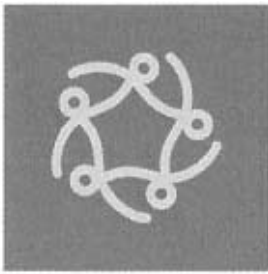




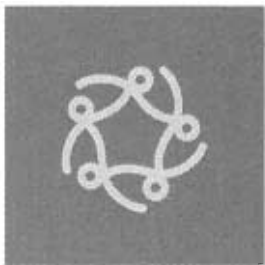
Saigon Children's Charity CIO
Annual Report for the year ended
31 December 2017





Saigon Children's Charity CIO
Annual Report
For the year ended 31 December 2017

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Saigon Children's Charity CIO Organisation Information

Board of Trustees

Alain Xavier Cany (Chairman)
Paul Graham Cleves
Diana Simone Wells
Mark Anthony Fraser
Jonathon Ralph Alexander Waugh
Nguyen Thi Thanh Truc
Paul Theodore McGee
Hoang Tri Mai
David Huw Appleton
Jakki Lydall (from 24 February 2017)

Executive Director

Damien Roberts (from 1 April 2018)
Timothy John Mullett (until 31 January 2018)

Senior Management Team

Head of Programmes

Nguyen Thi Duy Huong

Head of Fundraising &
Communications

Nguyen Le Yeu Thuong (until 30 November 2017)

Head of Finance & Admin

Le Le An Na

CDSP Programme Manager

Tran To Nhu

School Building & Learning
Environment Programme
Manager

Nguyen Hoang Phuong

Getting Ready for Work
Programme Manager

Tran Thi Hue

Special Needs Educational
Programme Manager

Do Thi Hien

United Kingdom Charity Registration Number

1157774

Registered Office (United Kingdom)

24 Gloucester Road
Teddington, Middlesex
TW11 ONU

Main Operating Office (Vietnam)

59 Tran Quoc Thao
District 3, Ho Chi Minh City, Vietnam

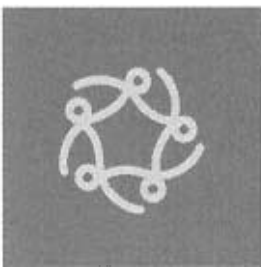
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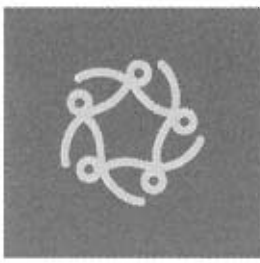
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**Saigon Children's Charity CIO
Organisation Information (continued)**

Bankers	HSBC United Kingdom, HSBC Vietnam; Vietnam International Bank (VIB) (from 1 April 2017) ANZ Vietnam, Singapore, New Zealand & Australia Standard Chartered Hong Kong (from 1 May 2017)
Legal Advice (pro bono)	Frasers Law Company The Metropolitan, 235 Dong Khoi, District 1, Ho Chi Minh City, Vietnam
Auditor (pro bono)	KPMG Limited Vietnam



Chairman's message

From the Chairman of Saigon Children's Charity CIO, Mr Alain Cany

The need for the support provided by saigonchildren remains strong. While Vietnam continues to develop economically, the challenge remains to ensure that this is felt equally by all. Vietnam is over 1000 miles long (a distance equivalent to travelling from London to Algeria) and has the 15th largest population in the world, meaning that areas remain where access to education is more difficult, and where poverty remains an issue. Moreover, we continue to support children with disabilities, both physical and mental, and feel that this remains a clear area where ongoing support is vital.

Saigonchildren continues to provide invaluable assistance to tens of thousands of disadvantaged children and their families, carers and teachers. Over the past 25 years of successful operations in Vietnam, saigonchildren has witnessed countless examples of education providing a lifeline to poor families, empowering children and young people to change the lives of their family and ensure a better life for generations.

Now more than ever I thank our donors, partners, volunteers and supporters for their generosity, kindness, enthusiasm and dedication.

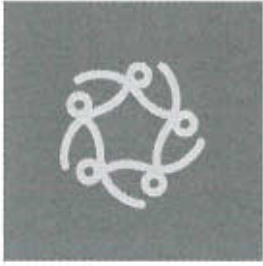
I remain committed to ensuring that saigonchildren continues to be an efficient and effective organisation, achieving lasting improvements in the lives of children in all of the areas in which we work.

The Trustees, led by me, also remain vigilant regarding transparency and governance, continuing to ensure that - as for the past 25 years – all money received is used for the benefit of the children and young people we serve. We thank our trusted partners across Vietnam for enabling us to be certain that this remains the case.

This Trustees Annual Report and comprising the Chairman's report, Director's report, Final Accounts and Notes, has been approved by the Trustees of Saigon Children's Charity CIO on 27 July 2018, and I am authorised to sign the report on their behalf.

Thank you.

