

dāna asia
helping invest equitably in asia



**Eliminating Poverty through Social
Business**



Annual Review 2016

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Chair's Message

<p>Our Message to our Donors and Stakeholders</p> <p>“Donations and Social Investment funds to Dana Asia have a lasting and increasing impact on the lives of poor people, empowering them to lift themselves out of poverty.”</p> <p>Multiplier Effect: 2 + 2 = 22</p> <ul style="list-style-type: none"> ● <u>Funds are recycled so each donation is available to multiple people in poverty</u> The funds are recycled after each 6 month loan cycle and are used again ● <u>Funds are used to encourage Increased Community Export and Import</u> 	
<p>Our Story</p> <p>We are a member of the international Grameen family and are inspired by the work and visionary ‘alleviation of poverty’ philosophy of Professor Muhammad Yunus (Nobel Peace Laureate 2006).</p>	<p>Our Status</p> <p>Dana Asia is an Australian not for profit organisation with Type 1 DGR status approved under the Australian Government’s Overseas Aid Gift Deduction Scheme and is a Public Benevolent Institution (PBI) with tax deductibility in Australia. It is an accredited member of the Australian Council for International Development (ACFID) and a signatory to its Code of Conduct.</p>
<p>“To work tirelessly to make poverty history”</p> <p>We combine entrepreneurial capacity building with sound business knowledge and financial empowerment to create sustainable wealth for the poorest families.</p>	<p>“Our creative model works with the dynamics of both Social Business and Microfinance”</p> <p>Social Businesses generate markets for micro-entrepreneurs products and services</p> <p>Microfinance encourages micro-entrepreneurs to take on sensible business loans to grow their business activity families.</p>

Dana Asia's mission is to eliminate poverty in some of Asia's most neglected communities by applying our Social Business Model to create new sources of income for poverty-stricken families. Our dynamic approach combines compulsory training, ongoing mentoring, microfinance and leading technology to empower beneficiaries to change their own lives permanently. Social Business uses the tools of business – efficiency, economic viability and innovation – to drive scalable and sustainable social outcomes.

Dana Asia's project portfolio includes three key innovative programs:

1. **Philippines: Grameen Social Business Hub** in Manila focused on urban microfinance, education and social business development in Manila's slums (USD 1,200,000 raised to date).
2. **Cambodia: Livestock Training Centre** to provide secure income for scavengers on Siem Reap's dumpsite and poor rural communities (USD 400,000 raised to date).
3. **Bangladesh: Automechanic Training School and Workshop (Advisory Role)** in Dhaka providing international standard training and apprenticeships for the children of the poorest Grameen Bank borrowers (USD 1.95m raised to date).



Peter Hunt AM (Chair)

CEO's Message

Our Achievements

2015/16 was a significant year for Dana Asia with our projects reaching key targets to enable scale up in our operations to increase our social impact. Our work has been generously supported by a key group of philanthropists and social investors, enabling us to leverage into our innovative programs for long-term and sustainable poverty eradication in Asia. Key performance indicators outlining the our effectiveness are:

1. Money Raised versus Fundraising Costs – 7:1
2. Direct Project Costs versus Non-Direct Project Costs – 3:1
3. Project Costs (non-direct+direct) versus Admin Costs – 4:1
4. No. of Direct Beneficiaries versus No. of Staff – 71:1
5. Project Staff versus Head Office Staff – 13:1
6. Governance Efficiency:
 - Board and ARC Meetings Held versus Required – 100%
 - Board Attendance Rates – 81%

Milestones and Goals

Milestones 2015/16	Goals 2016/17	Key Achievements 1Q 2016/17
Social Business Hub, Manila Philippines		
<ul style="list-style-type: none"> 1,656 members in 39 centres from some of Manila's most neglected communities 3,043 compulsory business training graduates (inception to Jun 2016) Total loans of 2,286 (AUD 456,764) AUD 58,073 in total savings 	<ul style="list-style-type: none"> Raise funds of AUD 1.2m to support expansion to more than 3,000 loans by year end, impacting at least 10,000 people Development of at least 2 cooperative social businesses with bulk sales potential outside the local community to ensure inflow of funds 	<ul style="list-style-type: none"> Successfully raised funds of AUD 2.1m, which will secure the loan pool to ensure the release of 3,000 loans within the next year 1 cooperative social businesses established in rag-making, with plans underway for at least 1 additional businesses
<ul style="list-style-type: none"> Mobile banking underway for all members to facilitate mobile loan management Savings program and micro-insurance roll-out well underway 	<ul style="list-style-type: none"> Implementation of full-scale facility including banking, transfers, bill paying and insurance Savings and insurance rolled out to all beneficiaries 	<ul style="list-style-type: none"> Testing program for full-scale facility under development All beneficiaries have savings accounts, and insurance levels increasing
Initial Social Impact testing confirmed income increases at an average of 47%	Expansion of the Social Impact Survey to all beneficiaries to further analyse the program's impact	Program developed to roll the survey out, with testing of the process underway
Phnom dei Livestock Training Centre, Siem Reap Cambodia		

21 Stage 1 graduates, 14 continuing on as Stage 2 apprentices	Expanded apprenticeship training including computer database management & marketing	<ul style="list-style-type: none"> Apprentices currently manage the chicken statistics database A stall was piloted by apprentices to sell chickens at a local market
Over 200 local peasant farmers trained in livestock rearing	<ul style="list-style-type: none"> Increased training and chicken supply to local and international NGOs Commencement of development of a "Village based Chicken Rearing Model" to increase reach and impact, and secure further scale 	<ul style="list-style-type: none"> Discussions with potential partners commenced Initial concept document to be commenced early in the new year
<ul style="list-style-type: none"> 4,500 chickens at the Centre, with markets secured at key local restaurants Biosecurity and chicken health training provided by independent Expert in the field 	<ul style="list-style-type: none"> Scaling to a stable 8,000 plus flock to support ongoing sales Implementation of full international standard biosecurity and health program to secure the flock 	<ul style="list-style-type: none"> Flock stabilising at nearly 5,000, with arrival of large scale incubator in November to further improve hatching rates Significant biosecurity improvements underway; expert advised vaccination and health management program underway
Automechanic Training School and Workshop, Dhaka Bangladesh		
<ul style="list-style-type: none"> First 10 students completed year 1 of their 2 year course, with all students successfully moving to the more challenging and hands-on training of the year 2 program 17 new students commenced in January 2016, and are providing to be as determined to succeed as the inaugural intake 	<ul style="list-style-type: none"> Agreement finalised for Commercial Workshop to provide next level training for apprentices and secure funding for the School Secure additional international training support to further improve training quality and move towards the medium term goal of 200 students per annum 	<ul style="list-style-type: none"> Discussions well advanced towards a Commercial Workshop agreement International interest in supporting the program secured, with discussion underway

Since the close of the yearend, procedural monitoring of the Social Business Hub identified an issue with local management reporting. An internal audit was undertaken, which identified that a significant number of loans were late.

