

dāna asia  
helping invest equitably in asia

# dāna asia

## helping invest equitably in asia



## Annual Review 2018



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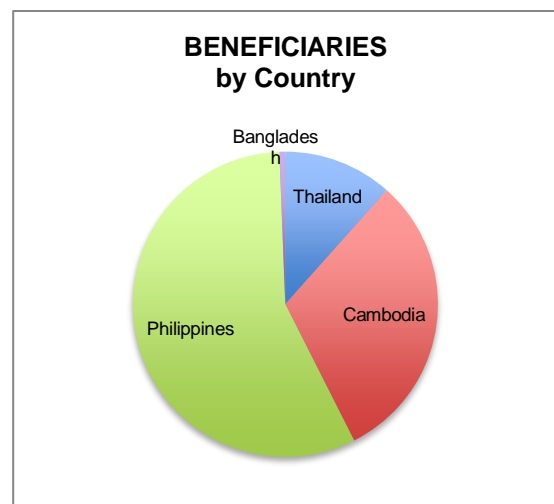
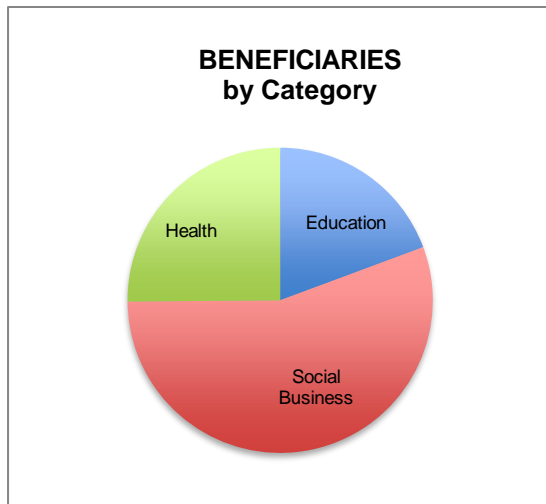
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## Chair's Message

Dana Asia is a Singapore based charity that provides advice to foundations, corporations and individuals to meet their philanthropic objectives. Our philanthropists are committed to contributing in a significant way to drive real change in their focus areas. With their generous support, we have played a role in changing the lives of nearly 9,000 people directly and at least 45,000 lives indirectly.



Dana Asia's work ranges across the health, education and social business spheres, with a particular focus on social business as defined by Nobel Peace Laureate Professor Muhammad Yunus, where a business engine is applied to solve an identified social issue with all profits generated by the business used to increase social impact. With the support of its donors, Dana Asia focuses on the Asian region where significant and growing inequality is increasing social dislocation.

According to Professor Yunus, capitalism is broken as 3.7 billion people across the globe are being left behind as the top 1% hold more than 50% of the world's wealth. He argues that the current structure is 'upside down ... I am turning it right way up' through social business.

Professor Yunus' model of Social Business is underpinned by the key principle of sustainability to create viable solutions to social problems. Sustainability ensures vibrant businesses that can continue to grow, as well as considering the needs of, impacts on and requirements of all stakeholders. Sustainable businesses and programs increase income and financial security at the individual level, and importantly also grow community and social capital.

Our Key Projects have been built on the foundations of social business to ensure viable, sustainable social change – our objective in doing so is to ensure our projects can continue to thrive well into the future to secure the livelihoods of families now and for future generations.

Our social businesses are outlined below:

- **Philippines: Grameen Social Business Hub** in Manila - Microfinance paired with

education, mentoring & support to create viable businesses in financially & socially connected communities, with a focus on innovative businesses that will expand local community GDP through incoming revenue.

- **Cambodia: Livestock Training Centre** in Siem Reap - Business development program with the livestock farm supporting a village based grower program developing localised, sustainable livestock rearing businesses.
- **Bangladesh: Automechanic Training School and Workshop (Advisory Role)** in Dhaka has developed a commercially driven Workshop to fund at least 50% of a Training School that offers apprenticeships to very poor young people to provide them with a way out of poverty.

To meet the philanthropic visions of our donors, in addition to our social business programs, we also partner with Asian charities delivering results in the key areas of education and health.

- **Education** – programs in Cambodia and Thailand are supporting 3,000 students pa to access quality education and support. Programs include:
  - School construction to increase student access to education and provide a conducive learning environment
  - Ongoing school support with a particular focus on the children of Myanmar migrant families living in Thailand
  - Vocational training for youth to support them into real employment
  - In-School training to prepare students to access higher education
  - University scholarships for committed Cambodian students
- **Health** – maternal care program overcoming high levels of mother and child mortality rates for transient families working on and living near one of Phnom Penh's largest dumpsites

A snapshot of our activities is on the following page, which highlights our current impact and future objectives to scale for significant social impact.

	Education	Social Business	Health	Advisory
<b>Locations</b>	Thailand/Cambodia/Philippines	Cambodia/Philippines	Cambodia	Bangladesh
<b>2017/18 Funding</b>	<ul style="list-style-type: none"> <li>Thailand: USD 268,500</li> <li>Cambodia: USD 75,000</li> <li>Philippines: USD 50,000</li> </ul>	USD 495,000	USD 50,000	USD 1,000,000 grant to establish, USD 11,000 as WC this year
<b>Dana Asia Role</b>	Advisory, Funding, Reporting & Due Diligence	Advisory, Funding, Reporting & Due Diligence	Advisory, Funding, Reporting & Due Diligence	Funding, Program Development & Operations Advice
<b>Issues Addressed</b>	<ul style="list-style-type: none"> <li>Thailand – lack of access to education for Burmese migrants</li> <li>Cambodia – inability to access education due to poverty</li> <li>Philippines – lack of capacity to fund higher education</li> </ul>	Lack of capacity to generate income due to no access to education and/or affordable financial capital	High maternal and infant death rates due to lack of access to health support	Lack of capacity to access fair employment
<b>Current Impact</b>	<ul style="list-style-type: none"> <li>Thailand – access to both Burmese &amp; Thai curriculums towards integration into Thai schools, tertiary scholarships and/or fair work</li> <li>Cambodia – completion of education due to construction of schools or access to scholarships</li> <li>Philippines – education loans and scholarships to enable completion of education and access to tertiary education resulting in higher level employment</li> </ul>	<ul style="list-style-type: none"> <li>Cambodia: commercial scale chicken rearing training for 21 apprentice farmers who now earn at least double their previous income as scavengers</li> <li>Philippines - Training, mentoring, microfinance &amp; insurance for more than 6000 borrowers with USD 1.3 million disbursed by end of 2017</li> </ul>	Zero maternal losses and 2% infant loss (10x lower than the national average). Pre and post natal training is improving overall health of families in the program.	27 automechanic trainees have secured good jobs with incomes of up to 6x above the poverty line. Third intake of 15 students progressing well.
<b>Long Term Impact</b>	Program graduates not only achieve their own success through good employment, but they also increase the skill levels within their communities and their countries	Sustainability to enable increased reach to other communities and replication to other large Asian cities	Improved long-term health increases educational outcomes and earnings potential	Replication to other major Asian cities where car use is increasing
<b>Funding Support Required</b>	<ul style="list-style-type: none"> <li>USD 10,000 for 1 scholarship</li> <li>USD 100,000 for a new school</li> </ul>	<ul style="list-style-type: none"> <li>Cambodia: USD 5,000-200,000 to increase scale via creation of value-add businesses</li> <li>USD 2m over 3 years to reach 15,000 borrowers</li> </ul>	USD 50,000 pa	USD 1m over 3 years to replicate the model

