

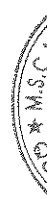
THE VINACAPITAL FOUNDATION

AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2016

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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 2016.

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

BOARD OF DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors of the Foundation is responsible for preparing financial statements using its functional currency of Vietnam Dong ("VND") for the year ended 31 December 2016, which give a true and fair view of the financial position of the Foundation as at 31 December 2016, 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 Dollar ("USD") as presentation currency from the above-mentioned VND financial statements in accordance with principles disclosed in Note 4 of the Notes to the financial statements. In preparing these financial statements in presentation currency, the Board of Directors is required to:

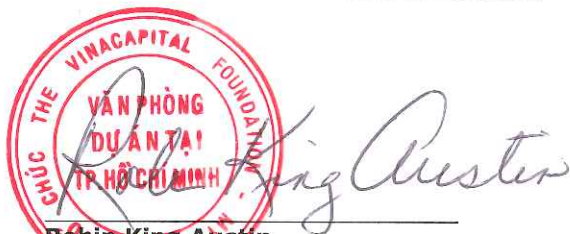
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare 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 IFRS. 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 handwritten signature in black ink, appearing to read 'Robin King Austin', is written over a red circular stamp. The stamp contains the text 'CHỨC THE VINACAPITAL FOUNDATION' around the perimeter and 'VĂN PHÒNG ĐU AN TAI TP HỒ CHÍ MINH' in the center.

Robin King Austin
CEO and Executive Director
The VinaCapital Foundation
23 March 2017

No.: 488 /VN1A-HCM-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 23 March 2017, as set out from page 5 to page 24, which comprise the statement of financial position as at 31 December 2016, 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 notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at 31 December 2016, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRSs").

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with IFRSs, and for such internal control as the Board of Directors determines 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 statements, the Board of Directors is responsible for assessing the Foundation'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 the Board of Directors either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

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

Auditors' responsibilities for the audit of the Financial Statements

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

INDEPENDENT AUDITORS' REPORT (Continued)

- 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 the entities or 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.

Basis of Accounting and Restriction on Distribution and Use

Without modifying our opinion, we draw attention to Note 4 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.

Other matters

The financial statements of the Foundation presented in USD for the year ended 31 December 2015 which had been prepared under IFRS were audited by another independent auditing company whose auditors' report dated 4 July 2016 expressed an unmodified opinion.



Nguyễn Minh Thao
Audit Partner

Audit Practising Registration Certificate
No. 1902-2013-001-1

For and on behalf of

DELOITTE VIETNAM COMPANY LIMITED

23 March 2017

Ho Chi Minh City, S.R. Vietnam

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2016

	Notes	Year ended 31/12/2016 USD	Year ended 31/12/2015 USD
Total revenue from donations	5	2,141,346	1,303,176
Expenses			
Cost of improving healthcare access and outcomes for poor children	6	563,567	624,441
Cost of increasing capacity for pediatric and cardiac care	10	319,706	179,263
Education costs for disadvantaged children and youth	13	83,010	76,243
General program costs	14	187,900	158,012
Total program costs		1,154,183	1,037,959
Fund raising costs	15	159,916	85,517
Administration costs	16	123,789	189,922
Total expenses		1,437,888	1,313,398
Other gains		904	-
Foreign exchange (losses)/gains		(1,504)	716
PROFIT/(LOSS) FOR THE YEAR		702,858	(9,506)
Other comprehensive income (restated)			
Foreign currency translation difference		(11,609)	(22,014)
TOTAL OTHER COMPREHENSIVE LOSS FOR THE YEAR		(11,609)	(22,014)



Robin King Austin
Robin King Austin
 CEO and Executive Director
 The VinaCapital Foundation
 23 March 2017