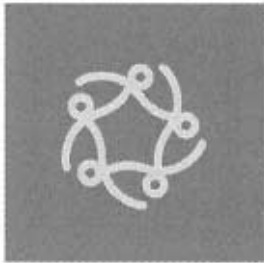
Alain Cany
Chairman of the Board of Trustees
Saigon Children's Charity CIO
Charity Number 157774



Declaration – Serious Incidents

Charity Law requires us as Saigon Children's Charity CIO Board of Trustees to submit and sign, as part of this annual return, this declaration to confirm that there were no serious incidents or other matters relating to Saigon Children's Charity CIO during the previous financial year, 2017, that we should have brought to the attention of the Charity Commission of England and Wales, but have not.

Alain Cany
Chairman of the Board of Trustees
Saigon Children's Charity CIO
Charity Number 157774



DIRECTOR'S REPORT: 1 JANUARY – 31 DECEMBER 2017

AUTHOR'S NOTE: This report is written by Damien Roberts who joined Saigon Children's Charity CIO on 1st April 2018 as the new Executive Director. This report is for the reporting year of 2017 in which Damien did not work for Saigon Children's Charity CIO. The narrative report is based on input from the relevant Heads of Department and Managers, organisational strategy documents, and correspondence from the previous Executive Director. This narrative report is presented in good faith as an accurate reflection of the organisation's performance in 2017. The financial report is independently assessed as accurate.

PUBLIC BENEFIT

The Trustees have had due regard to the Charity Commission's public benefit guidance when exercising their powers and duties. This report is designed to demonstrate Saigon Children's Charity CIO's activities, thinking and approach in working with the children, families and communities in which we operate to ensure their well-being, and that Saigon Children's Charity CIO continuously strives to deliver real benefit to those people we support, in a way that enables them to use this support constructively in their lives.

OBJECTIVES OF SAIGON CHILDREN'S CHARITY CIO

Saigon Children's Charity CIO (referred to by the trademarked name 'saigonchildren™') is committed to ensuring those children and young people in the most difficult circumstances receive an education. We believe that education is the most lasting, effective and sustainable way we can help children and their families to escape from the cycle of poverty, and contribute to the continued growth and development of Vietnam. Saigonchildren assists the most disadvantaged children by giving them an opportunity to realise their potential, receive a good education, maintain good health and able to sustain themselves and contribute substantially to their families and their communities.

ACHIEVEMENTS AND PERFORMANCE

In 2017 we continued to follow the consolidation strategy for 2015-17. We aimed to maintain our programmes at similar levels and have faced some reductions in scale as we have continued our focus on systems and processes and controls, and staff capacity, with the intention of strengthening in order to allow for future development and growth. Exceptional income from events has contributed substantially to our total funding.

Core elements of the strategy for the years 2015-17 are:

- **To Maintain Current Direction:** Maintain and develop the core programmes of Child Development (CDP), School Building (SB), Development and Integration (DIP) and Working With Others (WWO), evolving them as need and opportunity dictates.

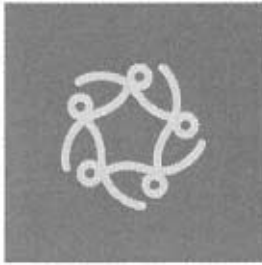
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- **Greater Engagement around Core Programmes:** Work more closely with schools, particularly, but also with families and communities to support children's development and build our expertise.
- **Development of saigonchildren:** Update infrastructure, systems and processes to continue to make the organisation more professional without losing the soul of the charity, its core focus on improving the lives of children, or its reputation for quality and transparency.

Our work continues to be focused on 4 main programmes:

1. Child Development Programme (CDP):

- providing scholarships to disadvantaged children from primary school to university and college, allowing them the chance to get into and stay in school.

2. School Building and Learning Environment (SB):

- building or renovating small kindergarten and primary schools in remote rural areas, often satellites of central schools.

3. Development and Integration Programme (DIP):

- providing Vocational Training and Life Skills to older children and young adults, to help them transition from education to gainful employment.

4. Working With Others (WVO):

- building capacity in special needs education by providing small grants and supporting advice to centres supporting children with a disability, especially growing their management and teacher knowledge.

PROGRAMMES

Child Development Programme (CDP)

The Child Development Programme is renamed as Child Development Scholarship Programme (CDSP) for clarity. The assistance provided remains unchanged – it is in the form of school fees, uniforms, notebooks, and where the community chooses it, rice. The children are often at high risk of dropping out of school for a variety of reasons including family circumstance and poverty, health, pressure to bring in an income, distance to school and many others. Programme Officers share their time equally between identifying deserving recipients of scholarships, and advising and counselling children and their parents, in order to keep them in school.

At the end of School year 2015-16 we were supporting 2,268 students. We began 2017 with 1,835 students in the programme, a reduction partly due to changes to our funding timetable and admission practice around the programme. We hoped that the total number of students would rise again this year but this has not happened as a number of long-term donors have reduced their support.

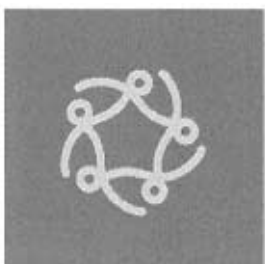
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The allocation of responsibilities between the Programme and Fundraising teams for the management of relationships with donors, for the management of child data, and new control processes to improve the transparency of the financial administration of the programme has been an internal challenge which has inevitably drawn some resource.

