

THE VINACAPITAL FOUNDATION

(Incorporated in the Socialist Republic of Vietnam)

AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2017

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STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of The VinaCapital Foundation (the "Foundation") presents this report together with the Foundation's financial statements for the year ended 31 December 2017.

THE BOARD OF DIRECTORS

The members of the Board of Directors of the Foundation who held office during the year and until the date of this report are as follows:

Board of Directors

Mr. Don Lam	Chairman of the Board, VinaCapital Foundation CEO, VinaCapital
Ms. Robin King Austin	Member of the Board, VinaCapital Foundation CEO and Executive Director, VinaCapital Foundation
Mr. Brook Taylor	Member of the Board, Treasurer and Chair of Audit Committee, VinaCapital Foundation COO, VinaCapital
Mr. Nguyen Hong Nam	Member of the Board, VinaCapital Foundation Founder and Managing Director, NQT Education Centres
Mr. Pham Phu Ngoc Trai	Member of the Board, VinaCapital Foundation Chairman and CEO, Global Integration Business Consultants
Ms. Katherine Yip	Member of the Board, VinaCapital Foundation Chairman, KYG International
Ms. Jocelyn Tran	Member of the Board, VinaCapital Foundation Senior Director/Hub Leader, Wal-Mart Global Sourcing Vietnam and Cambodia
Mr. Le Nhan Phuong, MD, Mph	Member of the Board, VinaCapital Foundation Medical Doctor Executive Director, RHE
Ms. My Nguyen	Member of the Board, VinaCapital Foundation CEO, MMSoft Co., Ltd

THE BOARD OF DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors of the Foundation is responsible for preparing the Foundation's financial statements using the functional currency, being Vietnam Dong ("VND"), for the year ended 31 December 2017 which give a true and fair view of the financial position of the Foundation as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs"). Also, the Board of Directors is responsible for preparing the financial statements using United States Dollars ("USD"), being the presentation currency, based on the above-mentioned VND financial statements and in accordance with policies disclosed in Note 3 of the Notes to the financial statements. In preparing these financial statements in the presentation currency, the Board of Directors is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

STATEMENT OF THE BOARD OF DIRECTORS (Continued)

The Board of Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Foundation and that the financial statements are in compliance with IFRSs. The Board of Directors is also responsible for safeguarding the assets of the Foundation and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Directors confirms that the Foundation has complied with the above requirements in preparing these financial statements.

For and on behalf of the Board of Directors,

A red circular stamp from The VinaCapital Foundation. The text inside the stamp reads "VINA CAPITAL FOUNDATION" around the top edge, "VAN PHONG" in the center, "DỰ ÁN TẠI" below it, and "TP. HỒ CHÍ MINH" at the bottom. A blue ink signature, "Robin King Austin", is written across the stamp.

Robin King Austin
CEO and Executive Director
The VinaCapital Foundation
30 March 2018

No.: 673 /VN1A-HC-BC

INDEPENDENT AUDITORS' REPORT

To: The Board of Directors of The VinaCapital Foundation

Opinion

We have audited the accompanying financial statements of The VinaCapital Foundation (the "Foundation"), prepared on 30 March 2018, as set out from page 5 to page 23, which comprise the statement of financial position as at 31 December 2017, and the statement of profit or loss and other comprehensive income, statement of change in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Foundation as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the financial statement section of our report. We are independent of the Foundation in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of Accounting and Restriction on Distribution and Use

We draw attention to Note 3 of the Notes to the financial statements, which describes the basis of accounting for the translation of the financial statements from its functional currency of Vietnam Dong ("VND") to presentation currency of United States Dollar ("USD"). These financial statements presented in USD are prepared for the Foundation's management purposes and as a result, it may not be suitable for another purpose.

The Board of Directors' responsibilities for the Financial Statements

The Board of Directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as the Board of Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statement, the Board of Directors are responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Foundation's financial reporting process.

INDEPENDENT AUDITORS' REPORT (Continued)

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 Foundation'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 Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of business activities within the Foundation to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with the Board of 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.