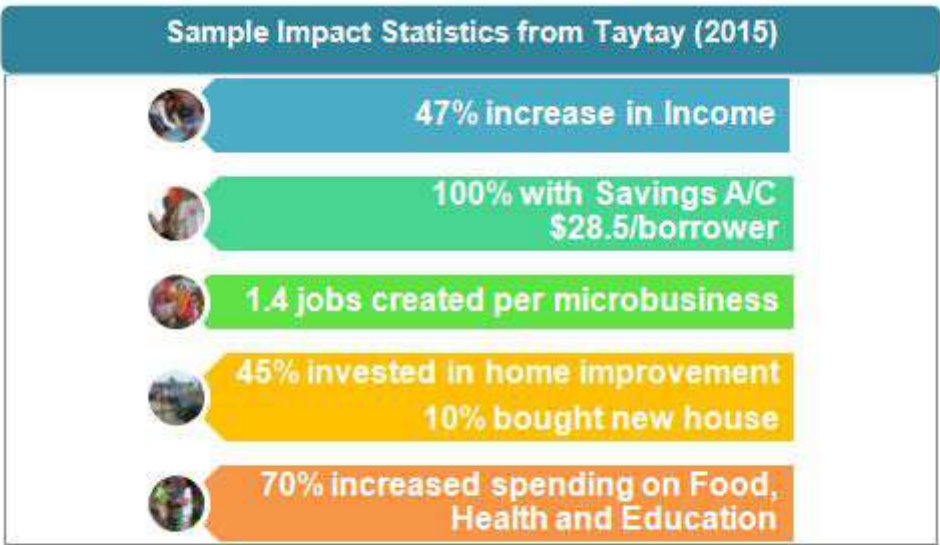
As a result, a remediation plan is being implemented including changes in local leadership to strengthen senior management, an assessment of all systems, full review of the loan book and the introduction of additional checks and control measures in tandem with even more 'bank-like' practices. The financial year-end for the Social Business Hub is December

2016 at which point the situation will be fully documented in preparation for the external audit. The Social Business Hub financials are not consolidated into this report as per Note 1(e) in the Audited Financial Report included in the Annual Review.

Social Impact Logic Model

Dana Asia is committed to delivering on its mission to use the power of social business to empower families living in extreme poverty to create sustainable wealth and a more secure life for themselves. To ensure we retain a clear focus on this commitment, we are developing a Social Impact Logic Model to determine the Outputs and Outcomes of our programs. Our analysis is focused on capturing a range of metrics to enable us to drill down into changes in our beneficiaries circumstances including change in income, savings, business ownership, jobs created, housing situation and spending on food, health and education.

Sample analysis has been undertaken in our first borrower community in Manila with early results confirming the significant and meaningful impact our program is having on the lives of our borrowers and their families.



Survey was conducted in the Taytay Centre covering the first 37 GAP borrowers with loans and membership for 1 full year. It took into account their pre and current standing on key indicators as outlined above.

Duncan Power (CEO)



Key Programs



Social Business Hub,
Manila Philippines

Automechanic
Workshop and
Training Centre,
Dhaka Bangladesh

Livestock Training
Centre,
Siem Reap
Cambodia

Social Business Hub

Manila, Philippines



KEY SUCCESSES 2015/16

**103 BORROWERS TO 1,656
BORROWERS**

121 batches of Start Your Own Business (SYOB) training
3,043 graduates
2 social businesses initiated

Purpose

In the Manila slums we develop entrepreneurs by providing microfinance products at the lowest possible interest rates consistent with financial viability and growth. Education is key to the success of our members – we pair affordable capital with business training, financial literacy and ongoing mentoring

People

Manila's urban poor deemed too expensive and risky for the conventional banking system. Our members are the landless or otherwise neglected, living in dumpsites and squatter communities and other slum areas in urban Manila

2020 Goals

To establish a profitable, dynamic, impactful microfinance program with centres across urban Manila supporting the business aspirations of at least 15,000 borrowers, thereby impacting up to 75,000 lives through income increases of at least an average of 40%

Provide the financial, marketing and educational support for the development of at least 6 social businesses that bring stable, ongoing new money into their communities

Establish the replication of the program through the development of partnerships for implementation in other SE Asian cities with major urban slums

Unique Amongst MFIs

MAXIMISE training, capacity building and ongoing mentoring

PROMOTE businesses that provide import-export replacement, bringing new income into communities

MAXIMISE cloud and mobile technology to ensure data transparency, paperless transactions

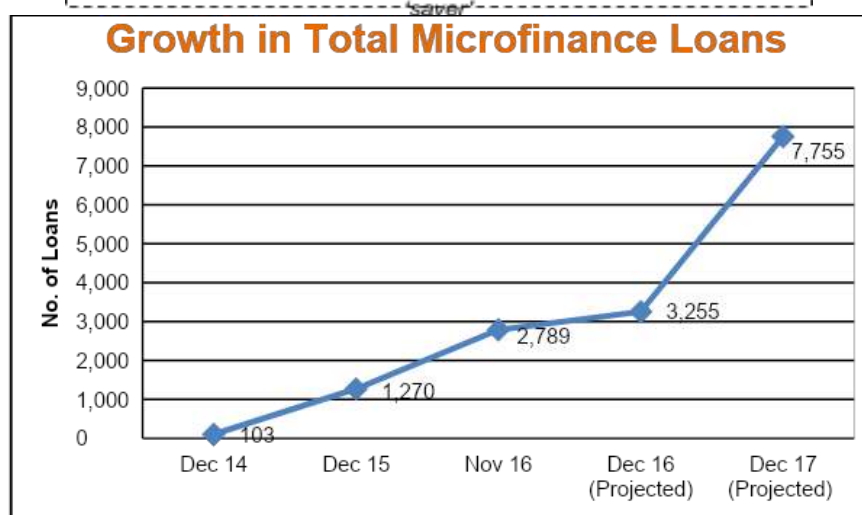
PROMOTE community involvement, self-help groups, foster local ownership and environmental awareness

MAXIMISE family Income by providing capital at affordable interest rates (half the

average MFI rate)
PROMOTE development of social businesses to encourage diverse micro-business opportunities



Note – A member is a previous or current 'borrower' and/or 'saver'



Achievements to 30 June 2016

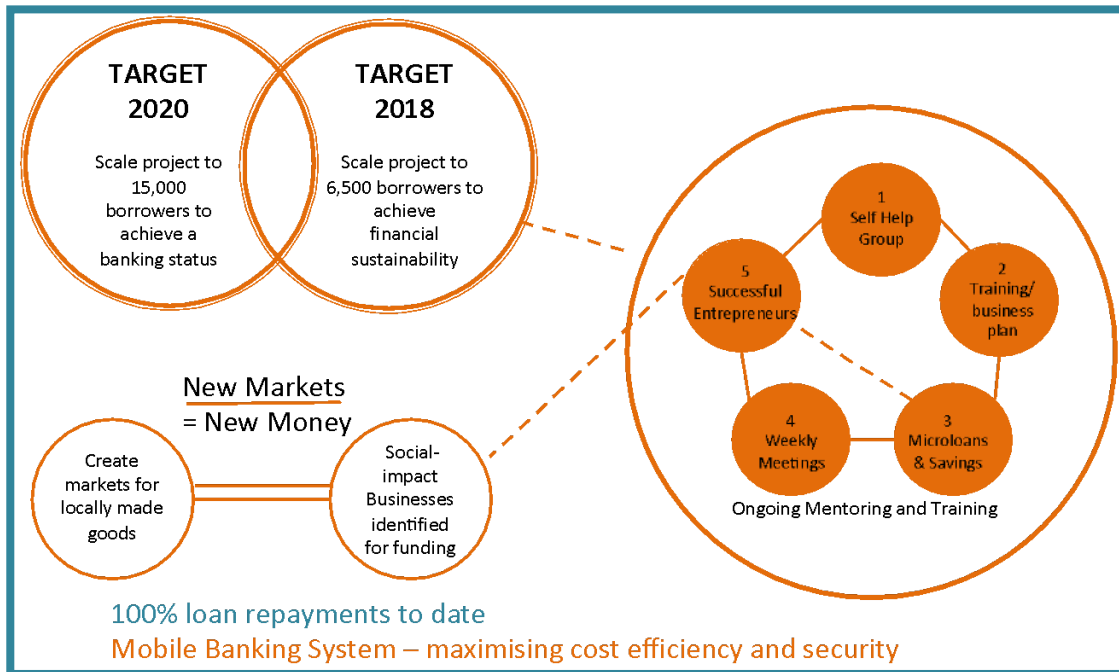
- Increasing number of borrowers are growing their businesses following receipt of loans with most doubling and some even tripling their income
- 2,286 loans have been released to a member base of 1,656 borrowers (AUD 456,764).
- Savings accounts established by borrowers to secure their financial future against unexpected issues such as illness or natural disaster with AUD 58,073 in total savings.
- Loans in the process of going live in the cloud based Mambu IT loan management system
- 39 Centres established and 3,043 graduates of the compulsory business training
- 3 businesses established, with sales secured:
 - Soap – bars delivered to a Hotel in Australia to date, and successfully being used as fair trade soap for guests.
 - Uniforms – initial order of shirts
 - Rags – commercial scale orders negotiated with corporate partner with ongoing deliveries

