



**The VinaCapital Foundation**

Financial statements  
for the year ended 31 December 2012

**The VinaCapital Foundation  
Foundation Information**

**Establishment Certificate No.** C200711501675 26 April 2007

The Establishment Certificate was issued by the state of North Carolina in the United States of America for an unlimited period of operation.

**Operating Licence No.** BM 453/UB-HD 20 June 2008  
BM 138/UB-HD 13 January 2010

The licence and update were issued by the Committee for Foreign NGO Affairs (COMINGO) in Vietnam. The Operating Licence was originally valid from 25 June 2008 to 28 July 2010, and has subsequently been extended to 14 January 2014.

<b>Board of Directors</b>	Don Di Lam	Chairman
	Robin King Austin	Member
	Nguyen Hong Nam	Member
	Pham Phu Ngoc Trai	Member
	Katherine Yip	Member
	Brook Taylor	Treasurer

Robin King Austin acts as Executive Director on behalf of the Board. This has been registered and approved in the Operating Licence.

**Registered Office** 16 Holly Tree Lane, Post Office Box 1357  
Highlands, Macon County  
North Carolina 28741  
The United States of America

**Representative Office** 120 Pasteur Street, District 1  
Ho Chi Minh City  
Vietnam

**Auditor** KPMG Limited  
Vietnam

**The VinaCapital Foundation  
Report of the Board of Directors**

**STATEMENT OF THE BOARD OF DIRECTORS' RESPONSIBILITY IN RESPECT  
OF THE FINANCIAL STATEMENTS**

The Board of Directors is responsible for the financial statements of The VinaCapital Foundation ("the Foundation") of each financial year. To the best of the Directors' knowledge, the financial statements give a true and fair view of the fund balance of the Foundation as at 31 December 2012 and of the cash received and disbursed for the year then ended.

The Board of Directors is required to select suitable accounting policies and then to apply them consistently. The Directors are also responsible for:

- ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Foundation; and
- safeguarding the assets of the Foundation and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Directors confirms that they have complied with the above requirements in preparing the financial statements.

**Approval of the financial statements**

We hereby approve the accompanying financial statements on pages 5 to 19 which give a true and fair view of the fund balance of the Foundation as at 31 December 2012 and of the donations received and disbursed for the year then ended, in accordance with the accounting policies as described in Note 2 to the financial statements.

On behalf of the Board of Directors



The red circular stamp contains the text: "VAN-PHONG", "DU AN TAI", "TP. HO CHI MINH", and "THE VINA-CAPITAL FOUNDATION".

Robin King Austin  
*CEO and Executive Director*

Ho Chi Minh City, Vietnam  
Date: 28 March 2013



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## REPORT OF THE INDEPENDENT AUDITORS

### To the Board of Directors The VinaCapital Foundation

We have audited the accompanying financial statements of The VinaCapital Foundation (“the Foundation”), which comprise the Statement of fund balance as at 31 December 2012, the Statement of receipts and payments for the year then ended and notes, comprising a summary of significant accounting policies and other explanatory information (“the financial statements”). The financial statements have been prepared by the management of the Foundation using the basis of accounting and the accounting policies described in Note 2 to the financial statements.

### Management’s responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the basis of accounting and the accounting policies described in Note 2 to the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. Management is also responsible for determining and applying appropriate accounting policies that are acceptable in the circumstances.

### Auditors’ 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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our 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, we consider 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 entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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 for our audit opinion.



## **Audit opinion**

In our opinion, the financial statements present fairly, in all material respects, the fund balance of The VinaCapital Foundation as of 31 December 2012, and the funds received and payments made for the year then ended, in accordance with the basis of accounting and the accounting policies as described in Note 2 to the financial statements.

Without qualifying our opinion, we draw attention to Note 2 to the financial statements, which describe the basis of accounting and the accounting policies adopted by the Foundation. The financial statements are prepared for the information of and use by the management of the Foundation. As a result, the financial statements may not be suitable for another purpose.

