



Saigon Children's Charity CIO

Annual Report for the year ended
31 December 2019





**Saigon Children's Charity CIO
Annual Report
For the year ended 31 December 2019**

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Saigon Children's Charity CIO Organisation Information

Board of Trustees

David Huw Appleton
(Chairman) (from 14 February 2020)
Alain Xavier Cany
(Chairman) (until 13 February 2020)
Paul Graham Cleves
Diana Simone Wells
Jonathon Ralph Alexander Waugh
Nguyen Thi Thanh Truc
Paul Theodore McGee
Richard James Burrage (from 15 March 2020)
Paul Adrian Smiths (from 15 March 2020)
Seck Yee Chung (from 15 March 2020)
Tieu Yen Trinh (from 15 March 2020)
Mark Anthony Fraser (until 14 November 2019)
Hoang Tri Mai (until 14 November 2019)
Jakki Lydall (until 14 November 2019)

Executive Director

Damien Roberts

Senior Management Team

Head of Programmes

Nguyen Thi Duy Huong

Head of Fundraising &
Communications

Angelique Masse Nguyen

Head of Finance & Admin

Le Le An Na

CDSP Programme Manager

Nguyen Sinh Quang Anh (from 1 July 2019)
Tran To Nhu (until 30 June 2019)

School Building & Learning
Environment Programme
Manager

Nguyen Hoang Phuong

Getting Ready for Work
Programme Manager

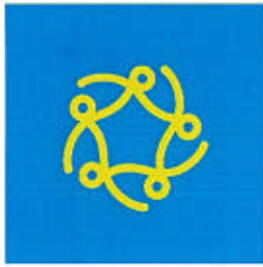
Phan Thanh Thuy Hang

Special Needs Educational
Programme Manager

Do Thi Hien (until 8 December 2019)

United Kingdom Charity Registration Number

1157774



Saigon Children's Charity CIO Organisation Information

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

Bankers

HSBC United Kingdom, HSBC Vietnam
Vietnam International Bank (VIB)
ANZ Vietnam, Singapore, New Zealand & Australia
Standard Chartered Hong Kong
Vietcombank – Tan Dinh Branch

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 Report

From the Chairman of Saigon Children's Charity CIO, Mr David Appleton

Vietnam's development and economic growth remains rapid, underscoring the need for high-quality and widespread education to support this. The education and vocational training provided by saigonchildren helps ensure that development is sustainable and inclusive. Our programmes continue to bring prosperity to communities living outside of major cities and development zones, equipping disadvantaged communities with knowledge and skills to contribute to, and benefit from, Vietnam's growth.

Saigonchildren's focus on helping the most disadvantaged means that our work continues to disproportionately support ethnic minority groups, girls, and children with developmental challenges to continue in education, enabling them to improve their future prospects and raise the quality of life for themselves and their loved ones.

Saigonchildren's programmes continue to deliver immediate and long-lasting benefits for our children and their families across Vietnam.

Our work to improve lives for children with autism and other developmental disorders continues to grow, with nine projects this year. These include, for the first time ever, one-to-one early intervention therapy sessions from trained speech and language specialists, supporting young children to overcome their challenges to communicate and speak – often for the first time in their lives.

We continue to develop our network of specialists to ensure that the pedagogical, medico-therapeutic, and policy demands of this complex area are managed as we work towards the establishment of a dedicated centre of excellence to support sustained improvements in the care and education of children with development challenges such as autism.

Saigonchildren continues to enlarge and refine our vocational training offer to more than a thousand young people every year, ensuring it is fit to support future generations to enter the rapidly-changing workplace.

Our school building activity benefits the communities most in need, particularly remote rural areas with a large proportion of ethnic minority children across all of Vietnam.

We provide scholarships on the basis of need, not ability, and this ensures inclusion and empowerment for the most vulnerable children, reducing their risk of exploitation and hardship. Our scholarships are focused on the holistic development of each child and so social care, counselling and skills development are provided alongside food, uniform, books, stationery, glasses and bicycles.