Nguyen Minh Thao

Audit Partner

Audit Practising Registration Certificate

No. 1902-2018-001-1

BRANCH OF DELOITTE VIETNAM

COMPANY LIMITED

30 March 2018

Ho Chi Minh City, Vietnam

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2017

ITEMS	Notes	Year ended 31/12/2017	Year ended 31/12/2016
		USD	USD
Total revenue from donations	5	2,148,130	2,141,346
Expenses			
Cost of improving healthcare access and outcomes for poor children	6	676,518	563,567
Cost of increasing capacity for pediatric and cardiac care	10	270,001	319,706
Education costs for disadvantaged children and youth	14	62,083	83,010
General program costs	15	227,927	187,900
Total program costs		1,236,529	1,154,183
Fundraising costs	16	155,711	159,916
Administration costs	17	159,581	123,789
Total expenses		1,551,821	1,437,888
Gross profit		596,309	703,458
Other (losses)/gains		(174)	904
Foreign exchange losses		(1,390)	(1,504)
PROFIT FOR THE YEAR		594,745	702,858
Other comprehensive income			
Foreign currency translation difference		4,253	(11,609)
TOTAL OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		4,253	(11,609)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		598,998	691,249



Robin King Austin
CEO and Executive Director
The VinaCapital Foundation
 30 March 2018

STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

	Notes	31/12/2017 USD	31/12/2016 USD
ASSETS			
<i>Non-current assets</i>			
Property and equipment	18	22,407	12,080
Other assets		3,437	3,437
Total non-current assets		25,844	15,517
<i>Current assets</i>			
Trade and other receivables	19	192,498	18,925
Cash and bank balances	20	1,209,072	1,022,082
Held-to maturity investments	21	331,805	175,516
Total current assets		1,733,375	1,216,523
TOTAL ASSETS		1,759,219	1,232,040
EQUITY AND LIABILITIES			
<i>Capital and reserves</i>			
Foreign currency translation reserve		(29,370)	(33,623)
Retained earnings		1,574,644	979,899
Total equity		1,545,274	946,276
<i>Current liabilities</i>			
Trade payables	22	143,011	237,010
Provisions	23	42,536	36,445
Other liabilities		28,398	12,309
Total current liabilities		213,945	285,764
Total liabilities		213,945	285,764
TOTAL EQUITY AND LIABILITIES		1,759,219	1,232,040



Robin King Austin
 CEO and Executive Director
 The VinaCapital Foundation
 30 March 2018

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2017

	<u>Reserves</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>
Balance at 1 January 2016	(22,014)	277,041	255,027
Total profit and loss and other comprehensive income for the year			
Profit for the year	-	702,858	702,858
Other comprehensive loss - Foreign currency translation difference	(11,609)	-	(11,609)
Balance at 31 December 2016	(33,623)	979,899	946,276
Total profit and loss and other comprehensive income for the year			
Profit for the year	-	594,745	594,745
Other comprehensive income - Foreign currency translation difference	4,253	-	4,253
Balance at 31 December 2017	(29,370)	1,574,644	1,545,274



Robin King Austin
CEO and Executive Director
The VinaCapital Foundation
30 March 2018

STATEMENT OF CASH FLOWS
For the year ended 31 December 2017

	<u>Year ended 31/12/2017</u> USD	<u>Year ended 31/12/2016</u> USD
Cash flows from operating activities		
Profit for the year	594,745	702,858
Adjustments for:		
Depreciation of property and equipment	7,414	5,114
Provisions	6,091	(6,245)
Gain on disposals of property and equipment	-	(952)
Movements in working capital:		
Changes in receivables	(173,573)	(18,925)
Changes in payables	(77,910)	(80,834)
Other cash inflows	174	-
Other cash outflows	-	(3,389)
Net cash generated by operating activities	<u>356,941</u>	<u>597,627</u>
Cash flows from investing activities		
Payment for property and equipment	(17,915)	(12,917)
Proceeds from disposal of property and equipment	-	952
Net cash used in investing activities	<u>(17,915)</u>	<u>(11,965)</u>
Net increase in cash and cash equivalents	339,026	585,662
Cash and cash equivalents at the beginning of the year	1,197,598	623,545
Effects of exchange rate changes on financial statements	4,253	(11,609)
Cash and cash equivalents at the end of the year	<u>1,540,877</u>	<u>1,197,598</u>



Robin King Austin
CEO and Executive Director
30 March 2018

1. GENERAL INFORMATION

The VinaCapital Foundation (the "Foundation") is a non-profit, non-governmental, non-religious and humanitarian organisation, established under Certificate No. C200711501675 dated 26 April 2007 issued by the State of North Carolina in the United States of America for an unlimited period of operation. The Internal Revenue Service has confirmed permanent status as a 501(c)3 public charity. In order to operate in Vietnam, the Foundation obtained Operation License No. BM 453/UB-HD, dated 20 June 2008, which has subsequently been updated by Operation License No. BM 138/UB-DA, dated 13 January 2010 and Project Establishment License No. 79/CNV-VPDA, dated 16 May 2014. The Project Establishment Licenses consecutively cover the period from 16 May 2014 to 16 May 2019.

As at 31 December 2017, the Foundation had 16 staff (as at 31 December 2016: 16 staff).