In 2017 we were supporting students in Ho Chi Minh City, Tay Ninh, Tra Vinh, Tien Giang, Dong Nai, Binh Phuoc, and Hau Giang. Nearly 300 students in Hau Giang are sponsored as part of the Project 3E partnership with ANZ Bank, which focuses on Long My District in Hai Giang province. We continued our partnership with An Duong, another NGO known well to us in this area, to oversee our scholarship delivery in this area, and this has worked well.

School Building and Learning Environments Programme

The School Building programme build or renovates schools within the state system, in remote rural locations. These are usually small two or three classroom kindergartens and primary schools.

In 2017 we built eight schools, 33% down on the previous year and the 2017 target, and renovated an additional two schools.

Pleasingly, our school building work has been expanded geographically, reaching further across Vietnam, including to the northern province of Tuyen Quang.

Importantly, donors continue to report high satisfaction with the results of our school building programme work.

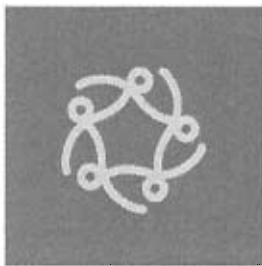
The table below shows programme's results in 2017:

2017	Target	Achieved by Dec.2017	
Schools built (classrooms)	12	08 schools (22 classrooms)	66.6%
Schools renovated (classrooms)	0	02 schools (07 classrooms)	
Children benefitted from new built and/or renovated schools each academic year		835	

Development and Integration Programme (DIP)

This programme delivers Vocational and Life Skills Training and has been renamed 'Getting Ready for Work'.

In 2017, 41 disadvantaged youngsters were supported with vocational training and job placement, with one-to-one counselling and close follow-up on each case undertaken to ensure the best possible outcomes.

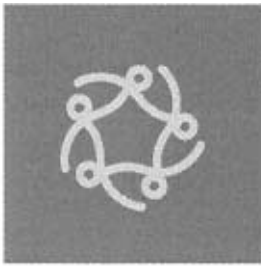


The quality of teaching and learning in English language and computer skill at Thang Long School have improved strongly. As a result, young people who participated in TOEIC (Test Of English for International Communication) for English and the Microsoft Office Specialist test for IT, got very high scores.

Career counselling and orientation for secondary students continued to be implemented successfully and appreciated by the local authorities. This project has strengthened the capacity of teachers of 11 secondary schools in District 8 of Ho Chi Minh City and has proved to be very sustainable with support provided to around 7000 children and young people.

Development and Integration Programme (DIP) results achieved during 2017:

2017	Target	Achieved by Dec.2017	
Short-term Vocational Training Project			
Young people supported with vocational training	123	113	92%
Young people completed the training courses within the year		62	
Young people dropped out during the year		16	
Young people started the training course in 2017 and continued in 2018		35	
Young people with a stable job after having completed the training course within the year	50	41	82%
Young people had minimum income of US\$160 per month among those who had stable job	45	38	84%
English Training Project			
Students supported with English training	350	393	112%
Students improved their skills (via tests results)	259	232	90%
Received TOEIC certificate	12	14	117%
IT Training Project			
Students supported with IT training	55	67	121%
Received certificates	19	16	84%
Psycho-social Counselling and Life-skills Training Project			
Life skills topic provided to youngsters	11	11	100%
Training sessions organised	27	27	
Participants in training sessions	880	836	95%
Counselling sessions provided	85	85	100%
Social Activities Project			
Students supported with painting class	25	44	176%
Students supported with dance class		45	
Students participated in social activities	80	97	121%



2017	Target	Achieved by Dec.2017	
Career Counselling for Secondary students Project			
Teachers received training (on <i>Counselling Skills for Parents; How to Effectively Solve Unexpected Situations Occurring During a Counselling Session</i>)	114	114	
Students of academic year 2016-2017 received career counselling	3,261	3,159	96.87%
Students of academic year 2017-2018 received career counselling	4,088	4,088	100%
Parents received counselling (academic year 2016-2017)	3,261	3,261	100%
Parents received in-depth counselling (academic year 2016-2017)		436	

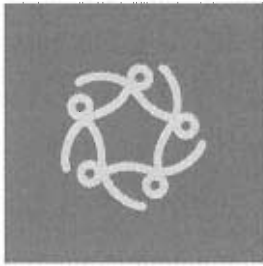
Working with Others

This programme is renamed the Special Needs Education Programme (SNEP) for clarity. Thorough coordination and facilitation of the programme team in all projects between trainees and trainers from the UK and US ensured the high quality of all training. The projects focused on building capacity of teachers/caregivers in the field of autism and intellectual disabilities which bring long term and sustainable impact for the development of children with disabilities. Ms Hien, the Programme Manager responsible for this work, received a prestigious Chevening scholarship to study a Masters' degree on Autism in Childhood in the UK – this will strengthen our expertise in this area.