The Board of Trustees and I remain absolutely committed to maintaining saigonchildren's excellent accountability and financial transparency, enabling us to successfully meet demanding due diligence standards required to access international and institutional funds.



We thank all of our passionate supporters, volunteers and partners around the world for enabling us to improve the lives of Vietnamese children and young people.

This Trustees Annual Report, audited by KPMG, 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 30th June 2019, and I am authorised to sign the report on their behalf.

Thank you.



David Appleton
Chairman of the Board of Trustees
Saigon Children's Charity CIO
Charity Number 157774
30 June 2020



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, 2019, that we should have brought to the attention of the Charity Commission of England and Wales, but have not.



David Appleton
Chairman of the Board of Trustees
Saigon Children's Charity CIO
Charity Number 157774
30 June 2020



Director's Report

DIRECTOR'S NOTE

I am delighted that my first full year as Executive Director of saigonchildren we have achieved the highest income in the charity's 27-year history, especially after several years of rapid change in the Vietnam operating environment. More importantly, we have spent that income judiciously for the benefit of around 12,000 disadvantaged children – another record for saigonchildren.

However you interacted with saigonchildren in 2019, you made it possible to help so many children to continue in the education that will transform their lives; thank you so much. It is a testament to the hard work and passion of our staff, trustees, volunteers, donors and partners that we have been able to achieve these important milestones.

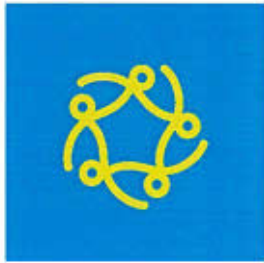
Our growth has been underpinned by continuing improvements in our communications, enabling us to reach more donors than ever before, and to engage with them more meaningfully. We have grown our digital fundraising capacity, doubling online income in a year, and providing a solid foundation for continued growth.

While we have enthusiastically embraced new fundraising technology and opportunities, we have also delivered our traditional fundraising events very effectively, again contributing to our income growth and providing wonderful opportunities to engage with our donors in Vietnam, Singapore and Hong Kong. This balanced fundraising approach contributes to our organisational resilience by diversifying our income, ensuring that we are better-placed than ever to help even more disadvantaged children across Vietnam.

Our expanded Special Needs Education Programme is continuing to build and develop a national autism network of Vietnamese experts and educational resources. For the first time we are providing free one-to-one speech & language therapy sessions for children with autism and their carers, enabling them to communicate and speak, often for the first time. This early intervention work transforms lifelong outcomes for these children, enabling many to pursue an education that would otherwise have been beyond their expectation. Looking ahead we will increase this work and the wider programme.

After last year's renovation of our English, IT & Vocational Training centre - Thang Long School in District 4 of Ho Chi Minh City – we have supported more children than ever through our Getting Ready for Work programme, and in safer and more inspiring surroundings. This year we have expanded the IT facilities further, and added new elements to the wider curriculum to prepare our children to secure good jobs in Vietnam's rapidly developing and internationalising economy.

We have also built eight new schools in rural areas of Vietnam, reducing the distance children need to travel to receive an education, providing toilet and hygiene facilities as well as a playground, and ensuring that these communities have a high-quality school environment in which to best educate generations of children.



Our Child Development Scholarship Programme remains central to our work and is supporting children from primary school to university, with an emphasis on secondary students who are at the highest risk of dropping out of education in order to support their families. Our team of social workers work closely with the beneficiaries and their families to ensure that each remains in education as long as possible, increasing their long-term potential and life outcomes.

Our work as a grassroots organisation, supporting education and economic development across all of Vietnam continues to focus strongly on closing the educational gap by helping ethnic minority groups, girls and children with disabilities.