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

1.1 Improving healthcare access and outcomes for poor children

Heartbeat Vietnam (HBVN)

The program assists poor children with congenital heart disease to receive life-saving heart surgery in Vietnam. Children are identified and referred by their local authority or by the Foundation's outreach clinics. Each local commune assesses financial situation and provides families with documentation of their family economic status and a poverty certificate. The local Department of Labor, Invalids, and Social Affairs (DOLISA) refers children to the Foundation. In most cases, the Foundation shares the cost with the local provincial government and National Insurance program for children. All parties pay directly to the hospital that provide the care. From 2006 to 2017, 6,133 children have been given surgery to correct congenital heart defects. Of this number 906 children received lifesaving operations in 2017.

Mobile medical outreach clinics

The Foundation started a program in 2007 to hold provincial outreach clinics staffed by volunteer doctors and surgeons from major heart centers in Vietnam. Each outreach clinic provides free care to between 200 and 500 children, including diagnostic testing, treatment, and placement on the cardiac surgery waiting list and post-operative check-ups. These clinics enable hundreds of poor children to be examined and diagnosed by the country's top cardiologists and surgeons without having to leave their home province. The clinics increase early detection of heart conditions in children and train provincial doctors in the diagnosis and treatment of these children. Since 2007, free diagnostic heart clinics operated in 44 provinces and 147 districts (including districts, district-level towns and cities) in Vietnam. 80,505 at-risk children were examined; 8,622 of those were diagnosed as having heart conditions, and 6,287 of those children were identified to be in need of surgery.

Family grants and continuing care for disadvantaged children

The Foundation provides one year of post-operative medical continuing care, nutritional support, and money for destitute families of children receiving heart operations. The grants are determined on a case-by-case basis and are used for such thing as buying foods for families during the hospital stays, paying for transportation to and from the surgery, and cover post-operative care.

1.2 Increasing capacity for pediatric specialty care

A hospital's capacity to provide pediatric care, pediatric intensive care, pediatric emergency care, neonatal care, cardiac care, and cardiac surgery can be considerably increased by adding equipment and providing training. To that end, the Foundation has developed and implemented several large-scale capacity-building programs in this area:

Critical response: Training and equipment for emergency pediatric life support

The Foundation provides training on Pediatric Advance Life Support (PALS) and Advanced Pediatric Life Support (APLS) to doctors and nurses. PALS/APLS are standardised approaches to the evaluation and resuscitation of children in respiratory or cardiac arrest enabling doctors and nurses to save a child more quickly and prevent needless deaths.

This program provides emergency training and stocked crash-carts to emergency rooms and pediatric (Intensive Care Unit) ICU's. It also provides training to nurses on how to maintain equipment and assist doctors during critical situations.

Survive to Thrive: Neonatal care

Since 2010, this program is providing funding, design and construction supervision, along with 43 pieces of equipment for a new neonatal intensive care and high dependency unit at Danang Hospital for women and children. The facilities now operate closer to international standards of pediatric care. The new facilities have greatly improved the care and survival of infants in central Vietnam and are helping the hospital meet its target of reducing infant mortality by a minimum of 1% per year. The program has assisted the unit with obtaining additional equipment and significant training, has enabled the new neonatal intensive care and high dependency unit to become a regional center of excellence in health care and medical training.

The program has expanded to support essential medical equipment for NICUs in referral hospitals in Quang Nam, Quang Ngai, and Khanh Hoa. In 2017, the Foundation supported Quang Nam Pediatric Hospital, provincial and district hospitals in Quang Nam and Quang Ngai, with donations of 6 neonatal continuous positive airway pressure (CPCP) machines, 4 phototherapy units, 21 infusion and injection pumps, 1 incubator, 2 monitors, 11 suction machines, 6 SpO2 pulse oximeters, 12 intubation kits and 13 ambulance bags. The expansion has saved the lives of thousands of infants and children, including many in the central region's most disadvantaged rural and ethnic minority areas and helped to drastically reduce the infant mortality rate in the region.

Ho Chi Minh University of Medicine and Pharmacy: Assisting Disadvantaged Students

This program provides supports to underprivileged students at the Ho Chi Minh City University of Medicine and Pharmacy, with tutoring and mentoring. In 2017, the program supported 76 freshman and sophomore medical students. The aim of the program is to increase the number of doctors from disadvantaged areas graduating from medical school and returning to serve in rural areas, especially in the Mekong Delta, where healthcare quality needs much improvement. After a year, 45% of the supported students had higher academic performance and better soft skills including public speaking, working in teams, and time management.

The VinaCapital Foundation was tasked with conducting needs assessments in Hue and Thai Nguyen University, focusing on the support that may be required for disadvantaged medical students. They were to clarify if there were discrepancies in grades or outcomes for disadvantaged students, or if the need was for additional support across the entire student body.