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**KPMG Limited**

Vietnam

Investment Licence No: 011043000345

Audit Report No: 12-01-586

Ho Chi Minh City, 28 March 2013

**The VinaCapital Foundation**  
**Statement of receipts and payments for the year ended 31 December 2012**

	Note	2012 USD	2011 USD Restated
<b>Receipts</b>			
Donations in cash	3	1,104,589	1,192,016
Donations provided directly to hospitals International Management Initiative for Vietnam (IMIV) Founding Sponsor donation	4	21,627	16,707
	5	106,182	24,199
<b>Total receipts</b>		<b>1,232,398</b>	<b>1,232,922</b>
<b>Payments</b>			
<i>Program costs</i>			
Improving Health Care Access and Outcomes for Poor Children	6	(571,974)	(466,055)
Increasing Capacity for Pediatric and Cardiac Care Education for Disadvantaged Children and Youth	7	(125,562)	(392,280)
General program costs	8	(75,607)	(47,970)
International Management Initiative for Vietnam (IMIV) cost	9	(152,473)	(97,704)
	10	(104,813)	-
<i>Total Program costs</i>		<b>(1,030,429)</b>	<b>(1,004,009)</b>
Fundraising costs	11	(135,369)	(120,901)
Administration costs	12	(131,930)	(114,961)
<b>Total payments</b>		<b>(1,297,728)</b>	<b>(1,239,871)</b>
<b>Foreign exchange losses</b>		<b>(1,438)</b>	<b>(19,278)</b>
<b>Deficit of receipts over payments</b>		<b>(66,768)</b>	<b>(26,227)</b>

Approved by:

Robin King Austin  
*CEO and Executive Director*

28 March 2013

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

**The VinaCapital Foundation**  
**Statement of fund balance for the year ended 31 December 2012**

	Note	2012 USD	2011 USD Restated
Opening fund balance		212,540	238,767
Add:			
Deficit of receipt over payments		(66,768)	(26,227)
<b>Closing fund balance</b>		<b>145,772</b>	<b>212,540</b>
Represented by			
Cash in banks	13	145,772	212,540
<b>Closing fund balance</b>		<b>145,772</b>	<b>212,540</b>

Approved by:

 *Robin King Austin*

Robin King Austin  
 CEO and Executive Director

28 March 2013

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

**The VinaCapital Foundation**  
**Notes to the financial statements for the year ended 31 December 2012**

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

**1. Reporting entity**

The VinaCapital Foundation (“the Foundation”) is a non-profit, non-governmental, non religious and humanitarian organization, established under Certificate No. C200711501675 dated 26 April 2007 issued by the state of North Carolina in the United States of America for an unlimited period of operation. The Internal Revenue Service has confirmed permanent status as a 501(c)3 public charity. In order to operate in Vietnam, the Foundation obtained operating license No. BM 453/UB-HD, dated 20 June 2008, which has subsequently been updated by operating license No. BM 138/UB-DA, dated 13 January 2010. The operating licenses consecutively cover the period from 25 June 2008 to 14 January 2014.

As at 31 December 2012, the Foundation had 14 staff members (31/12/2011: 10 staff members).

The mission of the Foundation is to empower the youth and children of Vietnam by providing opportunities for growth through health and education projects. The Foundation engages in a number of different programs that support the mission as follows:

**A. Improving Health Care Access and Outcomes for Poor Children**

**Heartbeat Vietnam (HBVN)**

The program assists poor children with congenital heart disease to receive life-saving heart surgery in Vietnam. Most children are identified and referred by their local authority. Each local commune assesses the children and provides families with documentation of their family economic status and a poverty certificate. The local Department of Labor, Invalids, and Social Affairs (DOLISA) refers children to the Foundation. In most cases, the Foundation shares the cost with the local provincial government and National Insurance for children. All parties pay directly to the hospital.