- Agribusiness social business development under negotiation with major corporate partner

KEY OBJECTIVES 2016/17

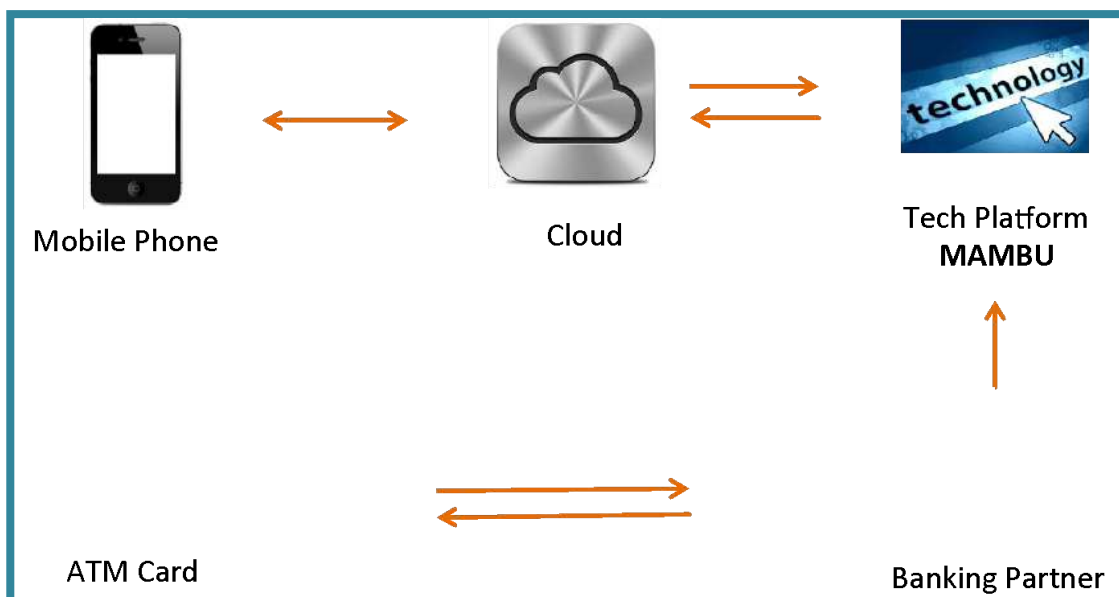
1) Achieve Scale

Scale to 6,500 borrowers by 2018 and 15,000 borrowers by 2020 thereby changing at least 75,000 lives



2) Technologically “The Best”

Cloud based mobile banking to power cashless banking to increase effectiveness, mitigate the risks of cash and decrease costs



3)

Community Involvement and Training

5 step Credit Approval Process:

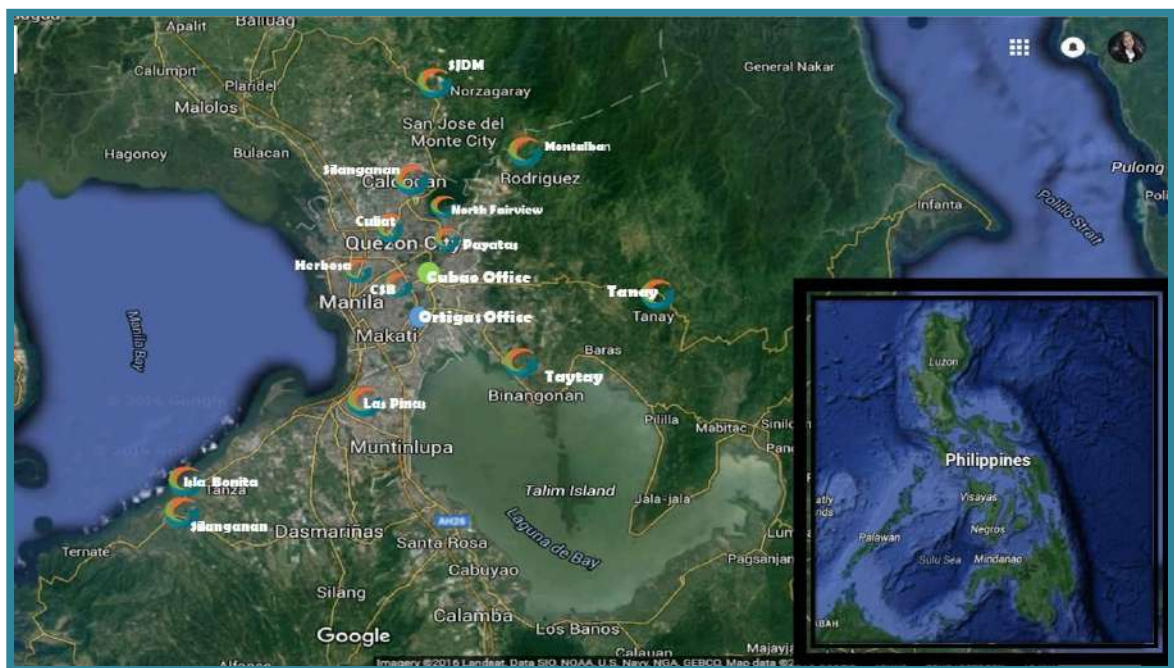
- Become a member of one of our self-help groups and centres in Metro Manila
- Successfully complete the “Start Your Own Business” course – members are trained in practical business and cash-flow planning
- Dana Asia Account Officer conducts credit background investigation
- Centre Credit Recommendation Committee with Account Officer and 3 Centre Leaders must approve the loan
- Dana Asia Credit Committee endorsement

Loan Secured By:

- 2 Guarantors – spouse + community member
- Loan Insurance (possibly life insurance as well)