As an organisation we do not wish to build up cash, and we endeavour to spend all of our income as soon as we can for the benefit of the poor children in our care, ensuring that donations to Saigon Children's Charity CIO are used quickly and effectively. Our cash reserves remain untouched and are enough to meet all of our scholarship liabilities for six months in case of serious unforeseen operational issues.

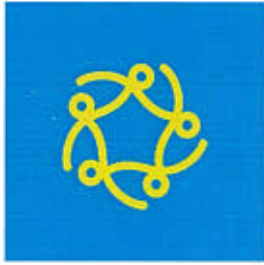
We have again produced a more engaging Annual Review on our website (www.saigonchildren.com) to better communicate the positive impact of our work, beyond the reporting required to maintain our strong transparency and good governance.

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.



OUR FOUR PROGRAMMES:

SCHOOL BUILDING AND LEARNING ENVIRONMENT PROGRAMME

Saigonchildren builds schools in disadvantaged areas, serving communities where existing facilities have become unsafe or unsuitable, and in areas where children must travel a long distance to school. Our schools are usually situated in areas with a high proportion of ethnic minorities. We use private donations, along with contributions from the government, to build schools which are publicly owned and operated.

In addition to building safe, secure and beautiful schools, we provide hygienic toilet and wash facilities, libraries, playgrounds and equipment to enhance the school environment and improve the lives of the children who study in our schools.

We use these schools and our strong community network to strengthen awareness and understanding of a range of vital issues including sustainability, environmental protection, health and inclusion.

We provide essential training such as Positive Discipline in Schools, How to Identify Children with Intellectual Disabilities, Child Rights – Prevention against Child Abuse, and First Aid to teachers and school managers of the schools we build. This initiative is extremely popular with teachers and school staff.

Since the first saigonchildren school was built in Can Gio in 1993, more than 560 classrooms have opened doors to brighter futures for around 20,000 disadvantaged children every year, from Tra Vinh on Vietnam's southern coast to Tuyen Quang close to the border with China, nearly 2000km to the north.

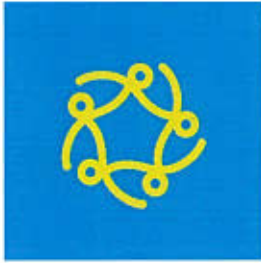
In 2019 we built 27 classrooms and a total of 8 schools in the provinces of Tra Vinh and Hau Giang, providing access to enhanced learning facilities to 1180 children, helping them to be safe and happy at school.

CHILD DEVELOPMENT SCHOLARSHIP PROGRAMME

Our Child Development Scholarship Programme removes barriers to education by providing scholarships – including social care, tuition fees, books, rice, uniforms, and stationery – to disadvantaged children from primary school to university.

We take a holistic approach to supporting children, their families, teachers and community leaders to work together to keep kids in education through a community-based child development support network.

The children most in need are identified through a careful process carried out by saigonchildren's social care team. We visit each family at home to assess their needs through an efficient and impartial process.



Our scholarships are not awarded to the children with the best grades, they are awarded to children who have expressed a strong desire to stay in education, but whose poverty and disadvantage makes this extremely unlikely.

For the school year 2018-2019, saigonchildren was able to:

- Provide 1,445 scholarships to disadvantaged children and young adults in six provinces of Vietnam;
- Visit 1,503 children either at their homes and/or at their schools to learn about their lives, their learning situation, and to help them understand saigonchildren's support;
- Provide urgent support such as medical treatment, glasses, calculators, funeral support etc. to 91 children and their families so that they can overcome obstacles and do better at school;
- Provide long-term medical treatment to nine children who are suffering from chronic conditions;
- Provide 134 bicycles to children who live more than 3km from school in order to shorten their journey to school;
- Organise six life skills training sessions for 180 university students to help them learn more effectively, and to provide them with essential soft skills in preparation for employment.

