Provide teaching facilities to 5 schools.
- Build 2 new houses for families
- Organise 5 workshops on career orientation and child labour.

Program 3: Hoi An Children's Home

Location: Hoi An Town, Quang Nam Province
Local Partner: Quang Nam Union of Friendship Organisations

From 2007 to 2010, Blue Dragon worked at the Hoi An Children's Home, effectively running the Home for 30 children from disadvantaged families around Quang Nam province.

As planned, we handed the Home over to a locally based organisation in 2010: Children's Hope In Action (CHIA). CHIA now runs the Home and provides for the residents.

Although CHIA is fully responsible for the Home, Blue Dragon Children's Foundation has continued providing funding for operations and will continue to do so until 2013.

Program 4: Safe And Sound

Location: Phu Vang District, Thua Thien Hue Province
Local Partner: Hue Red Cross

Who we serve

Safe And Sound is Blue Dragon's program against the trafficking of children from Hue Province to Ho Chi Minh City for exploitation in garment factories. The majority of program beneficiaries are located in Hai Tien village; Phu Dien commune; Phu Hai commune; Loc Dien commune and Vinh Hung commune.

These are very poor areas of the province where fishing, dependent on seasons and climactic conditions, is often the only source of income for families. Many children, as well as parents, are illiterate and unschooled.

What the program offers

Safe And Sound works with communities and families which are being targeted by child traffickers. Program staff work with the Red Cross and local government to rescue trafficked children and return them home; and then support them to live with their families and return to (or begin) education.

The program offers a comprehensive range of support, including the building of homes, payment of school fees, support to find employment, a community centre in one village, a fish breeding program for parents, and emergency relief during natural disasters.

Safe And Sound in 2011-2012:

During this year, the program has directly supported 75 children and youth on an ongoing basis. Particular program achievements include:

- 35 children were rescued from factories and returned home.
- The program expanded to Loc Tri commune in Phu Loc district, and Huong Phu commune in Nam Dong District.
- Four houses were built for families.
- Seventeen families took part in a fish breeding project to increase their income.
- Twelve children received bicycles.
- Four major events were held for children in target areas, including sports, arts, and sex education workshops.
- Five workshops on children's issues were organised for government officials.
- Nine workshops on child labour and social issues were organised for children.

- One road was built, connecting a village in Loc Dien Commune to a highway.
- Four program beneficiaries studied away from their villages in bakery and motorbike repair courses.
- Seven families received water tanks, and 3 received life jackets.

Future plans

During the coming year, *Safe And Sound* will expand to new communes within the province. Blue Dragon is discussing ideas for new areas with the local partner, the Hue Red Cross.

We expect the program to grow considerably in 2012-2013, at least doubling the number of children directly supported and increasing the number of workshops for children and teens in order to prevent further trafficking to the garment factories.

Safe And Sound will also increase its efforts to involve police and government officials in the fight against this trafficking.

Section 6
Other programs

Legal Advocacy

Blue Dragon's Legal Advocacy service works both across the organisation and within our programs, providing legal advice and practical assistance to children, families, staff and management.

The Blue Dragon Legal team consists of 3 full-time lawyers who are passionate about children's rights, and are particularly engaged in the fight against child trafficking. A summary of the service's main achievements throughout the year follows:

- Two hundred and twenty one children and family members were provided with legal advice.
- Seven children in conflict with the law were provided with representation and legal support.
- Seven workshops were held for children, family members and government staff attracting a total of 180 participants.
- Two hundred and ninety four people received support to obtain legal documentation, such as ID cards and birth certificates.
- A total of 87 victims of human trafficking were rescued, including the 35 children reported in *Safe And Sound* (see Section 5).

Blue Dragon's Legal Advocacy is a unique service that is an integral part of our work in Vietnam. In addition to the listed achievements, the Legal team has planted the seeds of creating 2 new programs that Blue Dragon will develop: an anti-trafficking program in Dien Bien province, and a program rescuing girls who have been trafficked to China (for sexual exploitation or forced marriages).

Individual Assistance

Many of the children who 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* a year.