Elizabeth Masamune PSM (Chair)



## CEO's Message

### Our Achievements

USD 1m granted to programs in 2017/18



9,000 Beneficiaries

Supporting 45,000 family members

#### Key Social Business Programs:

- 60% increase in reach to 6,000+ borrowers, with access to microfinance, training, savings & insurance
- Livestock Training Farm on track for next stage development of village grower program to scale impact

100% of beneficiaries accessing education/training

Schooling, vocational, health & wellbeing, business, marketing, IT, English



#### Impact

**Social Business**  
Income security through micro-business ownership

**Education**  
Access to education relevant to need to secure future incomes

**Health**  
Mortality down from >5% to <1% and long-term health outcomes improving



**Social Business** program grants and fees of USD 450,000 were secured in the 2017/18 to continue the development of Dana Asia's key programs. The Social Business Hub in Manila in the Philippines experienced considerable growth over the period with a 60% increase in borrowers, with all members able to access microfinance loans to develop businesses to ensure income security. Training and ongoing mentoring is provided to support our borrowers as they secure the viability of their businesses. At the Livestock Training Centre in Siem Reap Cambodia the implementation of a major program to take activities from the traditional Cambodian model to international standards has begun to deliver with significant a improvement in productivity.

**Education** continues to be a key focus for our philanthropists with USD 480,000 of funding supporting school construction, operations, in-school training and scholarships for more than 1,700 beneficiaries.

**Health** grants of USD 50,000 have ensured 1,200 women have received comprehensive medical and health support to ensure the health of both themselves and their babies. Ongoing training has ensured these women and their families are now aware of health and nutrition practices that are improving their ongoing health of their families.

Milestones 2017/18	Goals 2018/19
<b>Social Business</b>	
<b><i>Social Business Hub, Manila Philippines</i></b> <ul style="list-style-type: none"> <li>Review undertaken to determine strategic, operational and technical enhancements required to achieve operational breakeven</li> <li>From inception to end of 2017, 6,329 members in 150+ centres were provided with a total of 9,500+ loans at a value of USD 1,397,899</li> <li>100% of borrowers have savings totalling USD 80,000+</li> <li>100% of borrowers receive initial and ongoing business training and mentoring.</li> <li>All borrowers have loan insurance, with the majority also holding life insurance</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of enhancements program including operational developments and externally delivered IT project</li> <li>Raise funds of USD 750,000 plus to support expansion and disbursement of 2,000+ loans in the period 2018/19</li> <li>Development of new loan products to better align with borrower needs, including salary, agriculture and education loans</li> <li>Development of at least 4 social businesses with sales potential outside the local community to ensure inflow of funds</li> </ul>
<b><i>Phnom dei KJ Livestock Training Centre, Siem Reap Cambodia</i></b> <ul style="list-style-type: none"> <li>More than 10,000 chickens at the Centre</li> <li>Regular sales to Siem Reap restaurants</li> <li>25 apprentices employed as farmers with all doubling and some tripling their incomes.</li> <li>Major infrastructure, biosecurity and vaccine review and program implementation providing good results with significant improvement to flock health ensuring increased sales potential</li> </ul>	<ul style="list-style-type: none"> <li>Achievement of operational breakeven in 2018/19 year</li> <li>Village Outgrower Program pilot rolled out to test the assumptions and finalise the full-scale model for release in 2019/20.</li> <li>Secure an increase in income of at least 45% for the Program's farmers in their first year of operation.</li> </ul>
<b>Education</b>	
<b><i>Thailand</i></b> <ul style="list-style-type: none"> <li>Educational Funding – Burmese migrant school's operations funded to ensure graduating students are able to access fairly paid, safe, legal work in Thailand (approx. 250 students pa)</li> <li>In-School Training – in-school and intensive training for Burmese migrant students to prepare them for Thai Tertiary Education (approx. 100 students pa)</li> </ul>	<p>Development of a vocational training program in hospitality to provide at least 10 students per annum with the opportunity to secure good jobs in the tourism industry in Thailand or Myanmar.</p> <p>Burmese migrant children in Thailand face formidable challenges in adulthood if they cannot access the education system to gain access to the jobs market.</p>

<ul style="list-style-type: none"> <li>• Vocational Training – support for Burmese migrant youth with limited education to ensure access to employment (200 students pa)</li> <li>• Scholarships – full funding support for tertiary education to ensure Burmese migrant students gain the skills to access quality jobs in Thailand, or return home to support the expansion of the Myanmar economy (10 students)</li> </ul> <p><b>Cambodia</b></p> <ul style="list-style-type: none"> <li>• School Construction – at least 1 school constructed pa to ensure a conducive and safe learning environment for at least 250 students.</li> <li>• Scholarships - full funding support for tertiary education of promising but poor students to gain the skills to support the expansion of the economy (6 students)</li> </ul> <p><b>Philippines</b></p> <ul style="list-style-type: none"> <li>• Educational Loans – well-performing borrowers at the Social Business Hub are able to access loans to support the additional costs of primary education, and fund for ongoing education (600 Loans released to date)</li> </ul>	<p>Youth who are unable to be integrated into the Thai education system are able to gain trades and skills to access the formal employment market. The future success of Myanmar is dependent on an educated youth who will have the capacity to take on the challenges faced by the country after years of war and isolation.</p> <p>Safe and conducive educational access is essential to ensure the next generation of Cambodians has the skills and commitment to continue developing their country after the horrors of the Khmer Rouge.</p> <p>Whilst basic education is free in the Philippines, on-costs are beyond many poor families and tertiary education is unattainable. It is through comprehensive, quality education that these families will escape intergenerational poverty.</p>
<b>Health</b>	
<p><b>Cambodia</b></p> <ul style="list-style-type: none"> <li>• Mother and baby mortality were &gt;5% at the Steung Meanchey. The Maternal Care Program provides medical and health care for mothers and babies which has successfully reduced mortality rates to Zero for Mothers and &lt;1% for babies.</li> </ul>	<p>Future funding is sought for this important program, as the current grant package expires.</p>
<b>Advisory</b>	
<p><b>Automechanic Training School &amp; Workshop, Dhaka Bangladesh</b></p> <ul style="list-style-type: none"> <li>• Graduates from the first and second intakes have secured quality jobs</li> <li>• Third intake of 15 students are halfway through second year, and are performing well.</li> </ul>	<ul style="list-style-type: none"> <li>• Commercial Workshop Agreement with Rangs implemented with the School managing one of its accredited Mitsubishi Workshops. Income from the workshop is forecast to provide at least 50% of the school's basic operational income during 2018/19 financial year.</li> </ul>

