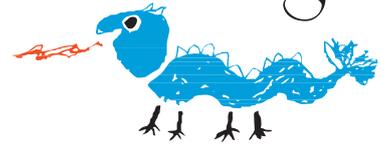


blue dragon



CHILDREN'S FOUNDATION

Blue Dragon Children's
Foundation

Annual Report
July, 2008 - June, 2009



Blue Dragon Children's Foundation

Annual Report July, 2008 - June, 2009

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



Message from the CEO

Dear friends and supporters,

When Blue Dragon was just beginning, we relied entirely on volunteers, and most of our funding came out of our own pockets. Now, a few years on, we have a staff team, and some hundreds of children relying on us to pay their school fees, provide their food and clothing, and look after them when they fall ill.

So as the world financial crisis reared its head, Blue Dragon knew that tough times were coming. Our financial commitment to children in Vietnam is substantial, and for a while things were looking quite bleak for us.

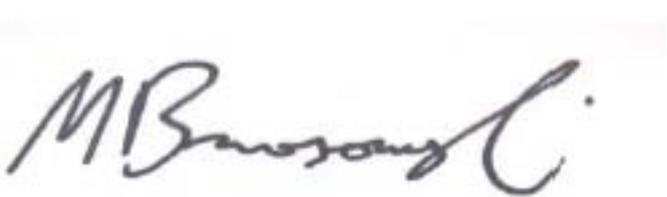
To prepare for the worst, we undertook a period of rapid consolidation, which meant making some cut-backs and reducing our expenditure in many areas. At the same time, we wanted to continue our policy of 'never saying no' to a child in need – but things were tight.

Thankfully, donors and friends around the world stood by us, and many even increased their sup-

port to make sure we could get through the year. This combined effort of tightening our belts and extra support from our good friends meant that we made it through the year intact, and no child had to be turned away from receiving our help.

We are very proud of maintaining the integrity of our programs over the past year, but we share the credit with our donors who kept us going.

Thank you, one and all, for believing in the Blue Dragon vision and caring for the kids.



Michael Brosowski
Founder and CEO
Blue Dragon Children's Foundation



Blue Dragon United Football Team gee-up before match.

who are we?

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

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

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
- **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.





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.
August 2005	Stay In School provides support to 350 rural children.
January 2006	Step Ahead 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 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.
August 2008	Stay In School 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.



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 onto 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 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.



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 250 - 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 the Step Ahead program has an Individual Plan created through a process of negotiation between social workers, the child, and the child's family or caregivers (if any). Individual 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 and one residential home, 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 for disadvantaged young people, 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 nutritious meals. Children and young people receive support according to need, rather than a 'one size fits all' approach.

Step Ahead in 2008 - 2009

At an organisational level, Step Ahead has focused on consolidating and rethinking its work with street children. This involved a formal program evaluation in January 2009; the consolidation of 2 residential homes into 1 in October 2008; and the employment of 1.5 Outreach Workers to improve our ability to reach children who live and work on the streets of Hanoi.

As well, considerable time was spent with senior staff internally reviewing practices The Blue Dragon centre in Hanoi and philosophies, to help the program renew its focus on Hanoi's neediest children.

Other areas of the program to be strengthened were our work with children with disabilities, by appointing an outstanding Disabilities Services Coordinator; and health, by contracting with a nurse to work at our centre one day per week.

Significant events throughout the year included:

- A trip for 23 children with disabilities and 18 parents to Ha Long Bay.
- The introduction of Activity Boxes for house-bound children with disabilities.

- 10 workshops were held for parents and caregivers of disadvantaged children, on topics such as HIV/AIDS and discipline.
- The graduation from Grade 12 of 14 students, most of whom planned to apply for tertiary studies.

In short, this was a big year for rethinking and strategising the work of Step Ahead; but we did not let this interfere with our hands-on work with children in need.

future Plans

The greatest threat to our program is the insecurity of our two main premises the drop-in centre and the residential home. We continue to hope to find a generous sponsor to help us ensure our tenure on these buildings.

