



**Saigon Children's Charity**

Annual Report for the year ended  
31 December 2010

**Saigon Children's Charity**  
**Annual Report**  
**For the year ended 31 December 2010**

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# Saigon Children's Charity

## From the Chairman of the Trustees

We present here our accounts for 2010 and also a comprehensive report on our activities. We continue with all our core programmes – school building, vocational training and scholarships – as well as our work with other, smaller organizations who can benefit from our support in bringing in a tangible assistance directly to young people who need it. You will see that we are looking critically at each of these programmes to see how we can build on our experience and track record but ensure our work remains relevant to the changing economic and social conditions in Vietnam.

We have become increasingly conscious that education, whilst vital, is not enough: practical help and advice is needed to bring the young people we support into the adult world of work and responsibility. This has been a part of our aim for some time, and we have been delighted over the years to see, for example, a number of our alumni get good jobs with some of the hotels in Ho Chi Minh City; but we need to find more ways of helping our students make this transition: our work, and your money, is wasted if they cannot find worthwhile employment and lapse back into the cycle of poverty from which we were all trying to help them escape. The Hospitality Scheme is a shining example of this type of project; and, without losing any focus on education which has always been the bedrock of our work, we are actively looking for more initiatives of this nature.

As last year, I would like to take this opportunity to pay tribute to the work of SCC: members of staff and volunteers alike. And, on behalf of all the Trustees, I would like once again to thank all our supporters: individuals, companies and Foundations. We are deeply grateful to everyone who contributes in whatever way: with money, with time, by coming along to the events we organize. We are all part of the SCC family and can, I think, be quietly proud of what we are doing.



Howard Gatiss  
31 August 2011

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Registered Charity Number: 1015484

## Objectives of Saigon Children's Charity

Saigon Children's Charity is committed to assisting in the elimination of poverty in Vietnam. We do this through ensuring those children in the most difficult circumstances receive an education. Education is, we believe, the most lasting and effective way we can help children and their families to escape from the cycle of poverty.

We work exclusively in Vietnam working with disadvantaged children in Ho Chi Minh City and in rural provinces in the South of the country. We currently work in 6 provinces and these are: Ho Chi Minh, Tay Ninh, Tra Vinh, Tien Giang, Dong Nai and Binh Phuoc. SCC assists the most disadvantaged children by giving them an opportunity to realise their potential and approach adulthood with a good education, in good health and able to sustain themselves and their families.

Our vision is to eliminate poverty through education and our mission is therefore to *"enable disadvantaged children in Vietnam to reach their full potential through receiving a quality education relevant to their needs."*

## SCC – 2010 Director's report

There existed a strange imbalance in Vietnam in 2010 where the continuing problems caused by the Global Financial Crisis had trickled down and started to affect some of the poorest people here but, at the same time, Vietnam also demonstrated great resilience and continued its tremendous growth which brought positive effects too.

We had decided that 2010, because of the continuing uncertainties, would not be the year for launching new programmes or rapid development of existing programmes. We, instead, used what time we had to pilot work and pursue discussions with our partners and our children and their families to see in what other ways SCC could help or what changes might be useful. You will start to see the results of some of this work reflected in our work in 2011 and beyond.

Whilst we found many positive signs here amongst the children and families we work with there were some growing concerns too.

- On a positive note, from January 2011 the poverty line will almost double from 240,000 VND per month per person per household (approximately \$11 a month) to 400,000 VND. This 'poverty line' is essentially drawn by the government at a level that it knows it can support financially (ie the number of people that will be captured by it will not be more than they can afford to support) rather than being a definitive judgment about absolute levels of poverty. This will capture many more families who are struggling and provide them with access to some important safety nets. The poverty line in cities such as Ho Chi Minh and Hanoi, for instance, is already higher at 1 million VND per month. This is a particularly brave step for Vietnam as they have been justly proud, otherwise, of the falling percentages of people in poverty here and this will, of course, send the number the other way.
- On the less positive side we continue to note the effects of global change here. A number of our families have had to give up what little farm land they have been able to use as the ingress of salt water into the Mekong makes the land unusable. In addition rising food prices and high inflation here – which were growing rapidly towards the end of 2010 - have knocked many families back into poverty.