We continue to receive the generous support of philanthropists, social investors and corporations, which secures our operational base and enables us to leverage our grant funds to increase our effectiveness.

Duncan Power (CEO)



## Where We Work

The most poverty-stricken and disadvantaged communities in the poorest regions and communities of Southeast Asia are the focus of Dana Asia's work.

We form meaningful partnerships with our donors, beneficiaries and delivery partners to ensure all our programs are well targeted and highly effective.

Our motivation is to implement ground-breaking projects that provide real, long-term and sustainable solutions to overcome poverty.



## Projects

### Social Businesses

#### Bangladesh

- Auto Mechanic Training School and Workshop, Dhaka

#### Cambodia

- Phnom Dei KJ Livestock Training Centre, Siem Reap

#### Philippines

- Social Business Hub, Manila

### Health

#### Cambodia

- Maternal Care Program, Phnom Penh

### Education

#### Cambodia

- Andoung Chan School, Siem Reap
- Kok Mon Cheung School, Siem Reap
- Higher Education Scholarships, Phnom Penh

#### Philippines

- Social Business Hub Education Program, Manila

#### Thailand

- Children's Development Centre, Mae Sot
- Foundation for Education & Development, Phuket
- Minmahaw Education & University Scholarship Programs, Mae Sot
- Youth Connect, Mae Sot

## Key Programs

Dana Asia's Mission is to empower poor people to climb out of poverty through the development of innovative and scalable programs with a particular focus on Social Business initiatives that are underpinned by Nobel Laureate Professor Yunus' Seven Principles of Social Business. Dana Asia's priority is to work where a real difference can be made to the lives of those in greatest need.

### SOCIAL BUSINESS HUB Manila Philippines

#### Key Successes to date

**2017: Most successful year to date – outperformed target by releasing 4,000+ loans valued at USD 940,000+**

**9,500+ loans totaling USD 1,397,899 released to date, 67% released in 2017**

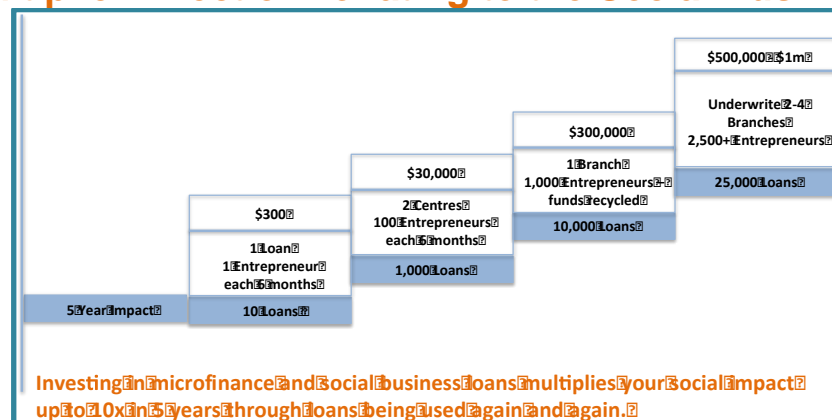
**150+ centres in Metro Manila**

**3,900+ graduates of Start Your Own Business training in 2017**

**4 social business projects established**

**Partnerships with leading Australian corporates Telstra and Oceana Gold**

#### The Multiplier Effect of Donating to the Social Business Hub



## One Borrower's Story



Rizalina's family faced hardship when her husband became ill

Rizalina Azucena's family faced severe hardship when her husband became ill and had to decrease his workload. Rizalina's small income of USD 70/month as a pre-school teacher at her local church placed the family below the Manila living wage of USD 185/month (Philippines Research Institute, IBON Foundation).

Rizalina joined GAP when she discovered it could provide her with training, mentoring and microfinance support at low interest rates. Her first loan of Php 10,000 (USD 195) supported her purchase of a manual sewing machine and off-cut

fabric for her new doormat making business.

Rizalina was supported to attend training at the program's partner De La Salle College of Saint Benilde to expand her skills and her product range.

7 loan cycles later Rizalina has built her business enabling her to purchase a high-speed electric sewing machine and edging machine to improve the productivity and quality of her work.

Rizalina's business has expanded considerably and she now earns USD 135/month from her new business ensuring that, with the support of her husband's limited income, the family is now above the living wage.

Rizalina looks forward to further growth of her business, which will ensure she can fund quality education for her children. She has a growing business – and her family's future is bright

Rizalina is very grateful to GAP as her business success means she can now see a bright future in which her children will live very different lives to their parents.