GETTING READY FOR WORK PROGRAMME

Our Getting Ready for Work Programme gives young adults in difficult circumstances the opportunity to learn vocational skills and develop themselves so they integrate into work and social life. These young adults enhance their employability by completing vocational courses and learning English, IT and soft skills at Thang Long Vocational Training School operated by saigonchildren in Ho Chi Minh City.

Life skills training and social and community activities are a fundamental part of this programme. Saigonchildren and our local training partners guide disadvantaged youths to become confident, self-sufficient, skilled and responsible individuals.

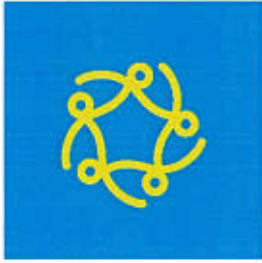
This year we piloted a project on providing short-term vocational training to children aged 14 to 17 years old to prevent them from being exploited through child labour.

We run three main projects within the Getting ready for Work Programme:

1. Vocational Training and Job Placement:

The Vocational Training and Job Placement project supports disadvantaged young adults between the ages of 17 and 25. These students learn the knowledge and skills required to secure a job aligned with their interests, capabilities and ambition – whether that is to be a software developer, an engineer, a beautician or a bartender.

In 2019, 126 young adults took part in this activity.



2. English, IT and Social Activities:

In 2019, 407 students developed their English communication skills and computer skills. We encourage the development of students' creativity through classes in art, dance and alumni activities to support the next generation of students to develop their talents.

3. Psychosocial Counselling and Life skills

Life skills training on topics such as Communication Skills, Attitudes and Professional Appearances, Budget Management, and Personal Safety are provided to young adults as a foundation for their personal and professional life.

In 2019 saigonchildren offered psychosocial counselling and life skills to 908 youngsters.

Saigonchildren also successfully completed its pilot project on career counselling in public high schools.

SPECIALS NEEDS EDUCATION PROGRAMME

Saigonchildren supports children with disabilities and helps them to have a better life through proper education with our Special Needs Education Programme.

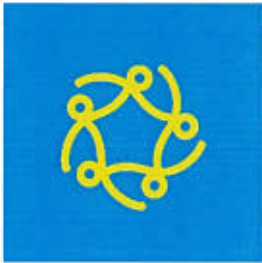
We specialise in autism education, including community-based identification and early intervention, and work with speech therapists, physical therapists and specialist trainers to build expertise across Vietnam. We provide vital educational resources in Vietnamese for the first time and are working to develop Centres of Excellence and build a national network of high-quality care and education.

We also cooperate with specialist organizations across Vietnam to help children with disabilities such as cerebral palsy, deafness, blindness and congenital conditions including those associated with the effects of Agent Orange. We provide education & training and social development activities for children, improve learning facilities, and support local organizations to build their fundraising and management capabilities.

In 2019, the programme ran nine projects in three provinces in Vietnam. Besides providing training to enhance competencies of teachers working with autistic children, several projects were conducted to bring better learning opportunities to children with visual impairment and mobility impairment. Additionally, we also worked with the Vietnam Autism Network to organise a Festival to show gratitude to the educators of autistic children as part of the Vietnamese Teachers' Day.

We piloted the project 'Providing Early Intervention for Children with Autism', using a multidisciplinary approach to help 30 children with autism from poor families.

In 2019, saigonchildren's Special Needs Education Programme benefitted 800 children with disabilities, 154 teachers and 775 parents.



RISKS AND RESERVES

The key risks identified for saigonchildren are reputational and financial. saigonchildren's reputation is very good and we continue to be appreciated for the efficiency and efficacy of our programmes and the high standards we maintain in all areas of governance, accountability and transparency. We review and revise all policies on an ongoing basis.

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 six months' support to scholarship children.
- To ensure that we can, in all circumstances, provide up to six 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 six 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.