Throughout the year we will continue to focus more closely on the current needs of street children in Hanoi, and in particular on teenagers leaving reform schools and prisons and returning to the streets.

Finally, we hope to find more avenues during this coming year for us to disseminate our knowledge and experience of working with disadvantaged children in Vietnam.



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 350 students in 15 schools throughout Thuan Thanh District of Bac Ninh province, about 40kms north of Hanoi.

what the Program offers

Inspiration for Stay in School came from Blue Dragon staff working with street kids in Hanoi, who realised 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, writing books, stationery, and a school shirt – and pays school fees 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)



stay In school in 2008 - 2009

In 2008-09, Blue Dragon sponsored 342 children across grades 5 to 12. Blue Dragon could only find sponsors to support 247 children, and used our general funds and donations to support the remaining 91.

Sponsored children were spread throughout school grades as represented by the graph.

In addition to supporting 342 children to attend school, Blue Dragon was involved in several small projects to directly assist children in need. These projects included:

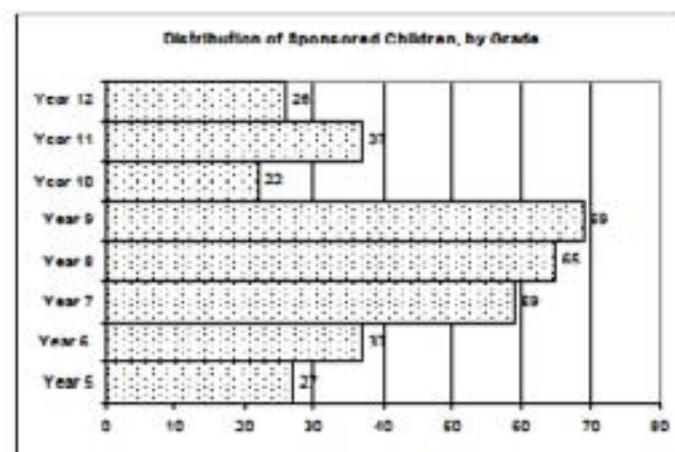
- Supporting one Year 12 graduate to attend college
- An art workshop for 30 children.

future PLans

In 2009 - 2010, Blue Dragon plans to expand to one new district in order to reach more disadvantaged students. Our initial goal is to increase the number of

program beneficiaries by at least 50.

We hope also 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

3

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 from severely impoverished families in and around Hoi An town of Quang Nam province.

Many residents of the Home are from families living on Cham Island, off the coast of Vietnam, and all would be forced to quit school if not for the support of Blue Dragon. Residents are aged between 12 and 18 years old.

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. 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 cook-

ing clubs, IT classes, foreign language training, and swimming lessons are offered.

The Hoi An Children's Home in 2008 - 2009

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

- Residents took part in a series of Reproductive Health classes
- An Australian Social Worker joined the Home as a volunteer in March 2008 to train local staff
- 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 buildings was converted into a study and 'quiet space' for residents
- A reunion for past residents was held

Future Plans

Blue Dragon is committed to handing the Hoi An Children's Home over to local management by the year 2011. To prepare for this, we aim to sign an agreement with another charitable organisation based in Hoi An during the 2009 – 2010 period to commence a transition period for the handover of management of the Home.



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 Doan district 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 nec-

essary, 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.

Safe AND Sound in 2008- 2009

Safe And Sound made a significant impact this year. Twenty-two children were rescued from factories in Ho Chi Minh City, and each rescue trip was support-



ed by local government officials from Hue – the province from which the children were trafficked – as well as journalists from Vietnamese media outlets.

Extensive coverage of these reoccurring stories of trafficking in Vietnamese national newspapers has resulted in considerable pressure on the central government to act on this issue. During December and, a series of 6 articles in Tuoi Tre Newspaper resulted in a Government Minister announcing that the Ho Chi Minh City Government must step in to end this exploitation.