2017	Achieved by Dec.2017
Projects funded in Grant 2017	04
Direct beneficiaries, including teachers and children with disabilities	208
Indirect beneficiaries including children with disabilities and their parents	490

FUNDRAISING AND COMMUNICATIONS

We have completed a number of sizeable projects successfully, and are working hard to replace the funding associated with some significant corporate, institutional and individual donors with whom various projects have been concluded. We have had some turnover in fundraising staff which has been a challenge, but despite this we have secured a major new donor - QSR Vietnam – who have funded a new school building with US\$50,000.



The longstanding former donor Premier Oil is back with funding for a new school after a break in 2016.

Our events have raised record levels of funding this year and we remain financially robust.

Main Fundraising activities:

- Our Hong Kong fundraising event “Eat, Drink, Buy a Brick” was held in May and raised approximately US\$80,000 to build a school;
- The Annual Saigon Summer Ball was held in June. About 280 guests helped us to raise over US\$120,000 net of costs;
- The 8th Charity Cycle Adventure raised nearly US\$70,000 net. This took place on 17-19 November with three times the number of riders from last year;
- The Cyclo Challenge was cancelled as a result of limited internal resources and challenges around generating sufficient income from the event;
- A Wine Dinner with Angelus wine auction was held at the French consulate, raising over US\$91,000 to build two schools;
- The 8th Hanoi to Ho Chi Minh Cycle Ride (H2H) raised US\$42,000 net, of which saigonchildren received US\$16,500 with the remainder disbursed to other local charities. It was the first time the H2H ride featured a Vietnamese rider;
- Calendar Sponsorship raised about US\$2,000 net of cost and gave us 1,000 calendars to give to our supporters.

Communications

A rebranding has been implemented to move away from 'SCC' to the more identifiable brand of 'saigonchildren'. We feel that this will enable us to better stand out on an increasingly busy NGO environment in Vietnam, and to provide more clarity on our origins and our focus. The new trademarked name affords us better IP protection which is important in ensuring that stakeholders continue to have absolute certainty in our reputation, wherever in the world they are based. The attractive new logo maintains our heritage, while offering a new, fresh face to the world as we look to build new relationships with donors and partners.

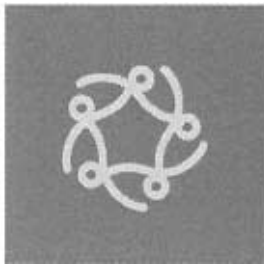
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FINANCIAL REVIEW

Our finance is run through Sun Systems which helps proper tracking, recording and reporting on our complex income and expenditure lines.

Our audit this year was conducted again by KPMG Vietnam who once again provided this service on a pro bono basis – for which we are sincerely grateful.

Analysis of accounts

Following completion of several major projects, 2017 has seen a drop in overall income from 2016 of nearly 10%, after a 2% drop from 2015 to 2016.

We have experienced a further drop on the number of children supported by scholarships in academic year 2017-18. This was caused by a reduction in the number of donors, following challenges with timely communications. Our new donor system will hopefully support a quick response to this, with faster and more efficient engagement.

Unrestricted income was supported once again by large amounts of funds raised at several international events and our Summer Ball.

Once again it is clear that the restricted funds we raise for our programmes need to be supplemented by the unrestricted funds we raise each year, in particular to cover support costs, and raising these unrestricted funds is an ongoing and growing challenge.

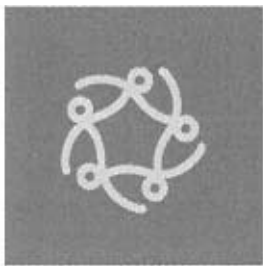
We are very appreciative of our Trustees who generally do not draw expenses, but support us on a wholly voluntary basis. Accordingly, Governance costs remain very low.

Risks and Reserves

The key risks identified for saigonchildren are reputational, regulatory and financial. saigonchildren's reputation is strong, but we understand that a single instance can have a significant effect. Accordingly we will review and revise our protection policies on the year ahead to ensure that they remain 'gold-standard'. The regulatory risk comes from Vietnam's legal framework, where rapid and unpredictable changes can take place. Withdrawal of our license would be the highest area of risk in this area, although it is considered highly unlikely.

The greatest risk to saigonchildren is a significant loss of funding. While many of our projects wait for funding before starting, we have areas of ongoing operation or commitment which the Trustees have agreed should be protected by reserves. The need for reserves has been specifically identified:

- To ensure that in all circumstances we can provide up to 6 months' support to scholarship children.
- To ensure that we can, in all circumstances, provide up to 6 months' notice to teachers and students at Thang Long School.



- To provide for above minimum levels of notice period and pay for existing staff of the charity
- In all above scenarios to provide enough operating time (up to 6 months) for the charity to assign its responsibilities adequately elsewhere where possible.
- To provide for other emergencies and adverse unforeseen matters which have a financial implication on the charity.

The agreed reserve is based on total value for each of these areas, factored by 60% to reflect our diverse funding sources and that it is unlikely all risk areas would come to bear at the same time.