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 2019 there were seven Trustees with four being based in Ho Chi Minh City, one in Hong Kong and one 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, Damien Roberts, and this is managed through an approved strategy 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 3-4 times every year, and receive monthly reports on financial and operational matters from the Executive Director. Performance and pay of the Executive 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.



Damien Roberts
Executive Director
Saigon Children's Charity CIO
30 June 2020



KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street, Ben Nghe Ward
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 the balance sheet as at 31 December 2019, 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 30 June 2020, as set out on pages 17 to 29.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the state of Saigon Children's Charity CIO's affairs as at 31 December 2019, its financial activities and its statement of cash flows for the year then ended, which have been 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.

Other information

Trustees are responsible for the other information. The other information comprises the Chairman's Report and Director's Report included on pages 4 to 13, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the organisation to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

The engagement partner on the audit resulting in this independent auditor's report is Ms. Nguyen Thi Thu Ha.

On behalf of KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No.: 20-01-00158-20-1



Trương Vinh Phúc
Practicing Auditor Registration
Certificate No. 1901-2018-007-1
Deputy General Director

Ho Chi Minh City, 30 June 2020

Saigon Children's Charity CIO
Statement of financial activities for the year ended 31 December 2019

	Note	2019 Unrestricted funds USD	2019 Restricted funds USD	2019 Total USD	2018 Total USD
Income					
<i>Donations</i>					
▪ School building		-	489,810	489,810	429,425
▪ Child Development Scholarship Program		-	339,409	339,409	330,516
▪ Getting Ready for work		-	175,776	175,776	115,457
▪ Special need education Program		-	92,103	92,103	39,977
▪ General donations		71,114	-	71,114	50,250
▪ Bank interest		6,561	-	6,561	2,887
▪ Others		-	1,636	1,636	1,710
Events and trading activities	3	375,362	-	375,362	268,896
Exchange differences		(8,321)	35	(8,286)	(6,208)
Total Income		444,716	1,098,769	1,543,485	1,232,910


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 2019
(continued)

	Note	2019 Unrestricted funds USD	2019 Restricted funds USD	2019 Total USD	2018 Total USD
Expenditure					
<i>Charitable activities:</i>					
▪ School building		-	470,318	470,318	491,078
▪ Child Development Scholarship Program		-	394,591	394,591	372,938
▪ Getting Ready for work		-	220,135	220,135	186,543
▪ Special need education Program		-	131,823	131,823	82,206
<i>Cost of generating funds:</i>					
▪ Fund raising	4	171,111	107,975	279,086	220,427
Governance	5	5,820	14,114	19,934	23,930
Total Expenditure		176,931	1,338,956	1,515,887	1,377,122
Net income/(expenditure) before transfers		267,785	(240,187)	27,598	(144,212)
Gross transfers between funds		(240,187)	240,187	-	-
Net expenditure after transfers		27,598	-	27,598	(144,212)

The statement was approved and authorised for issue by the Board of Trustees on 30 June 2020.

Prepared by:


 Le Le An Na
 Head of Finance and
 Administration

Reviewed by:


 Damien Roberts
 Executive Director

Approved by:


 David Huw Appleton
 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 as at 31 December 2019

	Note	31/12/2019 USD	31/12/2018 USD
Current assets			
Accounts receivable	9	419,701	26,150
Cash	10	597,085	692,526
		<hr/>	<hr/>
		1,016,786	718,676
Long-term liabilities			
Deferred income	12	-	(5,558)
Current liabilities			
Accrued expenses	11	(242,918)	(255,069)
Deferred income	12	(605,934)	(317,713)
		<hr/>	<hr/>
		(848,852)	(578,340)
Net assets			
		<hr/>	<hr/>
		167,934	140,336
Funds			
Funds brought forward at the beginning of the year		140,336	284,548
Net expenditure for the year		27,598	(144,212)
		<hr/>	<hr/>
Funds carried forward at the end of the year	13	167,934	140,336

The statement was approved and authorised for issue by the Board of Trustees on 30 June 2020.