Rizalina has a growing business – and her family's future is bright

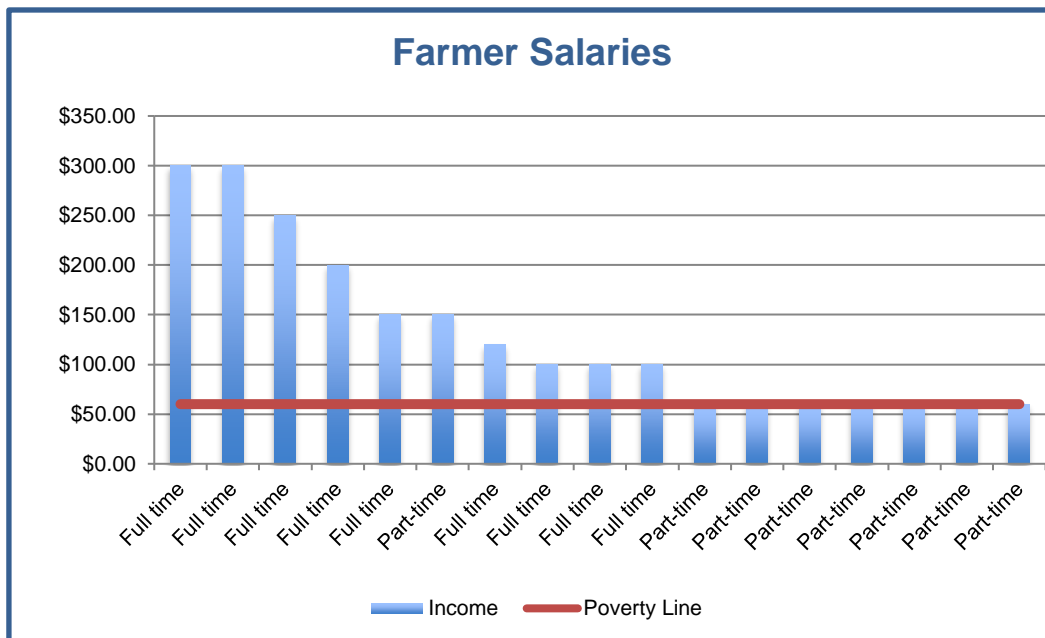
## Livestock Training Centre Siem Reap, Cambodia

### Key Successes 2016/17

Farmers earning 2–3 times above the Cambodian  
poverty line of USD 60/month

Flock growth of 40% to 10,000

Further advancements in chicken management to  
align with developed world standards

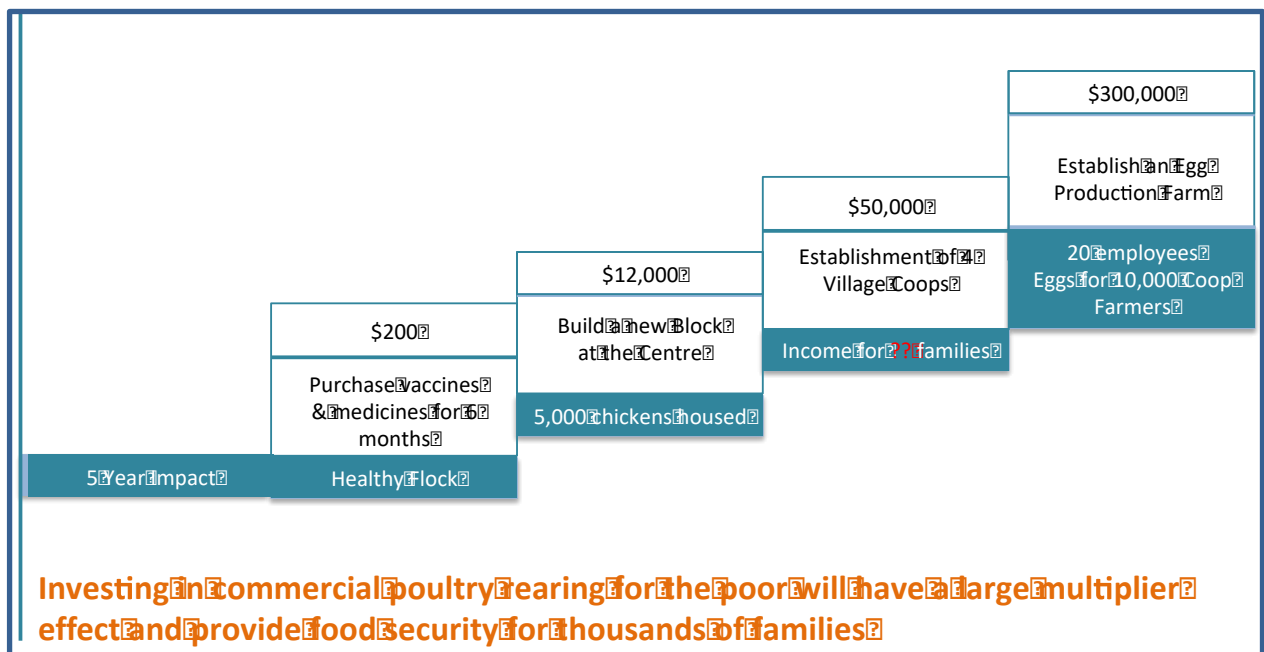


## Key Targets

Flock to reach 15,000 to achieve breakeven  
Sale of 4,000kg per month  
Commence the pilot Village Outgrower Program farms towards finalisation of the Program for rollout to achieve significant scale and impact by helping to overcome poverty and food insecurity

	March 31 2018	Target – Break-even monthly sales
Sales – kg	1,056	4,000
Sales – Dollars (US)	3,652.20	USD 14,000+
Hatching Rates	89% and 90%	Best practice is 85%
Survival Rates to point of sale	95%	Best practice is 95% +

## The Multiplier Effect of Donating to the Livestock Training Centre





## Achievements 2017/18

### *Social Impact Update*

Graduate apprentices at the Centre work continue to extend their skillset and capacity in fulltime and part-time roles. All staff apprentices earn well above the poverty level of USD 39/month – senior fulltime team members earn USD 250-300/month, fulltime roles range from USD 100-200/month and part-time salaries vary depending on hours worked with a minimum of USD 60/month. In contrast, whole families (average of 5 members) working 5am to 8pm earn approximately USD 55/month scavenging on the local dumpsite.

### *Operational Update*

Initiatives have been undertaken to ensure the chicken management program is of international standard in preparation for major expansion:

#### Egg Quality

- High quality eggs successfully sourced and purchased from Vietnam with a range of varieties under testing to identify the optimal varieties for further development at the farm.

#### Infrastructure

- *Incubator* - Installation of a new 6,000 egg incubator very successful with high hatch rates of 80-90%.
- *Construction* – purpose build, international standard slaughterhouse under construction.
- *Additional Chicken Blocks* – new sheds using the new bio-secure design under construction to house the increasing flock in a clean, safe environment.

#### Chicken Health

- *Vaccine & Medicine Program* – successful implementation of the program with health rates of the flock improving and quality of the meat also increasing.
- *Biosecurity* – sourcing of international standard cleaning equipment and products from Vietnam has also proven very effective in strengthening flock health.



## One Scavenger's Story



Sal's life was never going to be easy when her father was disabled by a landmine, forcing the entire family to scavenge at the local dumpsite for survival.