Starkey hearing aid program

The Starkey Hearing Foundation ("SHF") was founded in 1984 by William F. Austin based on his vision "So the world may hear". In 2016 Starkey Hearing Foundation became the Foundation's partner, working to provide hearing aids to the hearing impaired. Together, SHF and the Foundation have improved the hearing of 2,406 patients across Vietnam.

1.3 Education for disadvantaged children and youth

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

A Brighter Path: Scholarships for ethnic minority girls

This program offers hope for a brighter future and a break from the poverty cycle for ethnic minority girls in Vietnam by providing exemplary indigenous impoverished girls with scholarships to attend high school and university. Each student receives a seven-year scholarship (three years of high school and four years of university) that includes support for tuition, books, food, housing and uniforms or clothing. All girls in the program were accepted into universities and completed their university studies in 2017.

Phase 2 of the program was started in June 2017 with 50 excellent ethnic girls from 36 provinces.

A Brighter Path: Scholarships for Heartbeat Vietnam Alumni

From time to time, the Foundation encounters exemplary students through the Heartbeat Vietnam program. These are students who have demonstrated academic excellence despite their illness and after surgery. The Foundation provides these students with scholarships through high school and university.

A Brighter Path: HSBC scholarships for Indigenous Girls

HSBC Scholarships for Indigenous Girls is a commitment by the Foundation and HSBC that provides four year scholarships to 15 poor girls from ethnic communities. The program utilises the professional experience and volunteer spirit of HSBC employees through the mentoring of scholarship awardees. Each girl is paired with a female HSBC professional to learn from their wisdom, skills and experience. HSBC funds the scholarship program and the Foundation serves as an organizer and mobilizer of additional resources to help the girls reach their full potential.

A Brighter Path: Dream Fund

Dream Fund is an association between the Foundation and VietnamWorks to support 12 ethnic minority girls with the cost of attending universities.

2. APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRSs)

2.1 Amendments to IFRSs that are mandatorily effective for the current year

In the current year, the Foundation has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2017.

Amendments to IAS 7 Disclosure Initiative

The amendments require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes.

The application of these amendments has had no impact on the Foundation's financial statement because the Foundation did not have liabilities arising from financing activities.

Annual Improvements to IFRSs 2014-2016 Cycle

The Foundation has applied the amendments to IFRS 12 included in the Annual Improvements to IFRSs 2014-2016 Cycle for the first time in the current year. The other amendments included in this package are not met mandatorily effective and they have not been early adopted by the Foundation.

IFRS 12 states that an entity need not provide summarized financial information for interest in subsidiaries, associates or joint ventures that are classified (or included in a disposal group that is classified) as held for sale. The amendments clarify that this is the only concession from the disclosure requirement of IFRS 12 for such interests.

The application of these amendments has had no effect on the Foundation's financial statements.

2.2 New and revised IFRS in issue but not yet effective

The Foundation has not applied the following new and revised IFRSs that have been issued but are not yet effective:

IFRS 9	Financial Instruments ¹
IFRS 16	Leases ²
IFRIC 22	Foreign Currency Transactions and Advance Consideration ¹

1. Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.
2. Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.

IFRS 9 Financial Instruments

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets.

IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include (a) impairment requirements for financial assets and (b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" (FVTOCI) measurement category for certain simple debt instruments.

Key requirements of IFRS 9:

- All recognized financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement are required to be subsequently measured at amortized cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortized cost at the end of subsequent accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at their fair value at the end of subsequent accounting periods. In addition, under IFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognized in profit or loss;
- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Under IAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss is presented in profit or loss;
- In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized; and
- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in IAS 39. Under IFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

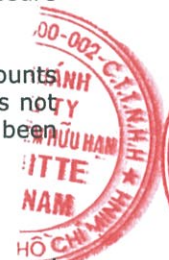
The Board of Directors anticipates that the application of IFRS 9 may have an impact on amounts reported in respect of the Foundation's financial assets and financial liabilities. However, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

IFRS 16 Leases

IFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees. IFRS 16 will supersede the current lease guidance including IAS 17 Leases and the related interpretations when it becomes effective.

IFRS 16 distinguishes leases and service contracts on the basis of whether an identified asset is controlled by a customer. Distinctions of operating leases (off balance sheet) and finance leases (on balance sheet) are removed for lessee accounting, and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognized for all leases by lessees (i.e. all on balance sheet) except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modifications, amongst others. Furthermore, the classification of cash flows will also be affected as operating lease payments under IAS 17 are presented as operating cash flows; whereas under the IFRS 16 model, the lease payments will be split into a principal and an interest portion which will be presented as financing and operating cash flows respectively.