Section 7
Our finances

Highlights of the 2011 – 2012 financial year (July 1 – June 30)

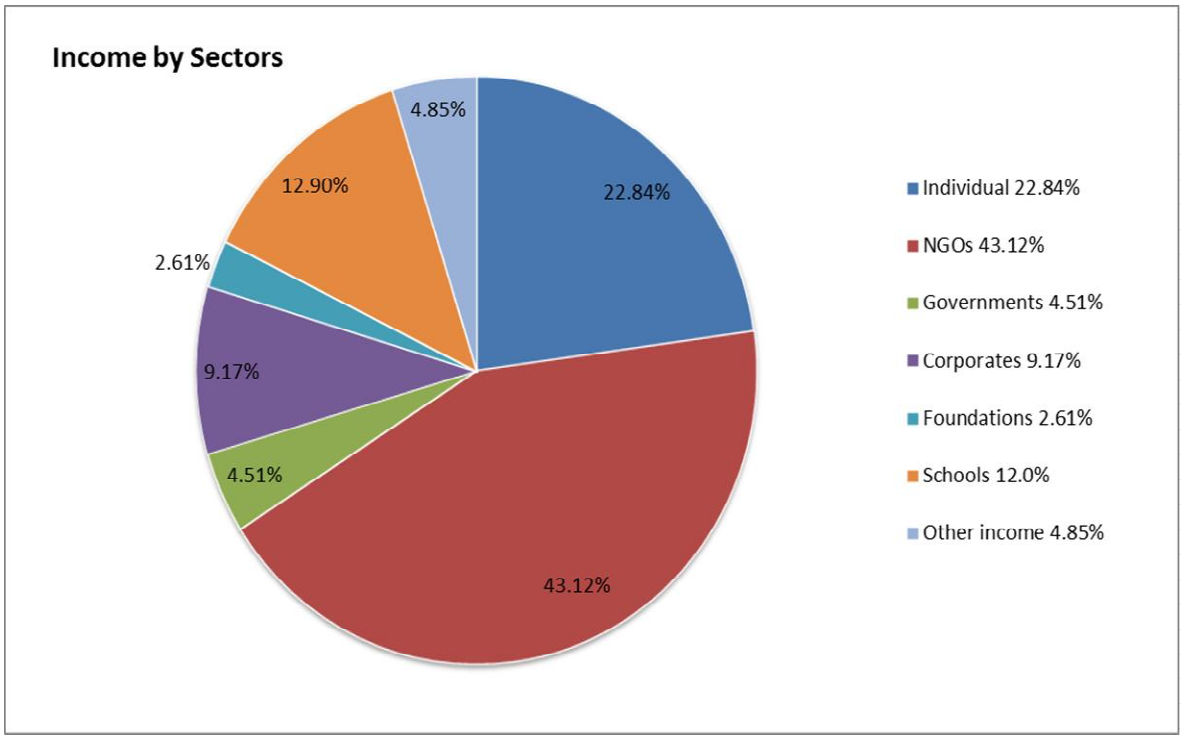
- A significant growth in income (46%), in part due to a major appeal for opening 2 new centres in Hanoi.
- A 35% growth in expenditure due to the expansion of Blue Dragon programs.
- We finished the year with an overall surplus of $127,606. Much of this was allocated to the renovation of new centres for the coming financial year.