Sal's father turned to alcohol to numb the pain and stigma and inevitably domestic violence was the tragic result. Then a <sup>[1]</sup><sub>SEP</sub> horrible accident left Sal with so much damage to her eye that it had to be removed.

Sal can mark the day when her life changed forever - the day she joined Grameen Australia's Chicken Training Centre. She was young but determined to escape the pain and poverty of her home life. Sal is now a senior graduate managing our chick pen and a small team of trainee farmers.

## Our Board

### Elizabeth Masamune PSM

Elizabeth has had a long career serving as a diplomat and Senior Trade Commissioner with the Australian Trade Commission in Asia, specifically Japan, Indonesia, Vietnam and South Korea. She was awarded the Public Service Medal in 2006 by the Australian Government for outstanding service in advancing the interests of Australian firms in Asia.



Since leaving the Australian Government in 2014, Elizabeth has re-located back to Japan and established @Asia Associates Japan, Inc. where she focuses on providing advice to firms on leadership and mentoring for women in business, encouraging female entrepreneurs, and bridging cross-cultural communication gaps in business.

Elizabeth is a member of the Chiba University Management Advisory Board in Japan, and leads the Japan-based Future Leaders Program on behalf of the Japan Australia Business Cooperation Committee. She is a Graduate of the Australian Institute of Company Directors and the Japan Institute for Board Director Training. Elizabeth serves as a Non-Executive Director at Advangen Inc, the Japanese subsidiary of ASX listed company Cellmid.

A fluent Japanese speaker, she is also proficient in several other Asian languages.

### Lindley Edwards

Group Managing Director of AFG Venture Group ([www.afgventuregroup.com](http://www.afgventuregroup.com)) and its various subsidiaries. The Group provides corporate advisory services including 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 Australasia (FINSIA). 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.

### Nasir Haji

Nasir is the Managing Partner of a major Shipping Company in South-East Asia. He was born in Kashmir India, but is now based in Singapore and is a Singaporean citizen.

Nasir also has interests in restaurants and mining. Nasir leads a family charity trust that is running 3 Schools in a very remote area of Kashmir.



### **Michelle Sawyer**

Michelle has twenty-five years' experience in both Australia and Singapore as a Research Analyst and Project Manager predominately for Macquarie Group, one of Australia's leading banking, financial, advisory, investment and funds management services providers with offices across the world. In the research role, Michelle analysed Australian listed resources stocks whilst in the Project Management position Michelle coordinated the development and implementation of a number of global IT systems.



Michelle has also worked for an Aboriginal Native Title Consultancy, a Communications and Marketing Group and an Executive Search firm.

Michelle has always had a keen interest in the Asian region having completed a Bachelor of Arts degree majoring in Asian History and Anthropology at the University of Sydney.

### **Prometheus Siddiqui**

Prometheus is a development professional who was academically trained in economics with a significant range of experiences including economic research studies, financial analysis, business plan formulation, project management, external relations and communications. As a member of the executive and management team Prometheus promotes the organization into the corporate and donor market and to the expanding Grameen network, formulates strategies and action plan for the Grameen Australia group and manages and provides support to social business, microfinance and other special projects in Australia and other regions (such as Bangladesh, the Philippines and Cambodia).



Prometheus commenced his career at a multinational investment bank (NDB Capital Limited, with HQ in Colombo Sri Lanka) as a management associate and went on to serve as a volunteer consultant in the Inclusive Finance team of UN Capital Development Fund (UNCDF) at the regional headquarters of United Nations in Bangkok, Thailand. He has been working with the Grameen family of companies chaired by Nobel Laureate Professor Muhammad Yunus since 2012. As the Coordinator of the Social Business Unit and a management team member of Grameen Telecom Trust, he managed a wide range of income generation and livelihood social business projects.

Prometheus completed his Bachelor of Science in Economics (minor in finance and accounting) from North South University, Dhaka, Bangladesh, with academic distinctions (summa cum laude) while working as a teaching assistant. He is the first Bangladeshi recipient of an international scholarship, the Chevron International REACH Scholarship. He has completed the Master of Business degree at Victoria University with High Distinction average and tutors in the University's Masters program and at the Asia Pacific International College. Prometheus is a published writer for newspapers and magazines, and has served in international and national voluntary organisations and philanthropic causes.



## Our Key Partners

### Grameen Australia

Grameen Australia's vision is to help communities to apply best practice business principles to help the poor out of poverty in developing countries. The organisation's mission is to promote and deliver microfinance programs and social businesses through both direct involvement and advice to partners on creative program delivery.



### Cambodian Children's Fund

Founded in 2004, Cambodian Children's Fund provides life-changing education, nourishment and healing to vulnerable children from some of Cambodia's most destitute communities. Originally CCF focused on the health and well being of 45 children, however today the Fund cares for nearly 2,000 children and their families. The Fund offers education, health care, nutrition and safe shelter to children and their families in need.



### Foundation for Education and Development

The Foundation for Education and Development (FED) was founded in 2000 in Sankalaburi, Kanchanaburi province in Thailand. It addresses long term needs of marginalized Burmese migrant workers and their families, working towards building trust among the disaffected Burmese community. FED provides a safe and equitable environment for underprivileged workers in the community, whilst promoting education and development opportunities for children and adults.



### Telstra Foundation Philippines

Telstra Foundation is the philanthropic arm of Telstra. The Philippines foundation was set up in 2014 to support non-profit and community organizations and activities targeted toward developing Filipino youth and promoting education. The Foundation has done some home-building projects, rebuilding schools after calamities, and in matched payroll giving programs. Now it works with Manila Social Business Hub to support livelihood opportunities of parents to ensure the education of their children continue.



### OceanaGold Philippines Inc.

OceanaGold is a large multinational gold mining company with significant global operating, development and exploration experience. In Philippines it has significant operations in the Didipio region and works with the Manila Social Business Hub to ensure communities have sustainable livelihood opportunities through various initiatives.





## Financials



### **DANA ASIA**

(Registration No: 201105512M)

(Registered under the Charities Act, Chapter 37)

### **Statement by Directors and Financial Statements**

Year Ended 31 March 2018

#### **RSM Chio Lim LLP**

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Wilkie Edge, Singapore 228095

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(UEN: T09LL0006)

RSM Chio Lim LLP is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

#### **Business Advisors to Growing Businesses**



DANA ASIA

Statement by Directors and Financial Statements

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**DANA ASIA**

**Statement by Directors**

The directors of the company are pleased to present the financial statements of the company for the reporting year ended 31 March 2018.