In contrast to lessee accounting, IFRS 16 substantially carries forward the lessor accounting requirements in IAS 17, and continues to require a lessor to classify a lease either as an operating lease or a finance lease. Furthermore, extensive disclosures are required by IFRS 16.

The Board of Directors anticipate that the application of IFRS 16 in the future will not have a significant impact on amounts reported in respect of the Foundation's financial assets and financial liabilities.

IFRIC 22 Foreign Currency Transaction and Advance Consideration

IFRIC 22 addresses how to determine the 'date of transaction' for the purpose of determining the exchange rate to use on initial recognition of an asset, expense or income, when consideration for that item has been paid or received in advance in a foreign currency which resulted in the recognition of a non-monetary asset or nonmonetary liability (for example, a non-refundable deposit or deferred revenue).

The Interpretation specifies that the date of transaction is the date on which the entity initially recognizes the nonmonetary asset or non-monetary liability arising from the payment or receipt of advance consideration. If there are multiple payments or receipts in advance, the Interpretation requires an entity to determine the date of transaction for each payment or receipt of advance consideration.

The Interpretation is effective for annual reporting periods beginning on or after 1 January 2018 with earlier application permitted. Entities can apply the Interpretation either retrospectively or prospectively. Specific transition provisions apply to prospective application.

The Foundation do not anticipate that the application of the amendments in the future will have an impact on the Foundation's financial statements. This is because the Foundation has already accounts for transaction involving the payment or receipt of advance consideration in a foreign currency in a way that is consistent with the amendments.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards.

3.2 Basis of preparation

The financial statements have been prepared on a historical cost basis except for certain financial assets and financial liabilities that are measured at fair values at the end of financial year, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Foundation takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of IAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 or value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- 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; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Functional and presentation currency

The Foundation's functional currency is Vietnam Dong ("VND"). Any transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date for accounting records. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date for reporting purposes. Exchange differences arising from the translation of these accounts are recognised in the statement of profit or loss and other comprehensive income.

For management purposes, the Board of Directors prepares the financial statements using United States Dollars ("USD") as presentation currency based on the following principles:

- Assets and liabilities are translated into USD at the actual closing rate of the commercial bank where the Foundation has most transactions with (i.e. USD/VND 22,735 for assets and USD/VND 22,665 for liabilities).
- Retained earnings are translated into USD based on the statement of profit or loss and other comprehensive income.
- Items of the statement of profit or loss and other comprehensive income and the statement of cash flow are translated into USD at the actual transaction rates at the dates of the transactions.

Exchange differences arising from the translation of the financial statements prepared in functional currency (VND) into USD are presented in the "Foreign currency translation reserve" line item in the statement of financial position and "Foreign currency translation difference" line item in the Statement of profit or loss and other comprehensive income.

3.3 The principal accounting policies are set as below

Estimates

The preparation of financial statements in conformity with IFRS requires the Board of Directors to make judgements, estimates and assumptions that affect the application of the Foundation's accounting policies and reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected.

Revenue recognition

Revenue from donation is recognised when the donation is received or becomes receivable and it is probable that the Foundation will comply with the conditions attached to the donation, if any.

Expenses

Expenses are recognised in the profit or loss on an accrual basis.

Foreign currencies

In preparing of the financial statements of the Foundation, transactions in currencies other than the Foundation's functional currency (foreign currencies) are recognised at the rate of exchange prevailing at the date of the transactions. At the end of each reporting financial year, monetary items denominated in foreign currencies are retranslated at the rate prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate prevailing at the date when fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Lease payments

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except another systematic basis is more representative of the time pattern in which economic benefits from leased assets are consumed.

Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

Employee benefits

Under the Vietnamese Labour Code, when an employee who has worked at the Foundation for 12 months or more (the "eligible employees") voluntarily terminates his/her labour contract, the employer is required to pay the employee a severance allowance calculated based on their years of service and the employee's compensation at termination.

Pursuant to Law on Social Insurance, effective from 1 January 2009, the Foundation and its employees are required to contribute to an employment insurance fund managed by the Vietnam Social Insurance Agency when the Foundation has more than 10 staff members. As at 1 January 2014, the Foundation met the criteria. With the application of this unemployment insurance scheme, the Foundation is no longer required to pay severance allowances for the service period after 1 January 2014. However, the severance allowance to be paid to existing eligible employees as at 31 December 2013 will be determined based on the eligible employees' years of service as at 31 December 2013 and their average salary for the six-month period prior to the termination date. Full provision for this severance allowance has been provided for in the financial statements.

Contributions payable by the Foundation to the unemployment insurance fund for the period in exchange for the services rendered by employees is recognised as an expense in the statement of profit or loss and other comprehensive income.