**Mobile Medical Outreach Clinics**

The Foundation started a program in 2007 to hold provincial outreach clinics staffed by volunteer doctors and surgeons from major heart centers in Vietnam. Each outreach clinic provides free care to 200-500 children, including diagnostic testing, treatment, and placement on the cardiac surgery waiting list if required, as well as post-operative checkups. These clinics allow hundreds of poor children to be examined and diagnosed by the country’s top cardiologists and surgeons without ever having to leave their home province. The clinics increase early detection of heart conditions in children and train province doctors in the diagnosis and treatment of these children.



## **The VinaCapital Foundation**

### **Notes to the financial statements for the year ended 31 December 2012 (continued)**

#### **Family Grants and Continuing Care for disadvantaged children**

The Foundation provides one year of post-operative medical care, nutritional support, and money for the destitute families of these disadvantaged children. Family grants are one-time and support needs such as food for the family during the hospital stay or transportation to the surgery.

#### **B. Increasing Capacity for Pediatric and Cardiac Care**

The capacity for pediatric care, pediatric intensive care, pediatric emergency care, neonatal care, cardiac care, and cardiac surgery can be dramatically and immediately increased by adding equipment and providing training. To that end, the Foundation has developed and implemented several large-scale capacity-building programs:

##### **Instruments in Hand: Medical Equipment Donations**

The Foundation supplies hospitals throughout Vietnam with critical new or refurbished medical equipment, which helps improve the standard of care for thousands of patients and builds capacity for increased levels of care.

##### **Onsite and Offsite Training Programs**

The Foundation supports the onsite training program, which focuses on training local medical professionals through preceptorship visits by exemplary medical professional in cardiac care areas such as diagnosis, crisis stabilization, surgery and post-operative intensive care.

The Foundation also supports offsite training visits for Vietnamese doctors through mentoring fellowships to exemplary overseas medical institutions. Doctors from Vietnam have been sponsored to study in Ireland, Switzerland and the USA.

##### **Critical Response: Training & Equipment for Emergency Pediatric Life Support**

The Foundation provides training on pediatric advance life support (PALS) to doctors. PALS is a standardized approach to the evaluation and resuscitation of children in respiratory or cardiac arrest.

This program provides emergency training and stocked crash carts to emergency rooms and pediatric ICU (Intensive-Care unit). It also provides training to nurses on how to maintain them and assist doctors in a code.

## **The VinaCapital Foundation**

### **Notes to the financial statements for the year ended 31 December 2012 (continued)**

#### **Telemedicine Programs: Distance learning to save lives**

The Foundation operates a series of video-conference training conferences to improve capacity for cardiac and pediatric care in Vietnam and other Asian countries. This regional program links surgeons and doctors in critical care developing countries with the world's best in cardio-thoracic surgery, cardiology, and pediatric ICU care or neonatal care through interactive lectures.

#### **Survive to Thrive: Supporting Neonatal Care in Vietnam**

The program provided funding, design and construction supervision of a major upgrade to a new neonatal intensive care unit and high dependency unit at Da Nang for women and children. The facilities now operated closer to international standards of pediatric care. The new facilities have greatly improved the care and survival of infants in central Vietnam and is helping the hospital meet its target of reducing infant mortality by a minimum of 1% per year. The program from 2011 to 2014 will assist the unit with additional equipment and significant training allowing the new Neonatal Intensive Care and High Dependency Unit to become a regional center of excellence in health care and medical training. They will directly save the lives of thousands of infants and children, including the most disadvantaged ones in the central region's rural and ethnic minority areas, and help drastically further reduce Vietnam's infant mortality rate. In 2012 the Foundation began a telemedicine series on neonatal care as part of this training.

#### **C. Education for Disadvantaged Children and Youth**

The Foundation recognizes that a formal education is a key factor in breaking out of the poverty cycle, and created programs that aim to make education more accessible to the most disadvantaged youth in Vietnam.