**1. Opinion of the directors**

In the opinion of the directors,

- (a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position and financial activities of the company for the reporting year covered by the financial statements; and
- (b) at the date of the statement there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

**2. Directors**

The directors of the company in office at the date of this statement are:

Elizabeth Anne Masamune  
Michelle Louise Sawyer  
Nasir Saleem Haji  
Prometheus Siddiqui

PROS VINE 21

**3. Directors' interests in shares and debentures, and arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures**

The company is a company limited by guarantee and has no share capital and debentures.

**4. Options**


The company is a company limited by guarantee. As such, there are no share options or unissued shares under option.

DANA ASIA

5. Independent auditor

RSM Chio Lim LLP has expressed willingness to accept re-appointment.

On behalf of the directors

  
.....  
Prometheus Siddiqui  
Director

  
.....  
Elizabeth Anne Masamune  
Director

14 NOV 2018



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**Independent Auditor's Report to the Member of  
DANA ASIA**

**Report on the audit of the financial statements**

**Opinion**

We have audited the accompanying financial statements of Dana Asia, which comprise the statement of financial position as at 31 March 2018, and the statement of financial activities, statement of changes in fund and statement of cash flows for the reporting year then ended, and notes to the financial statements, including the significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Companies Act"), the Charities Act, Chapter 37 and other relevant regulations (the "Charities Act and Regulations") and the Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the company as at 31 March 2018 and of the financial activities, changes in fund and cash flows of the company for the year ended on that date.

**Basis for opinion**

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). 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 company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other information**

Management is responsible for the other information. The other information comprises the statement by directors and the information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

If, based on the work we have performed on the other information (statement by directors) obtained prior to the date of this auditor's report, 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.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the management and take appropriate actions in accordance with SSAs.





**Independent Auditor's Report to the Member of  
DANA ASIA**

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**Responsibilities of management and directors for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, the Charities Act and Regulations and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the company'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 SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- a) 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.
- b) 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 company's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

**Independent Auditor's Report to the Member of  
DANA ASIA**

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**Auditor's responsibilities for the audit of the financial statements (cont'd)**

- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- e) 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.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Report on other legal and regulatory requirements**

In our opinion, the accounting and other records required to be kept by the company have been properly kept in accordance with the provisions of the Companies Act, and the Charities Act and Regulations.

The engagement partner on the audit resulting in this independent auditor's report is Chan Sek Wai.

**Other matters**

The financial statements for the reporting year ended 31 March 2017 were audited by other independent auditor whose report dated 14 September 2017 expressed an unqualified opinion on those financial statements.



RSM Chio Lim LLP  
Public Accountants and  
Chartered Accountants  
Singapore

14 NOV 2018

Engagement partner - effective from year ended 31 March 2018.

**DANA ASIA**

**Statement of Financial Activities  
Year Ended 31 March 2018**

	<u>Notes</u>	<u>2018</u> US\$	<u>2017</u> US\$
<b><u>Incoming resources</u></b>			
Commission income and fees		146,558	570,045
Operating grants	8	830,713	712,366
Other income	4	98,456	34,245
Other gains		–	332
<b>Total incoming resources</b>		<u>1,075,727</u>	<u>1,316,988</u>
<b><u>Resources expended</u></b>			
Charitable project grants made		(950,549)	(741,472)
Consultancy fee – Projects related		(53,346)	(66,416)
Consultancy fee – Fundraising		(26,673)	(33,208)
Other expenses	5	(109,531)	(85,470)
<b>Total resources expended</b>		<u>(1,140,099)</u>	<u>(926,566)</u>
<b>Net (deficit) / surplus for the reporting year</b>		<u>(64,372)</u>	<u>390,422</u>

The accompanying notes form an integral part of these financial statements.

DANA ASIA

Statement of Financial Position  
As at 31 March 2018

	<u>Notes</u>	<u>2018</u> US\$	<u>2017</u> US\$
<b>ASSETS</b>			
<u>Current assets</u>			
Cash and cash equivalents	6	6,006,190	6,401,339
Other receivables	7	35,435	–
<b>Total current assets</b>		<u>6,041,625</u>	<u>6,401,339</u>
<b>Total assets</b>		<u>6,041,625</u>	<u>6,401,339</u>
<b>FUND AND LIABILITIES</b>			
<b>FUND</b>			
<u>Unrestricted fund</u>			
General fund		<u>322,147</u>	<u>386,519</u>
<b>LIABILITIES</b>			
<u>Non-current liabilities</u>			
Other financial liability, non-current	9	<u>101,812</u>	<u>138,542</u>
<b>Total non-current liabilities</b>		<u>101,812</u>	<u>138,542</u>
<u>Current liabilities</u>			
Other non-financial liabilities	8	5,569,186	5,816,376
Other financial liability, current	9	43,750	36,458
Other payables	10	4,730	23,444
<b>Total current liabilities</b>		<u>5,617,666</u>	<u>5,876,278</u>
<b>Total liabilities</b>		<u>5,719,478</u>	<u>6,014,820</u>
<b>Total fund and liabilities</b>		<u>6,041,625</u>	<u>6,401,339</u>

The accompanying notes form an integral part of these financial statements.

**DANA ASIA**

**Statement of Changes in Fund  
Year Ended 31 March 2018**

	<u>2018</u> US\$	<u>2017</u> US\$
Balance at beginning of the year	386,519	(3,903)
Net (deficit) / surplus for the reporting year	(64,372)	390,422
Balance at end of the year	<u>322,147</u>	<u>386,519</u>

The accompanying notes form an integral part of these financial statements.



DANA ASIA

Statement of Cash Flows  
Year Ended 31 March 2018

	<u>2018</u> US\$	<u>2017</u> US\$
<b><u>Cash flows from operating activities</u></b>		
(Deficit) / Surplus from operations	(64,372)	390,422
Adjustment for:-		
Interest income	(98,456)	(15,000)
Operating cash flows before changes in working capital	(162,828)	375,422
Other payables	(18,714)	(25,802)
Other non-financial liability	(247,190)	5,765,469
Net cash flows (used in) from operating activities	(428,732)	6,115,089
<b><u>Cash flows from investing activities</u></b>		
Interest received	38,483	15,000
Net cash flows from investing activities	38,483	15,000
<b><u>Cash flows from financing activities</u></b>		
(Repayment) Receipt of bridging loan	(4,900)	175,000
Cash restricted in use	247,190	(5,765,469)
Net cash flow from (used in) financing activities	242,290	(5,590,469)
<b>Net (decrease) increase in cash and cash equivalents</b>	(147,959)	539,620
Cash and cash equivalents, statement of cash flows, beginning balance	584,963	45,343
<b>Cash and cash equivalents, statement of cash flows, ending balance (Note 6A)</b>	437,004	584,963

The accompanying notes form an integral part of these financial statements.