We are grateful to all our supporters and especially those who, having struggled financially recently, and perhaps having had to think twice in 2010 before deciding to continue to support us, then continued to support us and the children anyway. As a result we managed to conduct most of the work we had planned to and two particular highlights included:

- We finished construction on 33 new classrooms which will benefit an additional 830 children - our biggest year ever for school building work
- 85 young people from the scholarship scheme are now in university with 14 graduating in 2010 - all of whom have gone straight into work.

From a purely financial perspective – it is worth highlighting one factor

- Our continued work with KPMG on the audit has resulted in a small number of one-time adjustments. These accounting changes really focus on two related areas and these are called “Deferred Income” and “Accruals” which are essentially designed to ensure that income and expenditure are reflected in the years in which they were used or intended for. An example would be that if someone donates money for a school in September but the work does not start until March the following year – then that donation is not counted in the year that it was received but, instead, in the year that it was used. Equally if, for instance, we buy rice or text books in December but these are intended for delivery in January then the expense is reflected in the following year’s accounts. These changes will make year-on-year comparisons for one or two areas (school building in particular) look a little strange but should be better from next year onwards.
- Overall the year was positive in terms of income although the changes referred to above make the increase over 2009 appear higher than it was. Unrestricted income was a little down overall but in line with expectations during the continuing financial problems – this slight decline was offset by committed funding for projects and by our other fundraising efforts.

We don’t seek external recognition particularly but it is always nice to receive when we do. In early 2010 SCC was invited to go to Hanoi to collect a special prize for our achievements in supporting access to education over the last 2 years. It was particularly important as the award was made by the President of Vietnam – Mr Triet and the Minister of Education, Mr Nhan. SCC was also awarded 2 further Bang Khen (Certificates) for our work. One for work during the last 2 years in HCMC (presented by Nong Duc Manh – General Secretary of the Communist Party of Vietnam) and one from the People’s Committee of HCMC.

### **School Building**

SCC builds small two or three classroom kindergartens in remote communes where there are inadequate existing facilities - or none at all. Building schools in these communes ensures that the children do not have to walk miles to school each day: it also assists the commune in offering longer schooling hours to their children. As a result of good progress made in recent years, the need for new primary and secondary classrooms in Vietnam has diminished and now SCC focuses exclusively on building kindergartens where there is still great need but too little funding to meet that need. Even this will change over the next few years as the government starts to increase funding for this important pre-school approach. SCC has also built ‘special’ schools for children with disabilities that make it impossible for them to participate in the mainstream school system. Very few areas have access to these kinds of facilities and it is expected that SCC will do more work in the area in the future.

In 2010 we achieved a lot – finishing construction on 33 new classrooms and repairing 13 classrooms which altogether benefited 830 children this year and of course many more over the next 10 or 20 years of the school's life.

All of the schools we build now automatically receive lavatories, fences and basic access for children with a disability.

Thanks to two 'Challenge Days' organised by groups from Credit Suisse and JP Morgan we also built two beautiful gardens for two of our new schools.

The major challenge we faced in 2010 was, like much of our work in Vietnam lately, was inflation with this impacting heavily on the costs of construction materials and labour too. For existing contracts these increases are absorbed by our partners but new contracts will have to reflect these increases. We had also hoped to start two new features in 2010 - a "School Repairs Programme" and "Monitoring and Evaluation" but the huge work schedule caused by the programme in 2010 meant that we will delay both of these until 2011

### **Development Projects and Vocational Training**

This is the area of SCC's work that has started to change the most. Apart from growing in importance as a focus for SCC this has also been down to sheer hard work and commitment from the team.