Prepared by:


 Le Le An Na
 Head of Finance and
 Administration

Reviewed by:


 Damien Roberts
 Executive Director

Approved by:


 VÂN PHÒNG
 DỰ AN TẠI
 David Hummel Appleton
 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 2019
(direct method)

	Note	2019 USD	2018 USD
CASH FLOWS FROM OPERATING ACTIVITIES			
Income			
School building		359,515	401,326
Child Development Scholarship Program		308,040	346,463
Getting Ready for work		206,304	109,641
Special need education Program		98,041	59,749
Other activities		570,003	360,860
		1,541,903	1,278,039
Expenditure			
School building		475,297	615,315
Child Development Scholarship Program		393,936	396,340
Getting Ready for work		219,206	192,908
Special need education Program		132,431	68,531
Other activities		263,538	236,212
Operating expenses		14,742	22,042
		1,499,150	1,531,348
Net cash flows from operating activities		42,753	(253,309)
CASH FLOWS FROM INVESTING ACTIVITIES			
Placements of term deposits		(141,027)	-
Receipts of term deposits and interest		11,119	-
Net cash flows from investing activities		(129,908)	-


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 2019
(direct method - continued)

	Note	2019 USD	2018 USD
Net cash flows during the year		(87,155)	(253,309)
Cash at beginning of the year		692,526	952,043
Effect of exchange rate fluctuations on cash		(8,286)	(6,208)
Cash at end of the year	10	<u>597,085</u>	<u>692,526</u>

The statement was approved and authorised for issue by the Board of Trustees on 30 June 2020.

Prepared by:



Le Le An Na
 Head of Finance and
 Administration

Reviewed by:



Damien Roberts
 Executive Director

Approved by:



VĂN PHÒNG
 DỰ ÁN TẠI
 David Huw Appleton
 Chairman
 on behalf of
 the Board of Trustees

Saigon Children's Charity CIO

Notes to the financial statements for the year ended 31 December 2019

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 2019
(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

	2019 Unrestricted funds USD	2019 Restricted funds USD	2019 Total USD	2018 Total USD
Summer Ball events	159,797	-	159,797	172,259
Charity Cycle Adventure	62,951	-	62,951	52,122
H2H bike ride	21,151	-	21,151	20,728
Cards, calendars and T-shirts	15,788	-	15,788	22,577
Step challenge	32,530	-	32,530	-
Overseas fund raising	5,693	-	5,693	251
Passion week	31,774	-	31,774	-
Wine dinner	25,488	-	25,488	-
Christmas event	15,060	-	15,060	-
Others	5,130	-	5,130	959
	375,362	-	375,362	268,896

Saigon Children's Charity CIO
Notes to the financial statements for the year ended 31 December 2019
(continued)

4. Fund raising

	2019 Unrestricted funds USD	2019 Restricted funds USD	2019 Total USD	2018 Total USD
Staff costs	40,834	99,034	139,868	125,614
Support costs	3,687	8,941	12,628	13,505
Summer Ball events	50,716	-	50,716	45,451
Charity Cycle Adventure	17,967	-	17,967	17,835
Cards, calendars and T-shirts	9,952	-	9,952	11,766
Step challenge	24,477	-	24,477	-
Overseas fund raising	2,553	-	2,553	-
H2H bike ride	84	-	84	-
Photo books/merchandising	82	-	82	-
Others	20,759	-	20,759	6,256
	171,111	107,975	279,086	220,427

5. Governance

	2019 Unrestricted funds USD	2019 Restricted funds USD	2019 Total USD	2018 Total USD
Staff costs	3,640	8,832	12,472	18,762
Rent and utilities	995	2,412	3,407	1,287
Office expenses	591	1,434	2,025	2,769
Travelling expenses	75	181	256	117
Bank charges	238	578	816	447
Others	281	677	958	548
	5,820	14,114	19,934	23,930