Taxation

Under the current laws of the United States of America and Vietnam, the Foundation is not required to pay corporate income tax on the profits from its activities.

Property and equipment

Recognition and measurement

Property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Depreciation of these assets commences when the assets are ready for their intended use.

When significant parts of an item of property or equipment have different useful lives, they are accounted for as separated items (major components) of property and equipment.

Any gain or loss arising on the disposal of an item of property and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in other income in profit or loss.

Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits of the expenditure will flow of the Foundation. Ongoing repairs and maintenance are expensed as incurred.

Depreciation

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line basis over their estimated useful lives. Depreciation is recognised in profit or loss. The estimated useful lives are as follows:

- Office equipment 3 years
- Office furniture 7 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Provisions

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

Financial Instruments

Financial assets and financial liabilities are recognized on the Foundation's statement of financial position when the Foundation becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss ("FVTPL"), cash and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Receivables

Trade and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'receivables'. Receivables are measured at amortized cost using the effective interest method less any impairment. Interest income is recognized by applying the effective interest rate method, except for short-term receivables where the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are considered to be impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For all other financial assets, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as a default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organization; or
- the disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Foundation's past experience of collecting payments.

For financial assets carried at amortized cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

The carrying amount of the financial assets is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered as doubtful, it is written down based on the Board of Directors' estimation. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognized in profit or loss.

Derecognition of financial assets

The Foundation derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Foundation neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Foundation recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Foundation retains substantially all the risks and rewards of ownership of a transferred financial asset, the Foundation continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities

Classification as debt or equity

Financial liabilities issued by the Foundation are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Other financial liabilities

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest method with interest expense recognized on an effective yield basis.

Derecognition of financial liabilities

The Foundation derecognizes financial liabilities when, and only when, the Foundation's obligations are discharged, cancelled or they expire.

Cash and bank accounts

Cash and bank accounts comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method with interest expense recognised on an effective yield basis.

4. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical judgments in applying accounting policies

In the application of the Company's accounting policies, which are described in Note 3, the Board of Directors is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In the process of applying the Company's accounting policies, which are described in Note 3 to the financial statements, the Board of Directors did not make any critical accounting judgements that will have a significant effect on the amounts recognized in the financial statements.

Key sources of estimation uncertainty

Useful lives of property, plant and equipment

The useful lives of tangible and intangible assets are depreciated using a straight-line method over their estimated useful lives as disclosed in Note 3 as above.

5. DONATIONS

During the year donations were received from VinaCapital (the Foundation's founding sponsor), REE Corporation, HSBC, Toyota Vietnam Foundation, The Vietnam Foundation, Asus, Nu Skin, Manulife, Vietnam International Dairy Products, Tuan Le Construction, Vietnam Artist Agency, Exxon Mobil, Australian DAP, FedEx, Gamuda Land, Suntory PepsiCo Vietnam Beverage, Helping Hand Helping Hearts Foundation, Mr. Pham Tan Nghia, Mrs. Julie Lam, Mr. Jun Pham, and The Murray Foundation and many other individuals and corporations.

THE VINACAPITAL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (Continued)

6. COST OF IMPROVING HEALTH CARE ACCESS AND OUTCOMES FOR POOR CHILDREN

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
Heart surgeries (Note 7)	655,419	511,624
Tumor surgeries (Note 8)	7,642	23,037
Provincial outreach clinics for poor children (Note 9)	8,698	23,542
Family grants and continuing care for heart alumni	4,759	5,364
	676,518	563,567

7. HEART SURGERIES

All payments for heart surgeries costs were made directly to hospitals.

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
In co-operation with HCMC Sponsoring Association for Poor Patients		
Dong Thap Province	2,702	4,828
Nghe An Province	1,483	8,922
An Giang Province	14,728	9,780
Can Tho Province	-	6,514
Daklak Province	6,667	8,395
Daknong Province	453	1,385
Khanh Hoa Province	1,422	6,317
Binh Phuoc Province	-	-
Tra Vinh Province	10,841	18,853
Quang Nam Province	1,743	239
Long An Province	861	-
Lam Dong Province	4,363	3,813
Quang Binh Province	2,573	6,201
Ho Chi Minh City	13,246	15,663
Ninh Thuan Province	1,306	4,181
Binh Thuan Province	5,438	975
Quang Ngai Province	1,124	5,059
	68,949	101,125
In co-operation with Giving It Back to Kids		
Quang Ngai Province	19,180	9,628
Quang Nam Province	46,829	-
	66,009	9,628
In co-operation with Tien Giang.6		
	1,112	1,408
Heart surgeries costs by the Foundation		
Da Nang City	23,112	10,766
Quang Nam Province	-	25,334
Walk in cases	406,391	250,274
Heartbeat Vietnam Program	15,591	26,641
Scar Of Life 6	-	86,448
Scar Of Life 7	74,255	-
	519,348	399,463
	655,419	511,624