Our vocational training activities are mainly concentrated at Thang Long Vocational Training School in District 4 of Ho Chi Minh City. The school was set up in 1994 by SCC together with the local Bureau of Education which also appoints governors of the school alongside the Director of SCC. The Board is chaired by Professor Huynh The Cuoc. We provide training in a range of vocational skills to disadvantaged young people and then help them to find stable, paid employment.

The criteria for inclusion into the school include their financial and household circumstances. We give priority to children who, for whatever reason, are not currently at mainstream school. Increasingly, we are working directly with these children in a social work context to try and remedy the reasons for their non-attendance at mainstream school. This may be as simple as their not having a birth certificate or residency status which we can more and more easily now help them to obtain.

SCC funds the school and works with the principal to set objectives and priorities. We provide training in core subjects like English and IT but also provide hobby subjects such as art and photography. There are also classes in hairdressing which have been very successful in delivering jobs and opportunities for young people at the school.

In 2010 the numbers of young people at TLS increased a little to around 320 which, with 80 additional students now supported through our *Direct Support* system brings the total number of children we support through the school up to 400. This was slightly against the trend as the area develops but we have been working hard to reach out to those who need us most. We have found that, even though the area is developing rapidly as a result of being close to the centre of Ho Chi Minh City, there are still many families in need of support. Direct Support was introduced in 2009 and is provided through a very experienced social worker whose role is to work with individual children and their families to resolve crises and to reintegrate children into the mainstream education system wherever possible. We initiated a review of the school in 2010 and, when finished, the results of this will help to guide us in 2011.



Highlights for the year included:

- We started what we hope will become an annual Health Check at the school. For this first health review we partnered with Pham Ngoc Thach Hospital. On April 25th a group of six volunteer doctors led by Dr. Pham Nguyen Duy Trang, visited the school to perform general health checks on 98 children and young people aged 7 to 18. Most were well enough although some are clearly still struggling to get adequate nutrition – this will be a focus for even more work next year.
- We were also very proud of the photography students in particular in 2010 as the TLS photography class won a cup and a gold medal in the group category and one TLS youngster, Phuong, won a bronze medal in the under 16 individual class of the FIAP (Fédération Internationale de l'Art Photographique)
- The school cooperated with a Danish company called The Color Club, to open a new course that we call Saigon Visual Communications. The Color Club is a commercial organisation offering creative services to the creative industry here in Vietnam and elsewhere. The course is based around 'Image Production' and supports 4 graduates of the TLS Photography class. The course lasts between 6 months and 2 years and aims to teach, in total, 12 young people a year – they will learn photo retouching and other technical skills along with additional English classes.. After 6 months the young people should be recruited by Color Club and others like them and we are confident this will be successful. We are very grateful to everyone at the Color Club but particularly to Carsten for his involvement which demonstrates a real philanthropic but also employment-conscious approach.

### **Saigon Hospitality**

This scheme has now been running for 4 years and supports young adults aged 18 upwards. We thought long and hard before embarking on this project since it stretches the objectives of Saigon Children's Charity, but it seemed to us that all of our hard work getting children into school might easily be wasted if the young person does not then go on to find sustainable employment.

Each course is six months long and gives the young people a good grounding in all aspects of the hospitality industry including work-based learning, good 'hospitality' English and practical skills – in fact everything they need to find a good job in the burgeoning hotel, restaurant and leisure business sector here.

This scheme continues to deliver outstanding support and results. As matters stand at the end of 2010, 285 youngsters have joined one of the courses, of which 199 have already 'graduated' and of those 193 have found work (almost 100%). There remain a further 34 still in class who will graduate early in 2011. Sadly, in total, 52 young people who started the course were unable to finish. Of particular interest is that the current course has three children who have a serious hearing impairment and it has been wonderful to watch the students interact and support each other so easily.