To avoid excessive reserve holdings the Trustees have also agreed our reserves should not exceed 20% of income at current levels. The budgeted maximum reserve for 2017 therefore was set at \$315,000 and the closing balance for 2017 was \$284,548.

STRUCTURE, GOVERNANCE AND MANAGEMENT

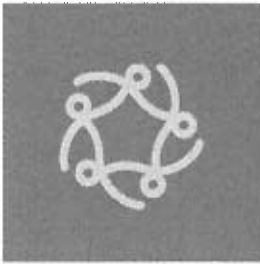
Saigon Children's Charity CIO is managed by a Constitution and is a Charitable Incorporated Organisation. The organisation is governed by a Board of Trustees.

At the end of 2017 there were 10 Trustees with 6 being based in Ho Chi Minh City, one in Hanoi, one in Hong Kong and two in England.

Trustees are selected by the Board, and invited to join with proper regard to their suitability for the role as well as what skills they are able to add to the Board. They are provided with Charity Commission guidance as well as an induction and introduction to staff and programmes. More about the Trustees and Saigon Children's Charity CIO can be found on our website – www.saigonchildren.com.

The Trustees delegate management of the day-to-day activities of the organisation to the Executive Director, Tim Mullett, and this is managed through an approved strategy, annual policy paper and annual budget. This allows an appropriate degree of autonomy for the Executive Director whilst ensuring that the Trustees remain informed and involved in a timely manner on key agreed areas such as:

- Significant policy, procedural or project changes
- Financial concerns
- Major personnel issues
- Fundraising and other opportunities for engagement
- Other matters of significance



The Trustees aim to meet formally as a Board every quarter, and more frequently if required, and receive regular financial and activity update reports on all aspects of the organisation. The Director meets with the Chairman every 2-4 weeks where possible. Performance and pay of the Director is evaluated by the Trustees and other staff pay is proposed by the Director through the budget. Trustees take a very active interest in the organisation and are often involved in supporting aspects of the work, when required, as well as participating in fundraising events and other activities.

LOOKING AHEAD

We will work hard to continue to improve our donor engagement and increase our income so they we can support a growing number of disadvantaged children.

As always we will ensure that our resources are being expended in the most efficient way possible, that we have the right programmes to deliver the greatest impact, the right partners in place and the right approaches to give the children and young adults we support the best chance possible of a brighter future.

There are also changes ahead in the UK in the area of fundraising regulation and data management. As a UK charity we must take full account of new laws and requirements, and make sure we are prepared and fully compliant.

2017 was the 25th Anniversary of our inception as a charity. The impact of saigonchildren over 25 years has been very significant, with over 35,000 disadvantaged children having received scholarships, over 10,000 students have been enrolled in vocational training courses, over 470 new classrooms have given a clean and safe early learning space for primary and kindergarten children, and special needs education across Vietnam is improving year on year.

Our work in Vietnam is made possible by our local partners, who help us to identify those who need support, and deliver help in an efficient and cost-effective way. Every project we undertake is done in partnership with trusted local authorities and organisations at every level, whose support we continue to value highly.



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District 1, Ho Chi Minh City, Vietnam
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INDEPENDENT AUDITOR'S REPORT

**To the Trustees
Saigon Children's Charity CIO**

Auditor's Opinion

We have audited the financial statements of Saigon Children's Charity CIO ("the Organisation"), which comprise balance sheet as at 31 December 2017, and the statement of financial activities and the statement of cash flows for the year then ended, and notes to the financial statements, including significant accounting policies and other explanatory information which were authorised for issue by the Board of Trustees on 27 July 2018, as set out on pages 17 to 28.

In our opinion, the accompanying financial statements give a true and fair view of the state of Saigon Children's Charity CIO's affairs as at 31 December 2017, and its financial activities and its statement of cash flows for the year then ended, which have been properly prepared in accordance with the Statement of Recommended Practice applicable to charities, Charities SORP (FRS102), and the Charities Act 2011. Charities SORP (FRS102) is applicable to the accounts of relevant charities for reporting periods beginning on or after 1 January 2015.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organisation in accordance with the ethical requirements that are relevant to our audit of the financial statements in jurisdiction, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Trustees for the Financial Statements

Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the Statement of Recommended Practice applicable to charities, Charities SORP (FRS102), and the Charities Act 2011. Charities SORP (FRS102) is applicable to the accounts of relevant charities for reporting periods beginning on or after 1 January 2015. These responsibilities includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Trustees are responsible for overseeing the Organisation's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 'Reasonable assurance' is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organisation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Trustees.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Nguyen Thanh Nghi.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No.: 17-01-1124



Nguyen Thanh Nghi

Practicing Auditor Registration
Certificate No. 0304-2018-007-1
Deputy General Director

Ho Chi Minh City, 27 July 2018

Saigon Children's Charity CIO
Statement of financial activities for the year ended 31 December 2017