In Hue, Safe And Sound funded the building of 4 new houses for extremely poor families, and helped 56 children to attend school. At the end of June 2009,

a community centre in one village has been rented, and with some repairs and the addition of equipment, should soon be ready for operation.

future Plans

The next step for Safe And Sound is to develop long term strategies for helping families lift themselves out of poverty. To this end, we are planning to engage targeted families in a trial income-generating program to help them become more self-sufficient. We are also hoping to encourage other international NGOs to the area to work on poverty alleviation for the communes most affected by trafficking.

other Programs

Legal Advocacy

An essential part of Blue Dragon's work involves providing a legal advocacy service to children who are enrolled in any one of our programs.

In 2008 – 2009, Blue Dragon employed two full-time lawyers who work to achieve outcomes such as:

- obtaining legal registration papers for children, teens, and families;
- ensuring that children in conflict with the law receive proper and just
- treatment;
- advising victims of crime on how to seek justice;
- teaching children about their rights and responsibilities; and
- working with local police and government authorities.

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

VIP Bikes

In early 2008, Blue Dragon worked with a local engineer to establish a social enterprise known as VIP

Bikes.

VIP Bikes rents and repairs motorbikes, offering a high quality service, while also training disadvantaged youth from Blue Dragon.

During 2008-2009, VIP Bikes grew rapidly, from having less than 10 motorbikes for rent in July 2008, to having 50 in June 2009.

Individual Assistance

Blue Dragon works with many children and teenagers who do not fit neatly into our 4 main programs. A common example is of runaway children we meet through the Step Ahead program, who we then reunite with their families but 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 direct support to any child according to their needs. We normally have 20-30 children receiving Individual Assistance.

OUR FINANCES

Highlights of the 2008-2009 financial year

- An increase in support from the public resulted in our income increasing by 21% over the 2007 – 2008 financial year.
- Blue Dragon's activities continued to develop during the year.

Expenditure increased 24% compared to the previous year, mostly due to: increased expenditure for the Hoi An Children's Home; the expansion of the Safe and Sound program; and many new activities for children in Step Ahead.

Financial Audit

This was the third year in which Blue Dragon's accounts were audited by an independent, external auditing firm (KTC Assurance and Business Advisors).

Their auditors concluded on August 24, 2009:

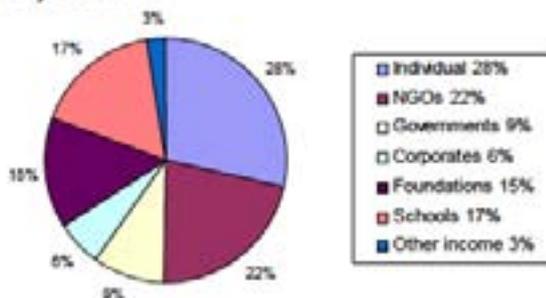
"We have audited the balance sheet of Blue Dragon Children's Foundation (Blue Dragon) as at 30 June 2009, and the related statement of income and expenditure... The financial statements have been prepared by the Blue Dragon's management in accordance with comprehensive accounting policies... In our opinion, the financial statements give a true and fair view of the financial position of the Blue Dragon as at 30 June 2009 and of its income and expenditure and fund balance for the year then ended in accordance with the accounting policies disclosed in the Note 2."