- Development of the new Cyclo Challenge – this is important as it is one of our most high-profile events and plans are well developed to make this mainly online and digital in 2011. We worked during the year with Vietnam's premier online developer and social networker called VNG. This will be an exciting and very different approach and we have high expectations.

- Event in Hong Kong – Thursday 15<sup>th</sup> April. Paul and Kimberly went to support a fundraising event put on in support of the team of runners who ran the Gobi desert for us in 2007 – in 2010 they also ran the Kimberley desert! The event raised US\$40,000 in one night – and the four runners – Chris Lunn, Stephen Thompson, Tim McCosker and Andy Randall – raised more than \$50,000 in total. We will use some of this money to build a school next year. This event also helped to expand our networks in Hong Kong and we plan to focus more there as one of our major fundraising targets. We plan to run another event there in 2011 to say “thank you” to all of the people who turned up in support of the runners but also to raise more support for another school we hope!
- Fundraising also held two hugely successful “challenge days” for JP Morgan (SEA regional Heads of HR) and Credit Suisse (Singapore). Both built gardens and more in SCC kindergartens. JP Morgan has now gone on to fund the Direct Support programme at Thang Long School and Credit Suisse have been and continue to be a great long-term supporter. We hold around 5 challenge days a year and they work well in terms of engaging the staff of some of our corporate supporters in our work and sometimes as a novel way of introducing companies to the work we do. It feels good for SCC to be able to do something for them for a change!

## Administration

The support team for SCC including Finance, Administration and IT again worked extremely hard this year to ensure everything ran smoothly. Particular highlights from their year include:

- With the support of TRG International, we launched our new website which, for the first time is now in English and Vietnamese – an important step forward. We will move on these developments to include a much stronger on-line processing system and we are grateful to Harvey Nash for their help in this.
- Harvey Nash, particularly through the individual support of Mr Paul Smith, also gave us our own Ford Everest car. Ideal for driving into the remote areas we have to work in; this will be an extremely important resource for us as well as saving us money.
- We continue to invest time in developing our database systems – of such crucial importance in terms of managing our children as well as our wonderful supporters. There remains work to be done here which we hope to finish in 2011.
- Social Networks: we have expanded our work in raising awareness through online communities about SCC's activities - by building connections among strong social networks such as Facebook and Twitter.
- We were very pleased in 2010 to confirm the appointment of Tran Vu Ngan Giang as our Head of Programmes. This took effect as of 1<sup>st</sup> December. Giang who was an internal candidate and successfully interviewed by the director and one of our trustees, aims at bringing better coordination and management of our all of programmes. This role is expected to significantly enhance SCC's delivery to children and young people and we welcome her skills and enthusiasm.



As always, the administration team was supported in 2010 by young people from Thang Long School who work with SCC to develop their office and English skills. They work with us in a variety of roles from messenger and general office work to secretarial and stay with us for a year or two or until they are ready and able to take on jobs elsewhere. We are delighted to say that one more of these youngsters – Nhung – found work this year and joined HSBC. Nhung had worked really hard over the three years she was with SCC and we know that she will do well.

### **And finally.....2011**

We look forward to 2011 with great optimism but with another full and demanding workload in front of us. The time we saved at the end of the year by changing the way we run the Cyclo Challenge has meant that significant elements of our plans for 2011 are already funded – meaning that we know that we can get on with the work we need to do. We look forward to putting the focus clearly back on the children we support as the systems and staff are now running well and in place to do that.

2011 will see the introduction of important new facets of work and including a comprehensive Monitoring and Evaluation system, a “Getting Ready for Work” programme alongside more individual childcare and support. We look forward also to more exchanges with donors and supporters as we move to a more email-based system and we welcome any and all comments. All comments are welcomed and please do contact me at [pf@saigonchildren.com](mailto:pf@saigonchildren.com).



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## INDEPENDENT AUDITORS' REPORT

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

### Scope

We have audited the accompanying balance sheet of Saigon Children's Charity ("the Organisation") as of 31 December 2010 and the related statement of income and expenditure for the year then ended and the explanatory notes thereto, as set out on pages 13 to 19, which were authorised for issue by the Board of Trustees on 31 August 2011.