	Note	2017 Unrestricted funds USD	2017 Restricted funds USD	2017 Total USD	2016 Total USD
Income					
<i>Donations</i>					
School building		-	435,520	435,520	714,698
Child Development Scholarship Program (formerly known as scholarships) (*)		-	248,163	248,163	297,011
Getting Ready for work (formerly known as vocational training) (*)		-	118,554	118,554	110,867
Special need education Program (formerly known as working with others) (*)		-	50,862	50,862	60,838
General donations		51,495	-	51,495	75,211
Bank interest		-	942	942	-
Others		-	6,548	6,548	-
Events and trading activities	3	380,587	42,155	422,742	255,480
Exchange differences		3,078	6,540	9,618	(16,126)
Total Income		435,160	909,284	1,344,444	1,497,979

The accompanying notes are an integral part of these financial statements

Saigon Children's Charity CIO
Statement of financial activities for the year ended 31 December 2017
(continued)

	Note	2017 Unrestricted funds USD	2017 Restricted funds USD	2017 Total USD	2016 Total USD
Expenditure					
<i>Charitable activities:</i>					
School building		-	483,854	483,854	663,393
Child Development Scholarship Program (formerly known as scholarships) (*)		-	341,225	341,225	367,974
Getting Ready for work (formerly known as vocational training) (*)		-	192,512	192,512	193,838
Special need education Program (formerly known as working with others) (*)		-	85,443	85,443	63,527
<i>Cost of generating funds:</i>					
Fund raising	4	152,759	72,104	224,863	172,043
Governance	5	7,257	15,422	22,679	11,868
Total Expenditure		160,016	1,190,560	1,350,576	1,472,643
Net (expenditure)/income before transfers		275,144	(281,276)	(6,132)	25,336
Gross transfers between funds		(281,276)	281,276	-	-
Net (expenditure)/income after transfers		(6,132)	-	(6,132)	25,336

(*) Board of Trustees decided to change presented name of three key programmes from 2017. However, there was no any change in their nature.

The accounts were approved and authorised for issue by the Board of Trustees on 27 July 2018.

Prepared by:



Le Le An Na
Head of Finance and
Administration

Reviewed by:



Damien Roberts
Executive Director

Approved by:



Alain Xavier Cany
Chairman
on behalf of
the Board of Trustees

The accompanying notes are an integral part of these financial statements

Saigon Children's Charity CIO
Balance sheet at 31 December 2017

	Note	31/12/2017 USD	31/12/2016 USD
Long-term assets			
Accounts receivable	9	-	1,929
Current assets			
Accounts receivable	9	49,848	24,922
Cash	10	952,043	990,872
		<hr/>	<hr/>
		1,001,891	1,017,723
Long-term liabilities			
Deferred income	12	(6,442)	(33,643)
Current liabilities			
Accrued expenses	11	(408,886)	(409,286)
Deferred income	12	(302,015)	(284,114)
		<hr/>	<hr/>
		(717,343)	(727,043)
Net assets			
		<hr/>	<hr/>
		284,548	290,680
Funds			
Funds brought forward at the beginning of the year		290,680	265,344
Net (expenditure)/income for the year		(6,132)	25,336
		<hr/>	<hr/>
Funds carried forward at the end of the year	13	284,548	290,680

The accounts were approved and authorised for issue by the Board of Trustees on 27 July 2018.

Prepared by:


 Le Le An Na
 Head of Finance and
 Administration

Reviewed by:


 Damien Roberts
 Executive Director

Approved by:


 Alain Xavier Cany
 Chairman
 on behalf of
 the Board of Trustees




The accompanying notes are an integral part of these financial statements

Saigon Children's Charity CIO
Statement of cash flows for the year ended 31 December 2017
(direct method)

	Note	2017 USD	2016 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Income			
School building		478,652	646,309
Child Development Scholarship Program (formerly known as scholarships)		252,223	317,526
Getting Ready for work (formerly known as vocational training)		71,123	129,769
Special need education Program (formerly known as working with others)		50,640	64,325
Other activities		455,548	354,407
Exchange difference		-	4,275
		1,308,186	1,516,611
Expenditure			
School building		473,868	529,341
Child Development Scholarship Program (formerly known as scholarships)		341,212	291,738
Getting Ready for work (formerly known as vocational training)		197,523	143,183
Special need education Program (formerly known as working with others)		91,142	34,702
Other activities		224,855	105,346
Operating expenses		28,033	273,044
Exchange difference		-	2,515
		1,356,633	1,379,869
Net cash flows from operating activities		(48,447)	136,742
Cash at beginning of the year		990,872	870,256
Effect of exchange rate fluctuations on cash		9,618	(16,126)
Cash at end of the year	10	952,043	990,872

The accounts were approved and authorised for issue by the Board of Trustees on 27 July 2018.

Prepared by:

 Le Le An Na
 Head of Finance and
 Administration

Reviewed by:

 Damien Roberts
 Executive Director

Approved by:

 Alain Xavier Cany
 Chairman
 on behalf of
 the Board of Trustees

The accompanying notes are an integral part of these financial statements

Saigon Children's Charity CIO

Notes to the financial statements for the year ended 31 December 2017

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Reporting organisation

The Saigon Children's Charity CIO ("SCC CIO") was entered on the Register of Charities of the Charity Commission of England and Wales on 8 July 2014, with registered charity number 1157774. The SCC CIO's operation in Vietnam was authorised by the Organisation's Establishment Decision of Vietnam No. 21/CNV-VPDA issued by the Ministry of Foreign Affairs of Vietnam dated 31 December 2014 and is valid until 11 April 2018. Its amendment was issued by the Ministry of Foreign Affairs of Vietnam dated 20 April 2018 and is valid until 11 April 2023.

2. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Organisation in the preparation of these financial statements.

(a) Basis of financial statements preparation

The accounting policies are in accordance with the Statement of Recommended Practice applicable to charities, Charities SORP (FRS102), and the Charities Act 2011. Charities SORP (FRS102) is applicable to the accounts of relevant charities for reporting periods beginning on or after 1 January 2015.

The financial statements, except for the statement of cash flows, are prepared on the accrual basis using the historical cost concept. The statement of cash flows is prepared using the direct method.

The Organisation's accounting currency is United States Dollars ("USD"), which is also the currency used for financial statement presentation purpose.

(b) Foreign currency transactions

Monetary assets and liabilities denominated in currencies other than USD are translated into USD at rates of exchange ruling at the balance sheet date. Transactions in currencies other than USD during the year have been translated into USD at rates of exchange ruling at the transaction dates.

All foreign exchange differences are recorded in the statement of financial activities.

(c) Cash

Cash comprises cash balances and call deposits.

Saigon Children's Charity CIO
Notes to the financial statements for the year ended 31 December 2017
(continued)

(d) Accounts receivable

Accounts receivable are stated at cost less allowance for doubtful debts.

(e) Trade payables

Trade payables are stated at their cost.

(f) Income

Unrestricted funds are available for use at the discretion of the Organisation's Trustees in furtherance of the charitable objectives of the Organisation. Restricted funds are subject to specific restrictions imposed by donors or by the purpose of the appeal.

Income is recognised when earned by the Organisation and there are no significant uncertainties regarding the consideration due.

Unrestricted fund income is earned when donors are committed to the donation if there are no significant uncertainties regarding the consideration due, or when the donation is received.

Restricted fund income is earned (i) when donors are committed to the donation if there are no significant uncertainties regarding the consideration due, or when the donation is received; and (ii) when activities for which the fund is donated are started or time prorated in case of Child Development Scholarship Program (formerly known as scholarships).

3. Events and trading activities

	2017 Unrestricted funds USD	2017 Restricted funds USD	2017 Total USD	2016 Total USD
Summer Ball events	167,771	-	167,771	174,240
Charity Cycle Adventure	97,365	-	97,365	27,085
Cyclo challenge	4,973	-	4,973	24,588
H2H bike ride	52,099	-	52,099	16,712
Cards, calendars and T-shirts	18,687	-	18,687	10,256
Photo books/ merchandising	231	-	231	1,130
Overseas fund raising	37,595	42,155	79,750	-
Others	1,866	-	1,866	1,469
	380,587	42,155	422,742	255,480

Saigon Children's Charity CIO
Notes to the financial statements for the year ended 31 December 2017
(continued)

4. Fund raising

	2017 Unrestricted funds USD	2017 Restricted funds USD	2017 Total USD	2016 Total USD
Staff costs	30,274	64,332	94,606	100,843
Support costs	3,657	7,772	11,429	11,202
Summer Ball events	42,037	-	42,037	39,405
Charity Cycle Adventure	31,921	-	31,921	-
Cyclo challenge	-	-	-	14,281
H2H bike ride	38,234	-	38,234	4,951
Cards, calendars and T-shirts	4,694	-	4,694	1,361
Photo books/merchandising	286	-	286	-
Others	1,656	-	1,656	-
	152,759	72,104	224,863	172,043

5. Governance

	2017 Unrestricted funds USD	2017 Restricted funds USD	2017 Total USD	2016 Total USD
Staff costs	4,676	9,936	14,612	9,510
Rent and utilities	977	2,076	3,053	1,036
Office expenses	1,069	2,273	3,342	751
Travelling expenses	57	121	178	25
Bank charges	125	265	390	61
Others	353	751	1,104	485
	7,257	15,422	22,679	11,868

Trustee remuneration and expenses

SCC CIO Trustees are not remunerated and do not usually claim expenses for attending meetings or for fulfilling their duties as Trustees. Expenses are paid once per year for our UK Trustee to visit our projects in Vietnam and attend our annual strategy and budget meeting.

Saigon Children's Charity CIO

Notes to the financial statements for the year ended 31 December 2017 (continued)

6. Allocation and apportionment of support costs

Support costs are apportioned to the key activity areas at Charitable Activities, Cost of generating funds, and Governance each year in appropriate ratios, which are in accordance with the Policy of Apportionment of Support Costs, reviewed and approved annually by the Trustees.