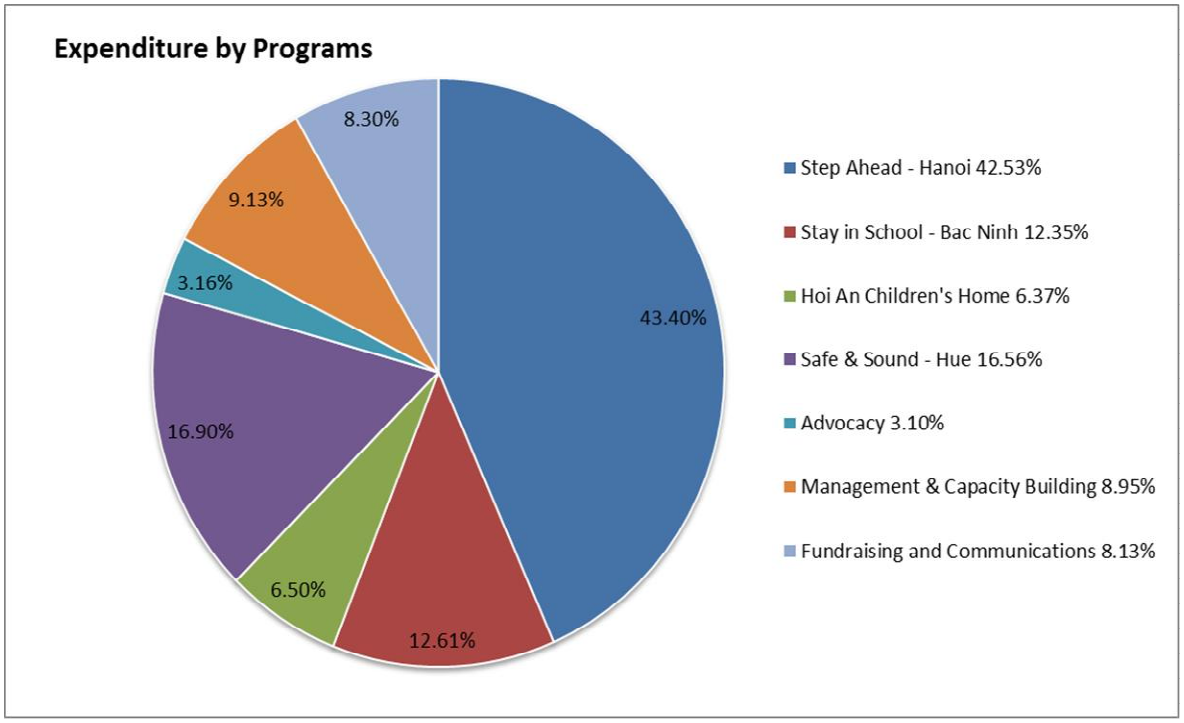
Financial Audit

Blue Dragon's accounts were audited for the fifth consecutive year by an independent, external auditing firm, KTC Assurance and Business Advisors. Their auditors concluded on September 28, 2012:

> *In our opinion, the financial statements of the Organisation as at 30 June 2012 and for the year ended 30 June 2012 are prepared, in all material respects, in accordance with the accounting policies as described in Note 2 to the financial statements.*

Income and Expenditure for year ended June 30 2012 at a glance





STATEMENT OF FINANCIAL POSITION (in USD)
As at 30th June 2012.

Current Assets	**2012**	**2011**
Cash & cash equivalent	415,898	327,473
Receivables	46,036	50,622
Prepayments	97,779	35,864
Stock on Hand	2,436	3,679
Other current assets	74,358	46,722
Total Current Assets	**636,507**	**464,360**
Non-Current Assets		
Equipment at WDV	1,450	2,775
Computers at WDV	12,999	9,071
Vehicle at WDV	22,460	1,411
Leasehold improvement	1,916	7,160
Total Non-Current Assets	**38,825**	**20,417**
Total Assets	**675,332**	**484,777**
Current Liabilities		
Payables	12,429	12,212
Tied Funds for Future periods	190,290	122,355
Total Current Liabilities	**202,719**	**134,567**
Non-Current Liabilities	**0**	**0**
Total Liabilities	**202,718**	**134,567**
Net Assets	**472,613**	**350,211**
Available Funds		
Balance at Beginning of period	350,212	329,203
Currency Variations (Note 1)	(5,205)	(24,189)
Current year Surplus	127,606	45,198
Total Available Funds	**472,613**	**350,211**

STATEMENT OF FINANCIAL ACTIVITIES (in USD)
For the year ended
30th June 2012

Income	**2,012**	**2,011**
Donations	852,984	577,677
Other Income	68,779	53,766
Total Income	**921,762**	**631,443**
Expense		
Salaries and Employee costs	292,414	218,762
Office Supplies & Equipment	16,807	15,159
Education	118,483	96,499
Health	7,353	6,837
Nutrition	26,352	27,453
Relief supplies	159,121	111,193
Travel	74,658	40,294
Occupancy	56,347	45,239
Hospitality & Events	10,781	15,590
General & Administrative	27,128	5,395
Finance expenses	2,640	3,304
Other expenses	2,071	520
Total Expenses	**794,156**	**586,246**
Operating Surplus	**127,606**	**45,198**

Note 1
Blue Dragon's accounting records are maintained in Vietnamese dong (VND). 'Currency Variation' in this report results from changes in the USD/VND exchange rates from 1st July 2011 to 30th June 2012, applied to Net Assets at 1st July 2011.

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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:

- A Child's Right
- Australian Foundation for the Peoples of Asia and the Pacific (AFAP)
- Children's Hope in Action (CHIA)
- Intrepid Foundation
- Rally Indochina
- World Vision Vietnam
- 100 Friends
- United States Department of State, Office to Monitor and Combat Trafficking in Persons

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

- Australian Business Volunteers (ABV)
- German Development Agency (GIZ)
- Volunteering for International Development from Australia (VIDA)
- Australian Youth Ambassadors for Development (AYAD)
- Canadian Centre for International Studies and Cooperation (CECI)
- Western Washington University

Financial and material support has come from a variety of sources and locations around the world. A particular thank you goes to World Vision Singapore for funding the bulk of our *Step Ahead* Program.