### *Trustees' Responsibility for the Financial Statements*

The Organisation's Trustees are responsible for the preparation and fair presentation of the financial statements in accordance with the accounting policies set out in Note 1 to the financial statements. This responsibility 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.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Organisation's Trustees, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our audit opinion.



### Audit opinion

In our opinion, the financial statements give a true and fair view of the state of the Organisation's affairs as of 31 December 2010 and its incoming resources and resources expended for the year then ended, which have been properly prepared in accordance with the Charities Act 1993 and Regulation 3 of the Charities Act (Account and Reports) Regulation 2000.

*KPMG Limited*

**KPMG Limited**

Vietnam

Investment Certificate No: 011043000345

Ho Chi Minh City, 31 August 2011



**Saigon Children's Charity**  
**Balance sheet at 31 December 2010**

	Note	31/12/2010 USD	31/12/2009 USD
<b>Fixed assets</b>			
Tangible fixed assets	2	-	-
<b>Current assets</b>			
Accounts receivable	3	73,574	88,497
Cash	4	595,734	527,045
		669,308	615,542
<b>Current liabilities</b>			
Accounts payable		(129,282)	(30,213)
Accrued expenses		(17,265)	(44,460)
Unearned income	5	(192,230)	(269,001)
<b>Net current assets</b>		330,531	271,868
<b>Long-term liabilities</b>			
Provision for severance allowance	6	(37,229)	(26,930)
<b>NET ASSETS</b>		<b>293,302</b>	<b>244,938</b>
<b>FUNDS</b>			
Funds brought forward at the beginning of the year		244,938	374,000
Net income/(expenditure) for the year		48,364	(129,062)
<b>FUNDS CARRIED FORWARD AT THE END OF THE YEAR</b>	7	<b>293,302</b>	<b>244,938</b>

The accounts were approved and authorised for issue by the Board of Trustees on 31 August 2011 and signed on their behalf by:



Howard Gatiss  
Chairman

*The accompanying notes are an integral part of these financial statements*

**Saigon Children's Charity**

**Statement of income and expenditure for the year ended 31 December 2010**

		<b>2010 USD</b>	<b>2009 USD</b>
<b>Incoming resources</b>			
<i>Unrestricted funds:</i>			
Donations		98,659	132,382
<i>Restricted funds:</i>			
School building		370,814	75,861
Scholarships		287,271	218,527
Teaching and training		96,203	121,014
Working with other organisations		43,837	4,362
Bank interest		25	2,185
Other income	8	268,644	213,592
<b>TOTAL INCOMING RESOURCES</b>		<b>1,165,453</b>	<b>767,923</b>
<b>Resources expended</b>			
<i>Cost of generating funds:</i>			
Fund raising costs	9	69,157	57,959
<i>Charitable activities:</i>			
School building		446,574	240,249
Scholarships		304,491	322,921
Vocational training		137,546	128,074
Special hardship		15,345	11,834
Working with other organisations		58,274	33,144
Exchange differences		6,728	-
Administrative expenses	10	78,974	102,804
<b>TOTAL RESOURCES EXPENDED</b>		<b>1,117,089</b>	<b>896,985</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>48,364</b>	<b>(129,062)</b>

The accounts were approved and authorised for issue by the Board of Trustees on 31 August 2011 and signed on their behalf by:



Howard Gatiss  
Chairman

*The accompanying notes are an integral part of these financial statements*

## **Saigon Children's Charity**

### **Notes to the financial statements for the year ended 31 December 2010**

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

#### **1. 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 statement preparation**

The financial statements are expressed in United States Dollars ("USD") and have been prepared on the accrual basis using the historical concept. The accounting policies have been consistently applied by the Organisation and are consistent with those used in the previous year.