The breakdown of support costs incurred in year, and how they were allocated between Charitable Activities, Cost of generating funds, and Governance are shown in the table below:

Cost type	Charitable activities USD	Cost of generating funds USD	Governance USD	Total USD	Basis of apportion- ment
2017					
Staff costs	137,665	49,166	9,833	196,664	(*)
Rent and utilities	18,064	4,325	3,053	25,442	(**)
Office expenses	19,772	4,734	3,342	27,848	(**)
Travelling expenses	1,055	253	178	1,486	(**)
Bank charges	2,306	552	390	3,248	(**)
Others	6,534	1,565	1,104	9,203	(**)
	185,396	60,595	17,900	263,891	
2016					
Staff costs	133,144	47,551	9,510	190,205	(*)
Rent and utilities	19,945	4,922	1,036	25,903	(**)
Office expenses	14,450	3,566	751	18,767	(**)
Travelling expenses	474	117	25	616	(**)
Bank charges	1,180	291	61	1,532	(**)
Others	9,345	2,307	485	12,137	(**)
	178,538	58,754	11,868	249,160	

(*) Staff time.

(**) Average equivalent key number of people employed within each activity.

Saigon Children's Charity CIO
Notes to the financial statements for the year ended 31 December 2017
(continued)

7. Staff numbers

The average number of persons employed calculated on full-time equivalent basis analysed by activity was:

	Average number	
	2017	2016
Director	1	1
Charitable activities	17	16
Fundraising	4	4
Finance, Admin, HR, IT	8	8
	<hr/>	<hr/>
	30	29
	<hr/>	<hr/>

8. Staff costs

	2017	2016
	USD	USD
Salaries, wages and benefits	318,890	329,674
Insurance	93,601	72,384
Others	7,935	13,299
	<hr/>	<hr/>
	420,426	415,357
	<hr/>	<hr/>

The number of employees whose emoluments (salaries and benefits) fell with the following bands:

	Number of employees	
	2017	2016
USD100,000 - 110,000	1	1
	<hr/>	<hr/>

Saigon Children's Charity CIO
Notes to the financial statements for the year ended 31 December 2017
(continued)

9. Accounts receivable

	31/12/2017	31/12/2016
	USD	USD
Long-term assets		
Others	-	1,929
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Current assets		
Donation receivables	35,038	15,568
Others	14,810	9,354
	<hr/>	<hr/>
	49,848	24,922
	<hr/>	<hr/>

10. Cash

	31/12/2017	31/12/2016
	USD	USD
Cash on hand	4,268	10,746
Cash in banks	947,775	980,126
	<hr/>	<hr/>
	952,043	990,872
	<hr/>	<hr/>

11. Accrued expenses

	31/12/2017	31/12/2016
	USD	USD
School building	369,656	359,676
Bonus and 13th salary	15,169	16,941
Getting Ready for work (formerly known as vocational training)	943	5,964
Others	23,118	26,705
	<hr/>	<hr/>
	408,886	409,286
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Saigon Children's Charity CIO
Notes to the financial statements for the year ended 31 December 2017
(continued)

12. Deferred income

	31/12/2017 USD	31/12/2016 USD
Long-term liabilities		
Restricted donations:		
Child Development Scholarship Program (formerly known as scholarships) (b)	6,442	33,643
<hr/>		
Current liabilities		
Restricted donations:		
School building (a)	100,136	62,445
Child Development Scholarship Program (formerly known as scholarship) (b)	141,987	117,439
Getting Ready for work (formerly known as vocational training) (b)	36,601	87,512
Special need education Program (formerly known as working with others) (b)	17,369	16,718
Others	5,922	-
<hr/>		
	302,015	284,114
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	308,457	317,757
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(a) Deferred income for School Building related to money received for particular School Building projects which had not been started by the end of 2017 and are expected to be built during 2018 and 2019.

(b) Deferred income related to donations for Child Development Scholarship Program (formerly known as Scholarships), Getting Ready for work (formerly known as Vocational Training) and Special need education Program (formerly known as Working with Others) received but for Child Development Scholarship Program (formerly known as Scholarships), Getting Ready for work (formerly known as Vocational Training) and Special need education Program (formerly known as Working with Others) in 2018 onwards.

Movements in the deferred income during the year were as follows:

	USD
Opening balance	317,757
Increase in deferred income during the year	338,577
Deferred income realised during the year	(347,877)
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Closing balance	308,457
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Saigon Children's Charity CIO
Notes to the financial statements for the year ended 31 December 2017
(continued)

13. Funds

	Unrestricted funds USD	Restricted funds USD	Total USD
Income	435,160	909,284	1,344,444
Expenditure	(160,016)	(1,190,560)	(1,350,576)
Net income/(expenditure) before transfers	275,144	(281,276)	(6,132)
Gross transfers between funds (*)	(281,276)	281,276	-
Net expenditure after transfers	(6,132)	-	(6,132)
Total funds brought forward at 1 January 2017	290,680	-	290,680
Total funds carried forward at 31 December 2017	284,548	-	284,548

(*) Gross transfers between funds' amount was approved annually at year-end by SCC CIO Trustees to balance the deficit of restricted funds as at 31 December.

14. Commitments

Leases

The future minimum lease payments under non-cancellable operating leases were:

	31/12/2017 USD	31/12/2016 USD
Within one year	14,916	25,284
Within two to five years	-	15,241
	14,916	40,525

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