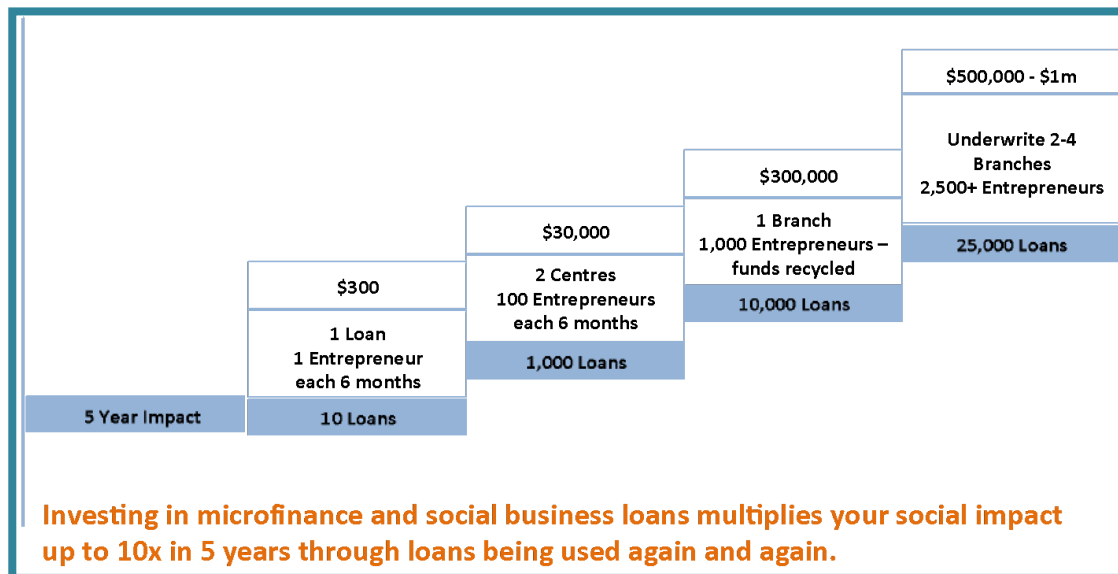
4) Increase Branches in Areas of Need

Demand for our services is increasing as awareness of the effectiveness of our program grows – scale will provide us with the opportunity to reach these communities.



5) Ensure our Donor Funds create a Real Difference

Microfinance and Social Business investment creates a powerful multiplier effect



One Borrower's Story



Juliet's living conditions in Taytay were very bleak - her home had no floor and is regularly swapped by floods



Juliet joined the Hub and was quick to realize the possibilities – she is now on her third loan and is a key member of a rag cooperative selling bulk products to a Dana Asia corporate partner at a fair price



Juliet is now our dynamic and inspirational Taytay Centre leader



Juliet says her greatest achievement is to now be able to fund higher education for her children

Livestock Training Centre

Siem Reap, Cambodia

Key Successes 2015/16



Creating hope and financial security for
dumpsite scavengers



Developing a Centre
leading the way in the
commercial rearing of local Khmer chickens

Purpose

We provide training in best practice chicken farming methods to very poor people with the aim to at least double our apprentices' incomes and ensure long term food security. Designed as a social business, the farm sells Khmer chickens and eggs to clients in Siem Reap, with profits funding the comprehensive training of nearly 20 former scavengers and livestock tuition for over 200 external NGO beneficiaries.

People

Families living on the Dumpsite near Siem Reap Town. These scavengers work long hours every day in a toxic and dangerous environment to earn only about USD 1.50 per day

2020 Goals

To achieve financial sustainability by 2017 through the sale of chicken and eggs, the provision of training and chickens to NGOs and their beneficiaries, and the rental of the training centre to local businesses to host their training activities.

Profitability will provide the platform to develop an egg production program to provide chicks for a cooperative community based chicken rearing program with families training in rearing and financially supported through microfinance to develop their own businesses to provide chickens for the Centre's network of customers

Point of Difference

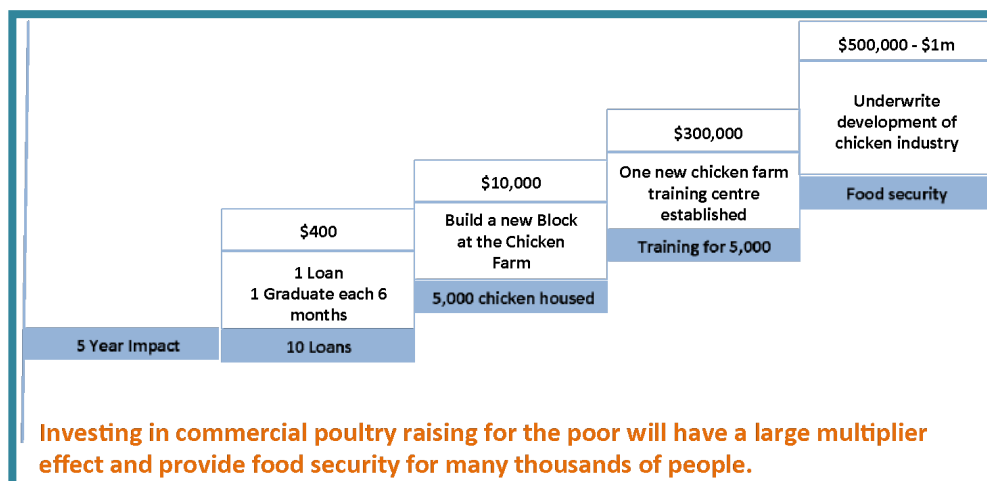
Established on 3 hectares of land near the local dumpsite
Provides a stable, fair income for graduates who gain employment at the Centre as apprentices

Khmer free-range chickens to satisfy high demand from middle and upper class
Khmers

Engages world-class chicken experts from Australia to advise on quality and farm practices

Best-practice training centre that can be replicated in other districts

The Multiplier Effect of Donating to the Livestock Training Centre



Achievements to 30 June 2016

- Students who have completed the first phase of training have doubled or tripled their income depending on the number of hours they commit to working at the Centre
- The Centre's mission to maximise social impact whilst focusing on financial sustainability is reflected in work with leading International and local Cambodian NGOs working to alleviate poverty. The Centre is providing training to team members and beneficiaries of these organisations and supplying them with chickens.
- Establishment of an Expert Advisory Committee comprising members with more than a combined 50 years experience in the industry has supported major improvements in biosecurity, chicken health and quality of feed resulting in significant flock growth.
- Sales of chickens to the local hospitality industry are steadily increasing due to strong demand for local Khmer chicken meat.
- Infrastructure work at the Centre has been completed with new chicken pens to manage the increased numbers and the purchase of 3 incubators to improve birth rates as egg numbers steadily



its

PERFORMANCE OVERVIEW

Impact Metric	Indicator	Jun-16	Budget (Dec-16)	Break- Even/Month
Farm Scale	No. of Chickens	4,607	10,000	12,803
	Eggs laid/month	1,344	6,000	7,500
Sales	Chicken Sales (kg)	896	2,100	2,895
	Income/month (AUD)	4,626	10,623	15,923
Education	No. of Graduates Working on the Farm	15	15	-
	No' of 'English for Children' Attendees	71	-	-

One Scavenger's Story



Sal, one of our farmers, was a scavenger on the local dumpsite



Sal has now graduated from our training course

*Sal is now responsible for day-to-day
chicken care and management...*



*... and sales of our chickens at
local markets*



Automechanic Training College and Workshop

Dhaka, Bangladesh

(Advisory Role)

Purpose

The mission of the social businesses is to provide best-in-class auto mechanic training to create jobs for very poor young people. Established as a partnership between Grameen Shikkha and SK Dream Japan, this is a residential program that leverages Japanese technology and funding, and engages auto mechanic teachers from Australia and Japan. Professor Yunus is the Chair.

People

Post-secondary students from deprived and very poor rural/urban backgrounds.
Selection is by application

2020 Goals

To scale our social business to 200 students per year and achieve break-even by year 4.

Commercial income from the auto mechanic shop pays student fees.
The market for the shop is new wealthy/upper middle class people and corporates.