THE VINACAPITAL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. TUMOR SURGERIES

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
Tumor surgeries	7,642	23,037
	7,642	23,037

9. PROVINCIAL OUTREACH CLINICS FOR POOR CHILDREN

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
Quang Ngai Outreach Clinic	-	1,985
FedEx Care Week	3,673	-
Kontum Outreach clinic	538	-
Nghe An Outreach Clinic	1,177	847
Lam Dong Outreach Clinic	-	2,781
Quang Nam Outreach Clinic	-	970
Can Tho Outreach Clinic	-	730
Bac Lieu Outreach Clinic	829	-
Dak Lak Outreach Clinic	-	785
Yen Bai Outreach Clinic	361	1,388
Ninh Thuan Outreach Clinic	-	1,006
Tay Ninh Outreach Clinic	103	402
Ha Tinh Clinic	639	1,222
Bac Kan Clinic	-	794
Phu Yen Clinic	671	-
Khanh Hoa Outreach Clinic	-	1,493
Quang Binh Outreach Clinic	-	1,047
Thai Nguyen Outreach Clinic	-	447
Hung Yen Outreach Clinic	707	956
Ben Tre Outreach Clinic	-	973
Tra Vinh Outreach Clinic	-	2,096
Son La Outreach Clinic	-	330
Lai Chau Outreach Clinic	-	1,753
Travel for outreach staff	-	1,537
	8,698	23,542

10. COST OF INCREASING CAPACITY FOR PEDIATRIC AND CARDIAC CARE

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
Survive to Thrive (training equipment) (Note 11)	106,981	122,821
Critical response: PALS training and crash carts (Note 12)	136,203	189,555
Ho Chi Minh University of Med Disadvantaged Students (Note 13)	1,309	-
Starkey hearing aid program	25,508	7,330
	270,001	319,706

11. SURVIVE TO THRIVE (TRAINING EQUIPMENT)

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
Equipment purchases	87,954	78,963
Other	19,027	43,858
	106,981	122,821

12. CRITICAL RESPONSE: PALS TRAINING AND CRASH CARTS

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
Equipment purchases	75,934	146,245
Travel and meeting expenses	15,517	9,377
Monitoring and evaluation	1,177	1,061
Crash cart delivery and training	12,547	12,667
Food and beverage	2,542	166
Trainer's stipends	18,721	11,393
Other costs	9,765	8,646
	136,203	189,555

13. HO CHI MINH UNIVERSITY OF MED DISADVANTAGED STUDENTS

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
Tutoring and mentoring expenses	1,309	-
	1,309	-

14. EDUCATION COSTS FOR DISADVANTAGED CHILDREN AND YOUTH

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
Indigenous minority girls education empowerment	41,713	60,822
Heartbeat Vietnam scholarships	1,796	2,217
HSBC scholarships for ethnic women	17,289	18,516
VietnamWorks Dream Fund	1,285	1,455
	62,083	83,010

15. GENERAL PROGRAM COSTS

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
Salaries and related expenses	205,262	181,738
Other costs	22,665	6,162
	227,927	187,900

16. FUND RAISING COSTS

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
Salaries and related expenses	141,418	127,714
Marketing and public relations	4,753	4,711
Travel expenses	2,484	3,192
Other costs	7,056	24,299
	155,711	159,916

THE VINACAPITAL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. ADMINISTRATION COSTS

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
Salaries and related expenses	90,401	36,813
Office rental	21,235	25,201
Security fees	-	4,623
Professional fees	10,842	12,434
Bank charges	3,679	2,853
IT, facility and stationery expenses	9,470	8,620
Travel expenses	311	1,740
Other costs	23,644	31,505
	159,581	123,789

18. PROPERTY AND EQUIPMENT

	Office equipment	Office furniture	Total
	USD	USD	USD
COST			
As at 1 January 2017	44,741	7,110	51,851
Additions	14,937	2,978	17,915
Written-off	(564)	(1,492)	(2,056)
As at 31 December 2017	59,114	8,596	67,710
ACCUMULATED DEPRECIATION			
As at 1 January 2017	35,641	4,130	39,771
Charge for the year	5,883	1,531	7,414
Written-off	(461)	(1,421)	(1,882)
As at 31 December 2017	41,063	4,240	45,303
NET BOOK VALUE			
As at 31 December 2016	9,100	2,980	12,080
As at 31 December 2017	18,051	4,356	22,407