## DANA ASIA

### Notes to the Financial Statements 31 March 2018

#### 1. General

Dana Asia (the "company") is incorporated in Singapore as a company limited by guarantee under the Companies Act, Chapter 50. The company is also registered as a charity under the Charities Act, Chapter 37. The financial statements are presented in United States dollars.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors.

The principal activities of the company are to advance charitable activities by developing and contributing to projects that are for the relief of poverty in developing Asia.

The memorandum and articles of association of the company restricts the use of fund monies to the furtherance of the objects of the company. They prohibit the payment of dividends to the member of the company.

Each member of the company has undertaken to contribute such amounts not exceeding S\$50 to the assets of the company in the event the company is wound up and the monies are required for payment of the liabilities of the company. The company had 1 (2017: 1) member at the end of the reporting year.

The registered office is: 8 Wilkie Road, #03-08 Wilkie Edge, Singapore 228095. The company is situated in Singapore.

#### Accounting convention

The financial statements of the company as the reporting entity have been prepared in accordance with the Financial Reporting Standards in Singapore ("FRSs") and the related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council and the Companies Act, Chapter 50. The company is also subject to the provisions of the Charities Act, Chapter 37. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRSs require an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in FRSs may not be applied when the effect of applying them is not material. The disclosures required by FRSs need not be provided if the information resulting from that disclosure is not material. Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in profit or loss, as required or permitted by FRSs.

#### Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

**DANA ASIA**

**2. Significant accounting policies and other explanatory information**

**2A. Significant accounting policies**

**Revenue recognition**

Revenue including service revenue, commission and grants that provide core funding or are of general nature are recognised where there is (a) entitlement (b) certainty and (c) sufficient reliability of measurement. Such income is deferred only when: the donor specifies that the grant or donation must only be used in future accounting periods; or the donor has imposed conditions which must be met before the company has unconditional entitlement. The revenue amount from services is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the period arising from the course of the ordinary activities of the company.

**(i) Rendering of services**

Revenue from rendering services that are short duration is recognised in the period in which the services are rendered.

**(ii) Commission income and fees**

Commission income is recognised based on 7.5% of the operating grants received and receivable. Commission income is recognised upfront upon receipt of funds from donors.

**(iii) Operating grants**

Operating grants are recognised as a receivable at their fair value when there is reasonable assurance that the grants will be received and the company will comply with all the attached conditions.

Operating grants receivable are recognised as income over the periods necessary to match them with the related costs, which they are intended to compensate, on a systematic basis.

**Deferred operating grants**

Deferred operating grants represent funds which have not been applied towards their designated use. They are classified as current liabilities if payment is due within one year. Otherwise, they are presented as non-current liabilities.

**Foreign currency transactions**

The functional currency is the United States dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

**DANA ASIA**

**2. Significant accounting policies and other explanatory information (cont'd)**

**2A. Significant accounting policies (cont'd)**

**Income tax**

As a charity, the company is exempt from tax on income and gains falling within section 13(1)(zm) of the Income Tax Act to the extent that these are applied to its charitable objects. No tax charges have arisen for the company during the reporting year.

**Financial assets**

Initial recognition, measurement and derecognition:

A financial asset is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based on the derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control. Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following four categories under FRS 39 is as follows:

1. Financial assets at fair value through profit or loss: As at end of the reporting year date there were no financial assets classified in this category.



## DANA ASIA

### 2. Significant accounting policies and other explanatory information (cont'd)

#### 2A. Significant accounting policies (cont'd)

##### Financial assets (cont'd)

##### Subsequent measurement: (cont'd)

2. **Loans and receivables:** Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.
3. **Held-to-maturity financial assets:** As at end of the reporting year date there were no financial assets classified in this category.
4. **Available for sale financial assets:** As at end of the reporting year date there were no financial assets classified in this category.

##### Cash and cash equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

## DANA ASIA

### 2. Significant accounting policies and other explanatory information (cont'd)

#### 2A. Significant accounting policies (cont'd)

##### Financial liabilities

Initial recognition, measurement and derecognition:

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expires. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

1. Liabilities at fair value through profit or loss: Liabilities at fair value through profit or loss: Liabilities are classified in this category when they are incurred principally for the purpose of selling or repurchasing in the near term (trading liabilities) or are derivatives (except for a derivative that is a designated and effective hedging instrument) or have been classified in this category because the conditions are met to use the "fair value option" and it is used. All changes in fair value relating to liabilities at fair value through profit or loss are charged to profit or loss as incurred.
2. Liabilities at amortised cost: These liabilities are carried at amortised cost using the effective interest method.

##### Fair value measurement

When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. It is a market-based measurement, not an entity-specific measurement. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value. In making the fair value measurement, management determines the following: (a) the particular asset or liability being measured (these are identified and disclosed in the relevant notes below); (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis; (c) the market in which an orderly transaction would take place for the asset or liability; and (d) the appropriate valuation techniques to use when measuring fair value. The valuation techniques used maximise the use of relevant observable inputs and minimise unobservable inputs. These inputs are consistent with the inputs a market participant may use when pricing the asset or liability.



**DANA ASIA**

**2. Significant accounting policies and other explanatory information (cont'd)**

**2A. Significant accounting policies (cont'd)**

**Fair value measurement (cont'd)**

The fair value measurements categorise the inputs used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless state otherwise in the relevant notes to the financial statements. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The level is measured on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. If a financial instrument measured at fair value has a bid price and an ask price, the price within the bid-ask spread or mid-market pricing that is most representative of fair value in the circumstances is used to measure fair value regardless of where the input is categorised within the fair value hierarchy. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

**2B. Other explanatory information**

**Provisions**

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

**DANA ASIA**

**2. Significant accounting policies and other explanatory information (cont'd)**

**2C. Critical judgements, assumptions and estimation uncertainties**

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

**3. Related party relationships and transactions**

FRS 24 on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

A related party includes the board members and key management of the company. It also includes an entity or person that directly or indirectly controls, is controlled by, or is under common or joint control with these persons; members of the key management personnel or close members of the family of any individual referred to herein and others who have the ability to control, jointly control or significantly influence by or for which significant voting power in such entity resides with, directly or indirectly, any such individual.

The board of directors, or people connected with them, have not received remuneration, or other benefits, from the company for which they are responsible, or from institutions connected with the company.