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 2019 (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
2019					
Staff costs	162,148	48,403	9,681	220,232	(*)
Rent and utilities	17,034	5,765	3,407	26,206	(**)
Office expenses	10,126	3,427	2,025	15,578	(**)
Travelling expenses	1,281	434	256	1,971	(**)
Bank charges	4,081	1,381	816	6,278	(**)
Others	4,788	1,621	958	7,367	(**)
	199,458	61,031	17,143	277,632	
2018					
Staff costs	158,757	50,300	10,060	219,117	(*)
Rent and utilities	18,027	6,438	1,287	25,752	(**)
Office expenses	18,927	6,759	1,352	27,038	(**)
Travelling expenses	1,636	585	116	2,337	(**)
Bank charges	6,250	2,232	446	8,928	(**)
Others	7,680	2,743	549	10,972	(**)
	211,277	69,057	13,810	294,144	

(*) Staff time charges.

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

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Notes to the financial statements for the year ended 31 December 2019
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7. Staff numbers

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

	Average number	
	2019	2018
Director	1	1
Charitable activities	15	16
Fundraising	5	4
Finance, Admin, HR, IT	9	10
	<hr/>	<hr/>
	30	31
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8. Staff costs

	2019	2018
	USD	USD
Salaries, wages and benefits	369,959	352,748
Insurance	84,706	81,104
Others	11,689	8,059
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	466,354	441,911
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The number of employees whose emoluments (salaries and benefits) fell with the following bands:

	Number of employees	
	2019	2018
USD100,000 - 110,000	1	1
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Saigon Children's Charity CIO
Notes to the financial statements for the year ended 31 December 2019
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9. Accounts receivable

	31/12/2019	31/12/2018
	USD	USD
Donation receivables	285,299	21,656
Others	134,402	4,494
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	419,701	26,150
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10. Cash

	31/12/2019	31/12/2018
	USD	USD
Cash on hand	11,995	4,447
Cash in banks	585,090	688,079
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	597,085	692,526
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11. Accrued expenses

	31/12/2019	31/12/2018
	USD	USD
School building	195,918	227,824
Bonus and 13th salary	34,082	22,241
Getting Ready for work	-	943
Others	12,918	4,061
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	242,918	255,069
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Saigon Children's Charity CIO
Notes to the financial statements for the year ended 31 December 2019
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12. Deferred income

	31/12/2019 USD	31/12/2018 USD
Long-term liabilities		
Restricted donations:		
Child Development Scholarship Program	-	5,558
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Current liabilities		
Restricted donations:		
School building (a)	72,311	77,847
Child Development Scholarship Program (b)	243,273	163,952
Getting Ready for work (b)	140,110	33,723
Special need education Program (b)	125,622	36,269
Others	24,618	5,922
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	605,934	317,713
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	605,934	323,271
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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 2019 and are expected to be built during 2020.

(b) Deferred income related to donations for Child Development Scholarship Program, Getting Ready for work and Special need education Program received but for 2020 onwards.

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

	USD
Opening balance	323,271
Increase in deferred income during the year	804,681
Deferred income realised during the year	(522,018)
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Closing balance	605,934
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Saigon Children's Charity CIO
Notes to the financial statements for the year ended 31 December 2019
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13. Funds

	Unrestricted funds USD	Restricted funds USD	Total USD
Income	444,716	1,098,769	1,543,485
Expenditure	(176,931)	(1,338,956)	(1,515,887)
Net income/(expenditure) before transfers	267,785	(240,187)	27,598
Gross transfers between funds (*)	(240,187)	240,187	-
Net expenditure after transfers	27,598	-	27,598
Total funds brought forward at 1 January 2019	140,336	-	140,336
Total funds carried forward at 31 December 2019	167,934	-	167,934

(*) 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:

	31/12/2019 USD	31/12/2018 USD
Within one year	25,834	25,924
Within two to five years	15,644	41,981
	41,478	67,905