Point of Difference

Provides training in marketable skills and ongoing mentoring
Good location near Dhaka city centre
Workshop is part of major auto dealership exposing students to professional quality standards on a daily basis
Provides international certification and English and local language tuition
The student's fees are funded through commercial income from the workshop
Teachers from Japan and Australia
Provides hands-on experience as well as social support

Achievements to Date

- Initial workshop and school premises secured from Rangs, a key local business partner and one of Bangladesh's largest conglomerates with expertise in the automobile sector.
- Negotiation of a partnership share agreement with Rangs for long-term sustainability and financial security.
- Employment of the Head Teacher, a qualified International automobile mechanic and teacher.
- Initial curriculum completed with ongoing development as the project progresses.
- 100 applications received with 10 students selected. The application process included challenging practical and written tests and formal interview.
- Criteria for selection included that they be from the very poorest backgrounds with family income below USD 150/month (USD 5/day)
- School commenced on 16th January 201. The students completed their first year in December 2016 and are progressing very well.

- The second intake of 17 students commenced their studies in January 2016

Our Board

Peter Hunt AM, Chair

Peter is Chairman and one of the original founders of Greenhill (www.greenhill.com), a leading Australian corporate advisory firm that is now part of the global Greenhill advisory group. Peter has been advising local and multi-national companies and governments in Australia for over 25 years.



In the not for profit sector, Peter is Chairman of Dana Asia and So They Can (both involved in overseas poverty alleviation work) and director and founder of Women's Community Shelters. Peter is also a member of the Advisory Councils of Mission Australia and the Centre for Social Impact. Previous roles in the sector have included a Trustee of the Anindilyakwa Indigenous Mining Trust, Chairman of the AMP Foundation, Chairman of the Australian String Quartet, Trustee of St Vincent's Clinic Foundation, a director of Odyssey House and a director of the St James Ethics Centre.

Peter was made a member of the General Division of the Order of Australia in the Queens Birthday Honours List in 2010 for services to the philanthropic sector.

Nigel Ampherlaw

A chartered accountant with significant expertise in risk management, technology and audit services.

Nigel recently retired as partner and practice leader of PricewaterhouseCoopers, a position he held for 22 years.



Nigel currently holds a number of positions including:

- Director, CUA (since March 2011) – Chair, Risk Committee & Technology Committee
- Director, Quickstep Technologies Ltd – Chair, Audit and Risk Committee

Lindley Edwards

Group Managing Director of AFG Venture Group (www.afgventuregroup.com) and its various subsidiaries. The Group provides corporate advisory services that include mergers, acquisitions, divestments, capital raisings, strategic consulting, licensing and joint ventures. AFG Venture Group operates throughout the Asean Region, with full offices in India, Singapore, Indonesia and Thailand.



Previously Lindley was a State Manager (Vice-President) with Citibank. Prior to this position she spent nine years with Macquarie Bank and was an Associate Director with the Corporate Banking Division.

She is a Fellow of the Financial Services Institute of Australia. Lindley holds two undergraduate degrees one in Accounting and the other in Banking and Finance. She also holds postgraduate qualifications in Corporate Governance and in various Financial Services regulatory courses and is currently studying for a PhD in Philosophy.

Masud Isa

Currently a doctoral researcher in RMIT University in Melbourne, Masud worked with the Nobel Laureate Professor Muhammad Yunus, founder of Grameen Bank in Bangladesh. He was the head of Grameen Bank's Monitoring, Evaluation and Planning Department, and was one of the key members of the senior executive team. He also worked as a microfinance consultant for the Department of Foreign Affairs and Trade, United Nations High Commissioner for Refugees and Grameen Trust.



Whilst part of the Grameen Bank team in Bangladesh, Masud was on the Board of several Grameen Group companies in the areas of telecommunication, textile, agriculture, fisheries, education, health care and asset management. He led several Grameen companies as the Managing Director and CEO, including Grameen Kalyan, Grameen Telecom, Grameen Knitwear Limited and Grameen Uddog.

In Australia, Masud Isa worked for The Business for Millennium Development (B4MD), a Melbourne based independent not-for-profit organisation, as Director of Projects prior to his commencing the PhD research works in 2013. He also worked as Senior Private Sector Development Specialist in The Foundation for Development Cooperation; a Brisbane based international development organization before joining B4MD in 2009.

Paul Murnane

A company director and corporate advisor with 35 years experience in financial services, consulting and general management in Australia and abroad. Most recently he was Senior Advisor of O'Sullivan Partners, an Australian corporate advisory firm. Prior to this he was an Executive Director of Goldman Sachs JB Were; and MD of Russell Reynolds Associates (a leading global executive search firm where he provided strategic advice for Chairman and CEOs), following directorships of several investment banks in Australia and abroad. He holds economics and business administration degrees from the Universities of Sydney and New South Wales.



Paul's past and present services to community include: director of Multiple Sclerosis ACT/NSW/VIC, MS Research Australia and The Sydney Institute

Ian Watson

Ian grew up in Birmingham and moved to Australia, where he held senior positions in equipment leasing and structured finance. He was the founder and CEO of Portfolio Leasing, a Ford subsidiary, and Rentworks, a leading player in operating leasing.

In 1996 he established Unison Finance Group that has evolved into a private investment business.

Ian's primary interest in the not-for-profit sector is mentoring entrepreneurship and social businesses.



Ian retired from the Dana Asia Board post the FY 2015/16 year end.

Our Commitment



Dana Asia is a member of the Australian Council for International Development (ACFID), the peak Council for Australian not-for-profit aid and development organisations working to attain a world where gross inequality and extreme poverty are eradicated.

Dana Asia is also a signatory to the ACFID Code of Conduct and is committed to ensuring full adherence to its requirements. The Code is a voluntary, self-regulatory sector code of good practice that aims to improve international development outcomes and increase stakeholder trust by enhancing the transparency and accountability of signatory organisations. The Code aims to outline standards required for program effectiveness, fundraising governance and financial reporting.

Comments or complaints regarding the activities of Dana Asia can be lodged either with Dana Asia directly or to the ACFID Code of Conduct Committee

Dana Asia Contact:

Email: mail@grameen.org.au

Mail: PO Box 256

North Sydney NSW 2059

ACFID Code of Conduct Committee Contact:

Email: complaints@acfid.asn.au

Website: <http://www.acfid.asn.au/code-of-conduct/complaints>

Mail: Code of Conduct Management Team

Private Bag 3

Deakin ACT 2600

2016 Grameen Foundation (Australia) Ltd Audited Financials

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

DIRECTORS' REPORT

Grameen Foundation (Australia) Limited (known as Grameen Australia) is an Australian not for profit organisation with Type 1 DGR status approved under the Australian Government's Overseas Aid Gift Deduction Scheme, and was granted PBI status in 2015. It is an accredited member of the Australian Council for International Development (ACFID) and a signatory to its Code of Conduct.

Grameen Australia's mission is to apply the dynamic principles of social business to empower poor people in the Asia Pacific Region to climb out of poverty. Our activities cover two key areas:

1. Project Management
 - a. Social Business Hub in Manila: AUD 1,184,020 raised during the 2015/16 year by Grameen Foundation Australia and its subsidiaries
 - b. Livestock Training Centre in Siem Reap: AUD 155,514 raised during the 2015/16 year by Grameen Foundation Australia subsidiaries.
2. Charitable Advisory Services: AUD 263,682 was earned for services undertaken by Grameen Australia subsidiaries during the 2015/16 year of which AUD 189,509 was transferred to Grameen Australia.