Non-Government Organisations and Foundations

001 Foundation
3R Club
Australian Foundation for the Peoples of Asia and the Pacific (AFAP)
Ben Em Dang Co Ta
Blue Dragon Children's Trust New Zealand
Catholic Relief Services
Choice Foundation
Cooper Family Foundation
Coup de Pouce Vietnam
EMpower
Emu Park Lions Club
Fulbright Thailand (Thailand United States Educational Foundation)
Happy Feet Limited
Hanoi Association for the Relief of Handicapped Children
Hanoi Red River Runners
HealthRight International
Hewitt Family
Intrepid Foundation
Jenour Foundation
Jochnick Foundation

Johnstown-Milliken Rotary Club
Malaysia Club Vietnam
Mirja Sachs Stiftung
North Sydney Leagues Group
St George's Anglican Church
St. Elizabeth University of Health and Social Sciences
The Duggan Foundation
The Patatas
The Vietnam Society in Oxford
Union of North American Vietnamese Student Associations
Vietnam Women's Union (Hoi Lien Hiep Phu Nu Viet Nam)
Weily Inc
Windermere Adventure Challenge Team
World Vision Singapore
Youth VIP

Governments and Government Agencies

Australian Embassy
British Council
British Embassy
Embassy of India
Embassy of Pakistan
Embassy of the Republic of Panama
Embassy of the Republic of the Sudan
Embassy of the United States
US Department of State (JTIP)

Corporate Sponsors

AusCham
A&H Enterprise
AcornRent Ltd
Apollo Language School
Barclays Capital Singapore
Blue Dragon Restaurant
Carbase Limited
CB Richard Ellis (Vietnam) Co., Ltd
Chia Dai - Lifestyle of Asia
City Sky Golf
Cooper Investors Pty Ltd
Cty Co Phan Hoa Dau & Thiet Bi Cong Nghiep Hanoi
(Petrochemical and Industrial Equipment Joint Stock Company)
DK Engineering
Exotissimo World Travel
Freshfields Bruckhaus Deringer LLP Hanoi
Friesland Campina
Green Mango
Grountmij VN Ltd., Co
Hanoi Elegance Hotel
Hinds Blunden Pty Ltd
Hong Leong Bank
Independent Project Analysis Inc.
Jetstar
KidsTV123

Kraftfoods
Leighton Asia Limited
Leighton Contractors Indonesia
Leighton Offshore Pte Ltd
London Diamond Gallery
Metropole Hotel
Modena Theatre
Niteco Vietnam Ltd
Northwest Orthopaedic Centre
Peace Dental Clinic
Son Ha Spice Company
Tempus UK Ltd
The Remedy Resource
Unilever Vietnam Fund
Vietnam Institute for American Studies (Chau My Research Institute)
VIP Bikes
Xuan Thieu Trading Transport and Construction Joint Stock Company

blue dragon
CHILDREN'S FOUNDATION

Schools and Universities

Apsara Dance Studio (Hanoi, Vietnam)
Bellerive Primary School (Tasmania, Australia)
Canadian International School (Singapore)
Chatsworth International School (Singapore)
FrancAustralia (Australia)
Hutt International Boys' School (Trentham, New Zealand)
International School of Luxembourg (Luxembourg)
ISS International School (Singapore)
Kirwan State High School (Queensland, Australia)
Korowa Anglican Girls School (Victoria, Australia)
Language Link (Hanoi, Vietnam)
Langports (Australia)
Lycee Francais (Singapore)
Mt. Roskill Grammar School (Auckland, New Zealand)
Narara Public School (New South Wales, Australia)
Northern Beaches Secondary College Balgowlah Boys Campus (New South Wales, Australia)
RMIT University Vietnam (Hanoi, Vietnam)
Singapore American School (Singapore)
St. Joseph's International School (Singapore)
Tanglin Trust School (Singapore)
Tuggerah Public School (New South Wales, Australia)
United Nations International School of Hanoi (Vietnam)
United World College South East Asia (Singapore)
Vietnamese National Academy of Music (Hanoi, Vietnam)
Waipahihi School (Taupo, New Zealand)
Zurich International School (Zurich, Switzerland)

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

Contact information

In Vietnam

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Telex: 411319 ANZHANVT
Swift code: ANZBVNVX

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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

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