##### **(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 approximating those ruling at the transaction dates. All foreign exchange differences are recorded in the statement of income and expenditure.

##### **(c) Cash**

Cash comprises cash balances and call deposits.

##### **(d) Accounts receivable**

Trade and other receivables are stated at cost less allowance for doubtful debts.

##### **(e) Tangible fixed assets**

###### **(i) Cost**

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, is charged to the statement of income and expenditure in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.



**Saigon Children's Charity**

**Notes to the financial statements for the year ended 31 December 2010 (continued)**

**(ii) Depreciation**

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful life for office equipment is 3 years.

**(f) Trade payables**

Trade payables are stated at their cost.

**(g) Provisions**

A provision is recognised if, as a result of a past event, the Organisation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**(h) Incoming resources**

Unrestricted funds are available for use at the discretion of the Organisation's Trustees in furtherance of the charitable objectives of Saigon Children's Charity. Donations received represent all cash donations received during the year. Restricted income are funds subject to specific restrictions imposed by donors or by the purpose of the appeal. All income is accounted for as soon as Saigon Children's Charity has entitlement to the income, there is certainty of receipt and the amount is quantifiable.

**Saigon Children's Charity**

**Notes to the financial statements for the year ended 31 December 2010 (continued)**

**2. Tangible fixed assets**

	Office equipment USD
<b>Cost</b>	
Opening balance/closing balance	6,313
<b>Accumulated depreciation</b>	
Opening balance/closing balance	6,313
<b>Net book value</b>	
Opening balance/closing balance	-

**3. Accounts receivable**

	31/12/2010 USD	31/12/2009 USD
Deposits	43,390	10,420
Receivables	30,184	78,077
	73,574	88,497

**4. Cash**

	31/12/2010 USD	31/12/2009 USD
Cash on hand	4,398	5,206
Cash in banks	591,336	521,839
	595,734	527,045

**Saigon Children's Charity****Notes to the financial statements for the year ended 31 December 2010 (continued)****5. Unearned income**

	31/12/2010 USD	31/12/2009 USD
Scholarships (a)	124,367	81,248
School building (b)	65,502	167,337
Development and Vocational Training Projects (a)	2,361	20,416
	<hr/> 192,230	<hr/> 269,001

- a. Unearned income relates to donations for Scholarships, Development and Vocational Training Projects received during 2010 but will not be used until 2011.
- b. Unearned income for school building relates to money received for particular School Building Projects which had not been started by the end of 2010 and are expected to be built during 2011.

**6. Provision for severance allowance**

Movement of provision for severance allowance during the year were as follows:

	USD
Opening balance	26,930
Provision made during the year	12,398
Provision used during the year	(2,099)
	<hr/>
Closing balance	37,229

Under the Vietnamese Labour Code, when employees who have worked for 12 months or more ("eligible employees") voluntarily terminates his/her labour contract, the employer is required to pay eligible employees severance allowance calculated based on years of service and employees' compensation at termination. Provision for severance allowance has been provided based on employees' years of service and their current salary level.



**Saigon Children's Charity****Notes to the financial statements for the year ended 31 December 2010 (continued)**

Pursuant to Law on Social Insurance, effective from 1 January 2009 the Organization and its employees are required to contribute to an unemployment insurance fund managed by the Vietnam Social Insurance Agency. The contribution to be paid by each party is calculated at 1% of the lower of the employees' basic salary and 20 times the general minimum salary level as specified by the Government from time to time. With the implementation of the unemployment insurance scheme, the Organization is no longer required to provide severance allowance for the service period after 1 January 2009. However, severance allowance to be paid to existing eligible employees as of 31 December 2008 will be determined based on the eligible employees' years of service as of 31 December 2008 and their average salary for the six-month period prior to the termination date.

For the year ended 31 December 2010, the Organization contributed USD1,029 (31/12/2009: USD1,608) to the unemployment insurance fund and the amount is recorded as part of labour and staff costs in the statement of income and expenditure.