The Grameen Australia Group is currently managing and advising on three key programs to achieve its mission:

- Social Business Hub, Manila The Philippines – the program applies microfinance, business education, marketing and distribution skills to overcome poverty in the Manila slums. Owned and managed by Grameen Australia's subsidiary Grameen Australia Philippines Inc.
 - Key Activities – 2015/16
 - Total loans to date of 2,719
 - 39 centres established in neglected communities
 - Comprehensive business training and mentoring program extended to all borrowers
 - Since the close of the yearend, procedural monitoring of the Social Business Hub identified an issue with local management reporting. An internal audit was undertaken, which identified that a significant number of loans were late. As a result, a remediation plan is being implemented including changes in local leadership to strengthen senior management, an assessment of all systems, full review of the loan book and the introduction of additional checks and control measures in tandem with even more 'bank-like' practices. The financial year end for the Social Business Hub is December 2016 at which point the situation will be fully documented in preparation for the external audit. Provisioning for bad/doubtful debts determined at the completion of the audit will be made by the Social Business Hub in its accounts. The Social Business Hub financials are not consolidated into this report as per Note 1(e)
- Livestock Training Centre, Siem Reap Cambodia – impoverished scavengers from the local dumpsite receive training and apprenticeships in chicken rearing to ensure secure, fair income.
- Owned and managed by Dana Asia subsidiary Dana Asia Cambodia, the Centre is registered as a commercial organisation under the name Phnom del KJ Livestock Training Centre. The objective of the Centre is to become the leading Demonstration Training Farm in Cambodia.
 - Key Activities – 2015/16
 - 21 graduates from Stage One
 - 14 continuing as Stage Two apprentices
 - Over 4,000 chickens on the Farm, and ongoing sales to restaurants in Siem Reap
 - Substantial upgrading of Centre infrastructure to commercial standards, and extensive bio-security improvements implemented

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

DIRECTORS' REPORT

- Automechanic Training School, Dhaka Bangladesh (Advisory Role) – provides comprehensive Japanese standard diploma training and hands-on experience in auto mechanical service, repair, panel beating and painting over 2 years to disadvantaged and poverty stricken youth in Dhaka and the surrounding rural areas. Donor owned and managed by an independent Board and management team with Grameen Australia providing advisory services.
 - Key Activities – 2015/16
 - 27 students over 2 year training course with 10 in their second year working as apprentices at the workshop
 - Agreement for Commercial Workshop to provide training for their 120 staff and to advise on productivity improvements in their workshop. This agreement provides funding to assist the further development of the School

Grameen Australia's Social Impact Logic Model program is underway – sampling analysis has been completed for an early Manila Social Business Hub Centre after 12 months.

Income	47% increase
Savings	100% with accounts, AUD 28.5/borrower
Jobs Created	1.4 per microbusiness
Home Improvements	45% invested in home improvements, 10% bought a new home
Spending	70% increase on food, health and education

Grameen Australia is the parent organisation and sole member of a Singapore registered charity named Dana Asia. Dana Asia provides grants to charitable projects in the Asian region. Grameen Australia management provide advice and project management to development projects that are funded by Dana Asia. In 2015-16 Dana Asia made grants of USD 175,000 to Grameen Australia's Social Business Hub project in Manila. It also facilitated grants to projects in Cambodia and Bangladesh in which Grameen Australia expertise and advice were instrumental.

Grameen Australia applies the following key performance indicators to assess the effectiveness of the organisation:

1. Money Raised versus Fundraising Costs – 7:1
2. Direct Project Costs versus Non-Direct Project Costs – 3:1
3. Project Costs (non-direct+direct) versus Admin Costs – 4:1
4. No. of Direct Beneficiaries versus No. of Staff – 71:1
5. Project Staff versus Head Office Staff – 13:1
6. Governance Efficiency:
 - Board and ARC Meetings Held versus Required – 100%
 - Board Attendance Rates – 81%

Grameen Australia is the trustee for two funds:

1. Grameen Foundation (Australia) Limited Type 1 registered Overseas Aid Fund
2. Grameen Foundation Overseas Aid Fund, a public ancillary fund which facilitates tax deductible donations to Australian charities

Directors

The names of the directors in office at any time during or since the end of the financial year are:

Peter Hunt	Paul Mumane
Nigel Ampherlaw	Lindley Edwards
Ian Watson	Masud Isa
Duncan Power	Elizabeth Masamune
Rishabh Mehrotra (resigned Dec15)	Andrew Gray (resigned Dec 15)

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

DIRECTORS' REPORT

Board Meeting Summary

Board Member	Number of Board Meetings Held during 2015/16 whilst a Director	Number of Board Meetings Attended in 2015/16
Peter Hunt	4	4
Nigel Ampherlaw	4	2
Ian Watson	4	3
Duncan Power	4	4
Paul Murnane	4	3
Lindley Edwards	4	3
Masud Isa	4	3
Rishabh Mehrotra	2	2
Andrew Gray	2	2
Elizabeth Masamune	1	1

Please refer to the Grameen Australia website at www.grameen.org.au for details of each directors experiences.

A review of the operations of the company during the financial year and the results of those operations are as follows:

The principal activity of the company during the financial year was charitable activities. No significant change in the nature of these activities occurred during the financial year.

Since year-end it has been discovered that the loans provided by the Social Business Hub in the Philippines (a subsidiary of Grameen Australia) are potentially overstated. The Social Business Hub is currently conducting a review of the quantum of the potential overstatement however it is not envisaged that this will require extra-ordinary funding from Grameen Australia.

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of the State.

No dividends were paid or declared since the start of the financial year.

During the relevant period, Grameen Australia indemnifies the Board Members to the maximum extent permissible by law against any liability the Board Member may incur to any person as an officer of Grameen Australia. Directors and Officers insurance premiums have paid.

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Signed in accordance with a resolution of the Board of Directors:

Director 
Peter Hunt

Director 
Duncan Power

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 \$	2015 \$
REVENUE			
Donation and gifts – Monetary			
Donations received		365,997	309,245
Donation and gifts – Non-Monetary ¹		-	-
Bequests and Legacies ¹		-	-
Grants ¹		43,020	-
Investment Income			
Interest received		5,721	7,205
Other Income			
Other comprehensive income		5,549	16,252
Advisory Fees		189,509	
Foreign Exchange Gain		-	-
Loans Forgiven		-	-
Revenue for International Political or Religious Adherence Promotion Programs ¹		-	-
TOTAL REVENUE		<u>609,796</u>	<u>332,702</u>

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached compilation report.

¹ Required by ACFID code of conduct

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 \$	2015 \$
EXPENDITURE			
International Programs			
Program Support Costs	2	34,173	55,977
Funds to International Programs	2	365,024	30,000
Community Education ¹		-	-
Fundraising Costs			
Consulting Fees	3	23,486	19,689
Event Costs		-	12,189
Salaries & Wages	3	42,789	-
Travelling Expenses	3	16,478	-
Expenditure - Non-Monetary ¹		-	-
Domestic Programs Expenditure ¹		-	-
International Political or Religious Adherence Promotion Programs Expenditure ¹		-	-
Accountability and Administration			
ACFID Fees		3,670	1,626
Auditor's remuneration		10,130	10,050
Administration costs		8,018	1,416
Bank charges		216	1,660
General expenses		1,413	1,117
Insurance		5,299	2,239
Postage		40	138
Stationery		100	387
Telephone, fax and mobile		3,700	3,275
Traveling expenses - Administration		10,983	339
Travelling expenses - Project related		27,463	-
Superannuation		9,882	3,152
Salary & Wages - Administration		37,655	-
Salary & Wages - Project Related Expenditure		24,840	-
Consulting Fees - Administration Fees		26,973	19,689
Consulting Fees - Project Related Expenditure	2	66,973	157,516
TOTAL EXPENDITURE		719,505	320,459
NET PROFIT		(109,709)	12,243
Retained profits at the beginning of the financial year		237,942	225,699
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR		128,233	237,942

¹ Required by ACFID code of conduct

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	2016 \$	2015 \$
CURRENT ASSETS			
Cash and Equivalents			
Cash at bank	4	310,704	433,455
Petty cash		716	716
Trade and Other Receivables			
Receivables		7,681	8,221
Other Assets			
Loan - Grameen Foundation Overseas Aid Fund		3,596	3,596
TOTAL CURRENT ASSETS		<u>322,697</u>	<u>443,988</u>
TOTAL ASSETS		<u>322,697</u>	<u>443,988</u>
CURRENT LIABILITIES			
Accounts payable		12,696	24,279
Borrowings	5	181,767	181,767
TOTAL CURRENT LIABILITIES		<u>194,464</u>	<u>206,046</u>
TOTAL LIABILITIES		<u>194,464</u>	<u>206,046</u>
NET ASSETS		<u>128,233</u>	<u>237,942</u>
EQUITY			
Retained profits		128,233	237,942
TOTAL EQUITY		<u>128,233</u>	<u>237,942</u>

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached compilation report.