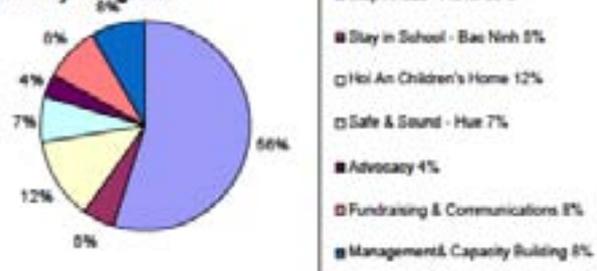


Income and Expenditure for year ended June 2009 at a Glance

Income by Sectors



Expenditure by Programs





STATEMENT OF FINANCIAL POSITION		
As at 30th June 2009		
	2009	2008
Current Assets		
Cash&cash equivalent	137,828	70,022
Receivables	118,606	41,374
Prepayments	27,865	36,855
Stock on Hand	2,331	906
Other current assets	14,583	14,178
Total Current Assets	301,213	163,335
Non-Current Assets		
Equipment at WDV	5,421	4,915
Computers at WDV	6,607	13,006
Vehicle at WDV	5,090	7,173
Leasehold Improvement	18,026	21,031
Total Non-Current Assets	35,144	46,125
Total Assets	336,357	209,460
Current Liabilities		
Payables	8,704	13,943
Tied Funds for Future periods	133,498	19,913
Total Current liabilities	142,202	33,856
Non-Current Liabilities		-
Total Liabilities	142,202	33,856
Net Assets	194,155	175,604
Available Funds		
Balance at Beginning of period	175,604	153,063
Currency Variations	-9,480	-7,181
Current year Surplus	28,031	29,721
Total Available Funds	194,155	175,604

STATEMENT OF FINANCIAL ACTIVITIES		
For year-ended 30th June 2009		
	2009	2008
Income		
Donations	429,975	358,977
Other income	19,609	12,013
Total Income	449,584	370,990
Expenses		
Salaries and Employee costs	168,372	124,029
Office Supplies&Equipment	16,779	16,311
Education	46,680	31,241
Health	6,435	7,758
Nutrition	31,269	28,310
Relief supplies	54,892	55,030
Travel	24,596	18,368
Occupancy	48,157	42,793
Communication	4,513	3,195
Hospitality & Events	12,350	10,182
General & Administrative	7,510	4,052
Total Expenses	421,553	341,269
Operating Surplus	28,031	29,721



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)
- 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)
- Volunteering for International Development from Australia (VIDA)
- Volunteer Services Overseas (VSO)
- Australian Business Volunteers (ABV)

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

Australian Charity for the Children of Vietnam
 Catholic Relief Services
 Coup de Pouce
 Hanoi International Women's Club
 SHARE, University of New South Wales
 World Vision Singapore
 100 Friends

Governments and Governmental Agencies

Australian Agency for International Development
 Australian Embassy
 New Zealand Embassy
 Royal Thai Embassy

Foundations

ArtAction Singapore
 Australia and New Zealand Group
 Ben Em Dang Co Ta
 Club Assist
 Cooper Foundation
 First Congressional United Church of Christ
 Intrepid Foundation



Jenour Foundation
Langports ELC
Lincoln Crowne Foundation
Mirja Sachs Stiftung
Planet Wheeler Foundation
WP Schmitz Stiftung

Corporate Sponsors

Asia Pacific Sports Management
Cooper Investments
FrancAustralia Education
Freshfields Law
Lincoln Crowne Foundation
Rhino Car Hire
Unilever Vietnam
Vodafone

Schools

American School Trust
Chatsworth International School
German European School, Singapore
Hale School
Lycee Francaise, Singapore
Mount Roskill Grammar
North Sydney Girls High School
St. Elizabeth's University of Social Work, Slovakia
St. Joseph's International
Singapore American School
Tanglin Trust School
Tuggerah Public School
United Nations International School, Hanoi
United World College Southeast Asia
Victoria University
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 Details

In Vietnam

Postal address
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Contact
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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
NSW Registration No.: INC9881392
Banking details
Bank: Commonwealth Bank
Branch: Paddington, Sydney
Account Name: Blue Dragon Children's Foundation
Account number: 903 117 402
BSB: 012 243



Girls practice cheer leading moves at Blue Dragon Drop-in Center