##### **A Brighter Path: Scholarships for Ethnic Minority Girls**

This program offers hope for a brighter future and a break from the poverty cycle for ethnic minority girls in Vietnam by providing 47 impoverished tribal girls with scholarships to attend high school and university. Each student receives a seven-year scholarship (three years of high school and four years of university) that includes support for tuition, books, food, housing, and uniforms or clothing. All girls in the program were accepted to university and are in their first year

##### **Scholarships for Heartbeat Vietnam Alumni**

From time to time, the Foundation encounters exemplary students through the Heartbeat Vietnam program. These are students who attained academic excellence throughout their illness and continue to do so after surgery. The Foundation provides these students with scholarships through high school and college.

## **The VinaCapital Foundation**

### **Notes to the financial statements for the year ended 31 December 2012 (continued)**

#### **D. International Management Initiative for Vietnam (IMIV)**

IMIV is a not-for-profit social development project of the VinaCapital Foundation that supports the development of management skills in Vietnam by partnering with top international institutions to deliver high quality management training programs here. Currently IMIV is running a curriculum of 15 short-course executive education programs developed by the Australian Institute of Management and delivered by IMIV's own team of locally-based trainers. IMIV's activities are guided by an outstanding group of Founding Sponsor companies which includes some of the top global and local companies operating in Vietnam.

#### **2. Summary of significant accounting policies**

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

##### **(a) Basis of preparation**

The financial statements, which are expressed in United States Dollars ("USD"), have been prepared in accordance with the cash basis of accounting. This is a basis of accounting that is designed to meet the requirements of the Foundation; it is not designed to produce financial statements that are compatible with International Financial Reporting Standards. Accordingly, donations are recognized when received rather than when the right to receive them arises, and payments are recognized when made rather than when the obligation to pay arises.

##### **(b) Foreign currency transactions**

Fund balances denominated in currencies other than USD (i.e Vietnam Dong ("VND")) are translated into USD at the exchange rates in effect at the year end date. Transactions in currencies other than USD are translated into USD at rates approximating those ruling at the transaction dates. All foreign exchange differences are recognised in the statement of receipts and payments.

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

Cash comprises cash at bank.

##### **(d) Donations**

Donations are recognised upon receipt.

##### **(e) Fixed assets**

The cost of fixed assets is charged to Payments when purchased.

## The VinaCapital Foundation

Notes to the financial statements for the year ended 31 December 2012 (continued)

### 3. Donations in cash

Donations received in 2012 included large donations from the Foundation's founding sponsor, VinaCapital, and VinaCapital related companies as well as from other major donors. These donors included but were not limited to: ExxonMobil Corporation, Society of Petroleum Engineers, Draeger Medical, St. Martin's-in-the-Fields Vicar's General Fund, CotecCons Group, Fedex Express Limited, Helping Hand Helping Hearts, Talisman Energy, Australian Consulate General, Hieu Ve Trai Tim Charity, Andy Ho, Julie Lam, Nguyen Thi Nhu Loan, SSE Steel Co., Ltd, Tan Ky Construction Real Estate Trading Corporation, Katherine Yip.

### 4. Donations provided directly to hospitals

These donations support heart surgery for children suffering from congenital or acquired heart disease. They are made under the terms of an agreement that the Foundation has entered into with Giving it Back to Kids ("GIBTK"), an NGO based in the USA; this agreement is currently scheduled to last until 2014.

### 5. International Management Initiative for Vietnam (IMIV)

Donations received in 2012 included large donations from the Foundation's founding sponsor, VinaCapital and IMIV original Founding Sponsors, VinaCapital and VinaCapital related companies as well as from other major donors. These donors included but not limited to: HSBC Bank (Vietnam) Ltd, Deloitte Vietnam Company Limited, Metro Cash & Carry Vietnam, Ernst & Young Vietnam Limited, Standard Chartered Bank (Vietnam) Limited, Chartis Vietnam Insurance Co., Ltd.

### 6. Improving Health Care Access and Outcomes for Poor Children

	2012 USD	2011 USD
Heart Surgeries (a)	540,348	431,845
Provincial Outreach Clinics for Poor Children (b)	29,613	26,573
Family Grants and Continuing Care for Heart Alumni	2,013	2,983
Other costs	-	4,654
	<hr/>	<hr/>
	571,974	466,055