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2016

	Retained Earnings \$	Reserves	Other	Total \$
Balance at 1 July 2014	225,699	-	-	225,699
Adjustments to equity	-	-	-	-
Items of other comprehensive income	-	-	-	-
Profit attributable to the members of the company	12,243	-	-	12,243
Balance at 30 June 2015	<u>237,942</u>	<u>-</u>	<u>-</u>	<u>237,942</u>
Balance at 1 July 2015	237,942	-	-	237,942
Adjustments to equity	-	-	-	-
Items of other comprehensive income	-	-	-	-
Profit attributable to the members of the company	(109,709)	-	-	(109,709)
Balance at 30 June 2016	<u>128,233</u>	<u>-</u>	<u>-</u>	<u>128,233</u>

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached compilation report.

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 \$	2015 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Donation receipts		365,997	309,245
Other comprehensive income receipts		238,078	43,031
Payment of donations		(365,024)	(53,890)
Payments to suppliers, consultants and employees		(367,523)	(274,541)
Interest received		5,721	7,205
Net cash provided by operating activities	6(b)	<u>(122,751)</u>	<u>31,050</u>
CASH FLOW FROM INVESTING ACTIVITIES			
		-	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of borrowings		-	(7,119)
Net cash provided by financing activities		<u>-</u>	<u>(7,119)</u>
Net increase / (decrease) in cash held		(122,751)	23,931
Cash and cash equivalents at beginning of financial year		434,171	410,240
Cash and cash equivalents at the end of the financial year	6(a)	<u>311,420</u>	<u>434,171</u>

Additional Note

Pursuant to the ACFID Code of Conduct, we also note that no single appeal, grant, or other form of fund raising for a designated purpose generated 10% or more of the organisation's international aid and development revenue for the financial year.

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached compilation report.

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users' dependant on a general purpose financial report. The financial statements are therefore special purpose financial statements and have been prepared in order to meet the requirements of the Corporations Act 2001, Australian Charities and Not-for-profits Commission Act 2012, ACFID Code of conduct and the needs of the members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the above requirements and needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the financial statements are as follows:

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(b) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(c) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable.

Donations are recognised on receipt.

Interest revenue is recognised using the effective interest rate method which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

Advisory Fees are grants from the organisation's subsidiaries for advisory services provided by the organisation's subsidiaries.

(d) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows in the cash flow statement are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from or payable to the taxation authority is classified as operating cash flows.

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

(e) Consolidation of Subsidiaries

In accordance with AASB 10 the members have sought member approval at the AGM to not provide consolidated financial statements for the 2016 year. Subsidiaries are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies so as to obtain benefits from its activities. The identifiable assets and liabilities of each subsidiary have not been recognised in the accounts as Grameen Foundation (Australia) Limited has no entitlement to any surplus assets upon wind-up of each subsidiary.

(f) Allocation of Certain Expense Items

Salaries, consulting fees and associated travel expenses have been apportioned to projected related expenditure, fundraising costs and administration costs in accordance with an estimate of total time spent on each function by each individual consultant and staff member and determined by the board.

(g) Subsequent Events

Since year end it has been discovered that there loans provided by Grameen Philippines (a subsidiary of Grameen Foundation (Australia) Limited are potentially overstated. Grameen Philippines is currently conducting a review of the potentially overstatement however it is envisaged this is not significant and will not require extra-ordinary funding from Grameen Foundation (Australia) Limited.

NOTE 2: PROJECT DISBURSEMENTS

	2016	2015
	\$	\$
Program Support Costs	34,173	55,977
Funds to International Programs	365,024	30,000
Consulting Fees - Project Related Expenditure	66,973	157,516
PwC Fees for Social Business Fund Design	4,449	-
	<u>361,642</u>	<u>243,493</u>

Consulting Fees are for staff costs associated with Charitable Projects developed and managed by Grameen Foundation Australia subsidiaries in Cambodia and the Philippines.

Program Support Costs and Funds to International Programs have predominantly been granted to the Social Business Hub in Manila. As noted in the Directors Report, a remediation program is underway at the Hub following the identification of issues with management reporting and the loan book.

NOTE 3: FUNDRAISING COSTS

Consulting Fees	23,486	19,689
Salary & Wages	42,769	-
Travelling Expenses	16,478	-
	<u>79,940</u>	<u>19,689</u>

Costs incurred in raising funds in Australia for Grameen Foundation Australia Group project activities in Asia

Consulting Fees are for staff costs associated with raising funds in Australia

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016 \$	2015 \$
NOTE 4: CASH		
Cash – Gift Fund Operating 430327	42,798	12,788
Cash – Gift Fund	55,128	210,684
Cash – WBC 1	50	50
Cash - 430343	4,129	5,973
Cash – WBC 2	2,419	2,419
Cash - Rabodirect	206,180	201,541
	<u>310,704</u>	<u>433,455</u>

NOTE 5: BORROWINGS

Unsecured Borrowings	<u>181,767</u>	<u>181,767</u>
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Note: These are loans made by donors for use on Grameen projects.
There are no formal agreements made with the donors to repay the loans.

NOTE 6: CASH FLOW INFORMATION

(a) Reconciliation of cash

Cash at the end of the financial year as shown in the statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:

Cash at bank	310,704	433,455
Petty cash	716	716
	<u>311,420</u>	<u>434,171</u>

(b) Reconciliation of cash flow from operations with profit

Profit after income tax	(109,709)	12,243
Changes in assets and liabilities:		
(Increase) / Decrease in Receivables	(1,459)	86
Increase/(Decrease) in Accounts payable	(11,583)	18,721
Net cash provided by operating activities	<u>(122,751)</u>	<u>31,050</u>

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924

DIRECTORS' DECLARATION

The directors of the company have determined that the company is not a reporting entity. The directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 3 to 10 present fairly the company's financial position as at 30 June 2016 and of the performance for the financial year ended on that date of the company in accordance with the accounting policies outlined in Note 1 to the financial statements;
2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

Director



Peter Hunt

Director



Duncan Power

Dated 11 NOVEMBER 2016

GRAMEEN FOUNDATION (AUSTRALIA) LIMITED
ABN 95 086 046 924
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF GRAMEEN
FOUNDATION (AUSTRALIA) LIMITED

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of Grameen Foundation (Australia) Limited, which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report 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 the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Grameen Foundation (Australia) Limited, would be in the same terms if given to the directors as at the time of the auditor's report.

Opinion

In our opinion, the financial report of Grameen Foundation (Australia) Limited is in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) Complying with Australian Accounting Standards to the extent described in Note 1, and the *Corporations Regulations 2001*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose.