19. TRADE AND OTHER RECEIVABLES

	31/12/2017	31/12/2016
	USD	USD
Run for the hearts - Ho Chi Minh	22,025	4,992
Run for the heart - Hanoi	143,357	-
Donation from other Foundations	20,797	7,195
Other receivables	6,319	6,738
	192,498	18,925

20. CASH AND BANK ACCOUNTS

	31/12/2017	31/12/2016
	USD	USD
Bank accounts in the United States of America	91,377	25,287
Bank accounts in Vietnam	1,449,500	1,172,311
	1,540,877	1,197,598

Bank accounts in Vietnam including cash equivalents of USD 851,766 (2016: USD 374,181) represent VND fixed deposits at commercial banks with terms of less than three months and earning interest at rates ranging from 4.2% to 5.5% per annum (2016: from 4.8% to 5.4% per annum).

21. HELD-TO MATURITY INVESTMENTS

Held-to maturity investments represents VND fixed deposits at commercial banks with terms of over three months and less than six months that earn interest at rates ranging from 7.2% to 7.8% per annum (2016: 7.2% per annum).

22. TRADE PAYABLES

	31/12/2017	31/12/2016
	USD	USD
Heart surgery costs	128,177	218,883
Professional fees	10,435	11,343
Others	4,399	6,784
	143,011	237,010

23. PROVISIONS

	Year ended 31/12/2017	Year ended 31/12/2016
	USD	USD
Opening balance	36,445	42,690
Provision made during the year	6,091	-
Payment during the year	-	(6,245)
Closing balance	42,536	36,445

24. FINANCIAL INSTRUMENTS

Capital risk management

The capital structure of the Foundation consists of owner's equity (comprising capital, reserves and retained earnings). The Foundation manages its capital to ensure that it will be able to continue as a going concern while maximising the return to owners through the optimisation of the equity amounts.

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset and financial liability are disclosed in Note 3.

Categories of financial instruments

	Carrying amounts		Fair value	
	31/12/2017	31/12/2016	31/12/2017	31/12/2016
	USD	USD	USD	USD
Financial assets				
Cash and bank balances	1,540,877	1,197,598	1,540,877	1,197,598
Trade and other receivables	192,498	18,925	192,498	18,925
	1,733,375	1,216,523	1,733,375	1,216,523
Financial liabilities				
Trade payables	143,011	237,010	143,011	237,010
	143,011	237,010	143,011	237,010

Financial risk management objectives

The Foundation has set up risk management system to identify and assess the risks exposed by the Foundation and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Foundation's operations.

Financial risks include credit risk and liquidity risk.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Foundation. At the balance sheet date, the Foundation has a concentration of credit risk relating to the receivable from Gamuda Land Vietnam Company Limited in relation to its Run for the Heart event in Hanoi (as stated in Note 25). The Foundation's exposure to credit risk is monitored on an on-going basis and at the balance sheet date has been assessed as low.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Foundation believes can generate within that period. The Foundation's policy is to regularly monitor current and expected liquidity requirements to ensure that the Foundation maintains sufficient reserves of cash, borrowings and adequate committed funding from its owners to meet its liquidity requirements in the short and longer term.

The following table details the Foundation's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Foundation can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Foundation's liquidity risk management as the liquidity is managed on a net asset and liability basis.

31 December 2017	<u>Carrying amount</u>	<u>Fair value</u>	<u>Within 1 year</u>
	USD	USD	USD
Cash and bank balances	1,540,877	1,540,877	1,540,877
Trade and other receivables	192,498	192,498	192,498
Trade payables	143,011	143,011	143,011
Net liquidity gap	<u>1,590,364</u>	<u>1,590,364</u>	<u>1,590,364</u>

31 December 2016	<u>Carrying amount</u>	<u>Fair value</u>	<u>Within 1 year</u>
	USD	USD	USD
Cash and bank balances	1,197,598	1,197,598	1,197,598
Trade and other receivables	18,925	18,925	18,925
Trade payables	237,010	237,010	237,010
Net liquidity gap	<u>941,663</u>	<u>979,513</u>	<u>979,513</u>

The Board of Directors assessed the liquidity risk at low level. The Board of Directors believes that the Foundation has and will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

25. RELATED PARTY TRANSACTIONS AND BALANCES

	<u>Year ended</u>	<u>Year ended</u>
	<u>31/12/2017</u>	<u>31/12/2016</u>
	USD	USD
Salaries and allowances of executives	103,000	104,000
Donations received from members of the Board of Directors	23,125	31,275
	<u>126,125</u>	<u>135,275</u>

26. APPROVAL OF FINANCIAL STATEMENTS

The accompanying financial statements were approved by the Board of Directors and authorised for issue on 30 March 2018.



Robin King Austin
CEO and Executive Director
The VinaCapital Foundation
30 March 2018