There is no claim by the directors for services provided to the company, either by reimbursement to the directors or by providing the directors with an allowance or by direct payment to a third party.

**3A. Related party transactions:**

	2018 US\$	2017 US\$
Advisory fees paid to sole member of the company	66,900	50,000
Charitable contribution made to a related party	<u>108,190</u>	<u>—</u>

**3B. Key management compensation:**

	2018 US\$	2017 US\$
Consultancy fees	<u>88,910</u>	<u>99,624</u>

Key management personnel are the directors and those having authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly. The directors of the company did not receive any compensation from the company during the reporting year. The above amount for key management compensation is for the Chief Executive Officer of the company.

**DANA ASIA**

**4. Other income**

	2018 US\$	2017 US\$
Interest income	73,918	15,000
Other income	–	19,245
Provisions – discount unwinding (a)	24,538	–
	<u>98,456</u>	<u>34,245</u>

(a) This relates to the unwinding of discount in recognition of fair value of other financial liability (Note 9).

**5. Other expenses**

The major components include the following:

	2018 US\$	2017 US\$
Advisory fee paid to sole member of the company (Note 3A)	<u>66,900</u>	<u>50,000</u>

**6. Cash and cash equivalents**

	2018 US\$	2017 US\$
Not restricted in use	437,004	584,963
Restricted in use	5,569,186	5,816,376
	<u>6,006,190</u>	<u>6,401,339</u>

The rates of interest for the cash on interest earning balances ranged between 1.51 % and 1.63% (2017: Nil) per annum.

**6A. Cash and cash equivalents in the statement of cash flows:**

	2018 US\$	2017 US\$
Amount as shown above	6,006,190	6,401,339
Cash held on behalf for funded projects (Note 8)	(5,569,186)	(5,816,376)
Cash and cash equivalents for statement of cash flows purposes at end of the year	<u>437,004</u>	<u>584,963</u>

There are no reconciliation amounts for the non-cash changes in liabilities arising from financing activities.

**7. Other receivables**

	2018 US\$	2017 US\$
Interest receivables	<u>35,435</u>	<u>–</u>

**8. Other non-financial liabilities**

	<u>2018</u> US\$	<u>2017</u> US\$
Deferred operating grants	5,569,186	5,816,376

	<u>2018</u> US\$	<u>2017</u> US\$
Balance at beginning of the year	5,816,376	50,907
Funds received during the year	583,523	6,477,835
Operating grant income recognised during the year	(830,713)	(712,366)
Balance at the end of the year	5,569,186	5,816,376

**9. Other financial liability**

	<u>2018</u> US\$	<u>2017</u> US\$
Bridging loan	170,100	175,000
Unwinding of discount	(24,538)	—
	145,562	175,000
Presented in statement of financial position as follows:		
Other financial liability, current	43,750	36,458
Other financial liability, non-current	101,812	138,542
	145,562	175,000

The bridging loan is payable to a third party and it is non-interest bearing, unsecured and repayable in 48 equal monthly instalments of US\$3,646 commencing in June 2017. It has been discounted at 5.33% (2017 : Nil) based on market rate (Level 2).

**10. Other payables**

	<u>2018</u> US\$	<u>2017</u> US\$
Accrued liabilities	4,730	23,444

**DANA ASIA**

**11. Financial instruments: information on financial risks**

**11A. Categories of financial assets and liabilities**

The following table categorises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	2018 US\$	2017 US\$
<u>Financial assets:</u>		
Cash and cash equivalents	6,006,190	6,401,339
Other receivables	35,435	–
At end of the year	<u>6,041,625</u>	<u>6,401,339</u>
<u>Financial liabilities:</u>		
Other payables measured at amortised costs	4,730	23,444
Other financial liability measured at amortised costs	145,562	175,000
At end of the year	<u>150,292</u>	<u>198,444</u>

Further quantitative disclosures are included throughout these financial statements.

**11B. Financial risk management**

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, and currency risk. Management has certain practices for the management of financial risks. However these are not documented in formal written documents. The following guidelines are followed: All financial risk management activities are carried out and monitored by senior management staff. All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposures to risk; the objectives, policies and processes for managing the risk and the methods used to measure the risk.

**11C. Fair values of financial instruments**

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.



**DANA ASIA**

**11. Financial instruments: information on financial risks (cont'd)**

**11D. Credit risk on financial assets**

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial assets; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any payable commitments at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings.

As at the end of reporting year there were no amounts that were impaired.

Note 6 discloses the maturity of the cash and cash equivalents balances.

Other receivables are normally with no fixed terms and therefore there is no maturity.

**11E. Liquidity risk – financial liabilities maturity analysis**

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows).

	<u>Less than 1 year</u> US\$	<u>1 – 5 Years</u> US\$	<u>Total</u> US\$
Non-derivative financial liabilities:			
2018:			
Other financial liability	43,750	126,350	170,100
Other payables	4,730	–	4,730
At end of the year	<u>48,480</u>	<u>126,350</u>	<u>174,830</u>
Non-derivative financial liabilities:			
2017:			
Other financial liability	36,458	138,542	175,000
Other payables	23,444	–	23,444
At end of the year	<u>59,902</u>	<u>138,542</u>	<u>198,444</u>

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2017: 30 days). In order to meet such cash commitments the operating activity is expected to generate sufficient cash inflows.

**11F. Interest rate and foreign currency risks**

The exposure to interest rate and foreign currency risk to the company are not significant.



## DANA ASIA

### 12. Changes and adoption of financial reporting standards

For the current reporting year new or revised Financial Reporting Standards in Singapore and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. These applicable new or revised standards did not require any material modification of the measurement methods or the presentation in the financial statements.

<u>FRS No.</u>	<u>Title</u>
FRS 7	Amendments to FRS 7: Disclosure Initiative

### 13. New or amended standards in issue but not yet effective

For the future reporting years new or revised Singapore Financial Reporting Standards and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below.

<u>FRS No.</u>	<u>Title</u>	<u>Effective date for periods beginning on or after</u>
FRS 109	Financial Instruments	1 Jan 2018
FRS 115	Revenue from Contracts with Customers. Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	1 Jan 2018

The transfer to the applicable new or revised standards from the effective dates is not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year from the known or reasonably estimable information relevant to assessing the possible impact that application of the new or revised FRSs will have on the entity's financial statements in the period of initial application.

### 14. Comparative figures

The financial statements for the reporting year ended 31 March 2017 were audited by other independent auditors (other than RSM Chio Lim LLP) whose report dated 14 September 2017 expressed an unqualified opinion on those financial statements.