ACFID Declaration

The financial statements have been prepared in accordance with the ACFID Code of Conduct. The financial statements and notes:

- Comply with relevant Australian Accounting Standards as applicable; and
- Give a true and fair view of the financial position as at 30 June 2016

In the auditors opinion there are reasonable grounds to believe that the Grameen Foundation (Australia) Limited will be able to pay its debts as and when they become due and payable.



James R Murchison

Chartered Accountant

North Sydney

Date: 11 NOVEMBER 2016

murchisons.com

2016 Grameen Foundation Overseas Aid Fund Audited Financials

GRAMEEN FOUNDATION OVERSEAS AID FUND
ABN 88 360 740 454

FINANCIAL REPORT
FOR THE YEAR ENDED 30 JUNE 2016

GRAMEEN FOUNDATION OVERSEAS AID FUND
ABN 88 360 740 454

DIRECTORS' DECLARATION

The directors of the fund have determined that the fund is not a reporting entity. The directors have determined that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the fund declare that:

1. the financial statements and notes, as set out on pages 2 to 7 present fairly the fund's financial position as at 30 June 2016 and of the performance for the financial year ended on that date of the fund in accordance with the accounting policies outlined in Note 1 to the financial statements;
2. in the directors' opinion there are reasonable grounds to believe that the fund will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

Director



Peter Hunt

Director



Duncan Power

Dated 11 NOVEMBER 2016

GRAMEEN FOUNDATION OVERSEAS AID FUND
ABN 88 360 740 454

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 \$	2015 \$
REVENUE			
Donation and gifts – Monetary			
Donations received		175	710
Donation and gifts – Non-Monetary		-	-
Investment Income			
Interest received		20	17
TOTAL REVENUE		<u>195</u>	<u>727</u>
EXPENDITURE			
Accountability and Administration			
Bank charges		-	10
TOTAL EXPENDITURE		<u>-</u>	<u>10</u>
NET OPERATING PROFIT		<u>195</u>	<u>717</u>
Retained profits at the beginning of the financial year		1,161	444
RETAINED PROFITS AT THE END OF THE FINANCIAL YEAR		<u>1,356</u>	<u>1,161</u>

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached compilation report.

GRAMEEN FOUNDATION OVERSEAS AID FUND
ABN 88 360 740 454

STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2016

	Notes	2016 \$	2015 \$
<hr/>			
CURRENT ASSETS			
Cash and Equivalents			
Cash at bank		4,951	4,756
TOTAL ASSETS		<hr/> 4,951 <hr/>	<hr/> 4,756 <hr/>
CURRENT LIABILITIES			
Loan - Grameen Foundation Australia Limited		3,595	3,595
TOTAL LIABILITIES		<hr/> 3,595 <hr/>	<hr/> 3,595 <hr/>
NET ASSETS		<hr/> 1,356 <hr/>	<hr/> 1,161 <hr/>
EQUITY			
Retained profits		1,356	1,161
TOTAL EQUITY		<hr/> 1,356 <hr/>	<hr/> 1,161 <hr/>

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached compilation report.

GRAMEEN FOUNDATION OVERSEAS AID FUND
ABN 88 360 740 454

STATEMENT OF CHANGES IN EQUITY
AS AT 30 JUNE 2016

	Retained Earnings \$	Reserves	Other	Total \$
Balance at 1 July 2014	444	-	-	444
Adjustments to equity	-	-	-	-
Items of other comprehensive income	-	-	-	-
Profit attributable to the members of the company	717	-	-	717
Balance at 30 June 2015	<u>1,161</u>	<u>-</u>	<u>-</u>	<u>1,161</u>
Balance at 1 July 2015	1,161	-	-	1,161
Adjustments to equity	-	-	-	-
Items of other comprehensive income	-	-	-	-
Profit attributable to the members of the company	195	-	-	195
Balance at 30 June 2016	<u>1,356</u>	<u>-</u>	<u>-</u>	<u>1,356</u>

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Up to date

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached compilation report.

GRAMEEN FOUNDATION OVERSEAS AID FUND
ABN 88 360 740 454

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2016

	Notes	2016 \$	2015 \$
CASH FLOW FROM OPERATING ACTIVITIES			
Payments from customers		175	710
Payments to suppliers		-	(10)
Interest received		20	17
Net cash provided by operating activities	2(b)	<u>195</u>	<u>717</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net cash provided by (used in) investing activities		<u>-</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash provided by financing activities		<u>-</u>	<u>-</u>
Net increase in cash held		195	717
Cash and cash equivalents at beginning of financial year		4,756	4,039
Cash and cash equivalents at the end of the financial year	2(a)	<u>4,951</u>	<u>4,756</u>

The accompanying notes form part of these financial statements.
This report should be read in conjunction with the attached compilation report.

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GRAMEEN FOUNDATION OVERSEAS AID FUND
ABN 88 360 740 454

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The directors have prepared the financial statements on the basis that the company is a non-reporting entity because there are no users dependant on a general purpose financial report. The financial statements are therefore special purpose financial statements and have been prepared in order to meet the needs of the members.

The financial statements have been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of the members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accruals basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of the financial statements are as follows:

(a) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

(b) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Interest revenue is recognised using the effective interest rate method which, for floating rate financial assets, is the rate inherent in the instrument.

All revenue is stated net of the amount of goods and services tax (GST).

(c) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

GRAMEEN FOUNDATION OVERSEAS AID FUND
ABN 88 360 740 454

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2016

	2016	2015
NOTE 2: CASH FLOW INFORMATION		
(a) Reconciliation of cash		
Cash at the end of the financial year as shown in the statement of Cash Flows is reconciled to the related items in the statement of financial position as follows:		
Cash at bank	4,951	4,756
	<u>4,756</u>	<u>4,756</u>
(b) Reconciliation of cash flow from operations with profit		
Profit	195	717
Non-cash flows in profit:		
(Increase)/Decrease in assets:		
Net cash provided by operating activities	<u>195</u>	<u>717</u>

**GRAMEEN FOUNDATION OVERSEAS AID FUND
ABN 88 360 740 454
INDEPENDENT AUDIT REPORT TO THE MEMBERS OF
GRAMEEN FOUNDATION (AUSTRALIA) LIMITED AS TRUSTEE FOR
GRAMEEN FOUNDATION OVERSEAS AID FUND**

Report on the Financial Report

We have audited the accompanying financial report, being a special purpose financial report of Grameen Foundation Overseas Aid Fund, which comprises the statement of financial position as at 30 June 2016, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of the trustee company are responsible for the preparation of the financial report and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We have conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

murchisons.comJames Murchison
Director • B Com, FCA, NACBPRoger Mortimer
Director • B Com, CALuke Mitchell
Director • B Bus, CAMURCHISONS SERVICES
PTY LIMITED

ABN 82 000 302 499

Liability limited by a scheme
approved under the Professional
Standards Legislation

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report 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 the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001. We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of Grameen Foundation (Australia) Limited as Trustee for Grameen Foundation Overseas Aid Fund, would be in the same terms if given to the directors as at the time of the auditor's report.

Opinion

In our opinion, the financial report of Grameen Foundation Overseas Aid Fund is in accordance with the *Corporations Act 2001*, including:

- (a) Giving a true and fair view of the company's financial position as at 30 June 2016 and of its performance for the year ended on that date; and
- (b) Complying with Australian Accounting Standards to the extent described in Note 1, and the *Corporations Regulations 2001*.

Basis of Accounting

Without modifying our opinion, we draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose.



James R Murchison

Chartered Accountant

North Sydney

Date: 11 NOVEMBER 2016

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