**7. Funds**

	Unrestricted funds USD	Restricted funds USD	Total USD
Incoming resources	367,328	798,125	1,165,453
Resources expended	(154,859)	(962,230)	(1,117,089)
Net income/(expenditure) for the year	212,469	(164,105)	48,364
Total funds brought forward at 1 January 2010	264,539	(19,601)	244,938
Total funds carried forward at 31 December 2010	477,008	(183,706)	293,302

**8. Other income**

	2010 USD	2009 USD
Cards, calendars and T-shirts	41,114	32,417
Cyclo challenge	83,040	85,941
Ball events	64,842	64,588
Others	79,648	30,646
	268,644	213,592

**Saigon Children's Charity**

**Notes to the financial statements for the year ended 31 December 2010 (continued)**

**9. Fund raising costs**

	<b>2010 USD</b>	<b>2009 USD</b>
Cards, calendars and T-shirts	13,083	23,792
Cyclo challenge	21,672	14,852
Ball events	32,139	12,938
Others	2,263	6,377
	<hr/> 69,157	<hr/> 57,959

**10. Administrative expenses**

	<b>2010 USD</b>	<b>2009 USD</b>
Staff costs	53,347	55,479
Severance allowance	12,398	17,849
Insurance	-	2,021
Rent and utilities	5,017	5,633
Telephone and internet	1,400	1,432
Office expenses	1,970	5,023
Travelling expenses	1,923	545
Bank charges	355	86
Others	2,564	14,736
	<hr/> 78,974	<hr/> 102,804

**11. Employee information**

As at 31 December 2010, the Organisation had 31 employees (31/12/2009: 33 employees).

**Saigon Children's Charity**

**Notes to the financial statements for the year ended 31 December 2010 (continued)**

**12. Commitments**

**(a) Capital expenditure**

As at 31 December 2010 the Organisation had the following outstanding capital commitment approved but not provided for in the balance sheet:

	31/12/2010 USD	31/12/2009 USD
Approved but not contracted	-	21,160
Approved and contracted	25,333	229,180
	<hr/> 25,333	<hr/> 250,340

**(b) Leases**

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

	31/12/2010 USD	31/12/2009 USD
Within one year	17,600	27,700
Within two to five years	3,200	20,800
	<hr/> 20,800	<hr/> 48,500



## Saigon Children's Charity Organisation Information

<b>Board of Trustees</b>	H. C. Gatiss (Chairman) A. Cany M. Fraser J. Waugh D. Wells P. Turner T. Tobin P. Cleves
<b>Director</b>	Paul Finnis
<b>Scholarship Program Committee</b>	Vo Chieu Hoang (Scholarship Manager) Huynh Ngoc Thao Nguyen Thi Van Anh Bui Le Minh Quan Pham Xuan Danh
<b>School Building and Learning Environment Program Committee</b>	Tran Vu Ngan Giang (School Building and Learning Environment Manager) Ha Viet Cuong (School building and Learning Environment deputy manager)
<b>Development and Vocational Training Program Committee</b>	Pham Thi Bao Chinh (Development and Vocational Training Manager) Pham Thi Kim Oanh (Thang Long School Principal) Phan Thanh Thuy Hang (Saigon Hospitality Coordinator)
<b>Administration</b>	Nguyen Thi Van Anh (Finance and Office Manager) Nguyen Hoang Van (IT Manager)
<b>Fundraising Committee</b>	Kimberly Brennan (Head of Fundraising Manager) Vo Kim Quyen (Event Fundraising Manager)
<b>Registered Number</b>	1015484
<b>Registered Office</b>	24 Gloucester Road Teddington, Middlesex TW11 0NU
<b>Main Operating Office</b>	59 Tran Quoc Thao District 3
<b>Auditors</b>	KPMG Limited 10th Floor, Sun Wah Tower 115 Nguyen Hue Street, District 1 Ho Chi Minh City, Vietnam