STATEMENT OF FINANCIAL POSITION

As at 31 December 2016

	Notes	31/12/2016 USD	31/12/2015 USD
ASSETS			
<i>Non-current assets</i>			
Property and equipment	17	12,080	4,325
Other assets		3,437	-
Total non-current assets		15,517	4,325
<i>Current assets</i>			
Cash and cash equivalents	18	1,197,598	623,545
Trade receivables		12,187	-
Other receivables		6,738	-
Total current assets		1,216,523	623,545
TOTAL ASSETS		1,232,040	627,870
LIABILITIES AND EQUITY			
<i>Capital and reserves</i>			
Retained earnings		979,899	277,041
Foreign currency translation reserve (restated)		(33,623)	(22,014)
Total equity		946,276	255,027
<i>Current liabilities</i>			
Trade payables	19	237,010	315,085
Current tax liabilities		-	3,269
Payables to employees		12,309	11,799
Provisions	20	36,445	42,690
Total current liabilities		285,764	372,843
Total liabilities		285,764	372,843
TOTAL LIABILITIES AND EQUITY		1,232,040	627,870



Robin King Austin
Robin King Austin
 CEO and Executive Director
 The VinaCapital Foundation
 23 March 2017

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2016

	<u>Reserves</u>	<u>Retained earnings</u>	<u>Total</u>
	<u>USD</u>	<u>USD</u>	<u>USD</u>
	<u>(Restated)</u>		
Balance at 1 January 2015	-	286,547	286,547
Total profit and loss and other comprehensive loss for the year			
Loss for the year	-	(9,506)	(9,506)
Balance at 31 December 2015 as previously reported	-	277,041	277,041
Other comprehensive income - Foreign currency translation difference (restated)	(22,014)	-	(22,014)
Balance at 31 December 2015 after restatement	(22,014)	277,041	255,027
Total profit and loss and other comprehensive income/(loss) for the year			
Profit for the year	-	702,858	702,858
Other comprehensive income - Foreign currency translation difference	(11,609)	-	(11,609)
Balance at 31 December 2016	(33,623)	979,899	946,276

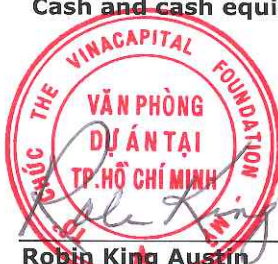


Robin King Austin
CEO and Executive Director
The VinaCapital Foundation
 23 March 2017

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STATEMENT OF CASH FLOWS
For the year ended 31 December 2016

	Year ended 31/12/2016 USD	Year ended 31/12/2015 USD
Cash flows from operating activities		
Profit/(loss) for the year	702,858	(9,506)
Adjustments for:		
Depreciation of property and equipment	5,114	2,837
Provisions	(6,245)	-
Gain on disposals of property and equipment	(952)	-
Movements in working capital:		
Changes in receivables	(18,925)	2,000
Changes in payable	(80,834)	95,226
Other cash outflows	(3,389)	-
Net cash generated by operating activities	597,627	90,557
Cash flows from investing activities		
Payment to acquire property and equipment	(12,917)	-
Proceeds on sales of property and equipment	952	-
Net cash generated by investing activities	11,965	-
Net increase in cash and cash equivalents	585,662	90,557
Cash and cash equivalents at the beginning of the year	623,545	555,002
Effects of exchange rate changes on financial statements	(11,609)	(22,014)
Cash and cash equivalents at the end of the year	1,197,598	623,545



Robin King Austin
CEO and Executive Director
23 March 2017



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 2016, the Foundation had 16 staff (as at 31 December 2015: 13 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. From 2006 to 2016, 5,250 children have been given surgery to correct congenital heart defects. Of this number 832 children received lifesaving operations in 2016.

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. In 2016, free diagnostic heart clinics were run in 18 provinces and 80 districts (including districts, district-level town & cities) in Vietnam. 28,026 at risk children were examined, 607 of those were diagnosed as having heart conditions and 449 of those children were identified to be in need of surgeries.

Tumor surgery training

The Tumor surgery training program was started in 2012 to train surgeons on how to treat difficult tumor cases. During three visits to Vietnam, Dr. McKay McKinnon, a cranio-facial plastic surgeon from Chicago, has trained surgeons from Viet Duc Hospital, VINMEC International Hospital in Hanoi and Cho Ray Hospital, FV Hospital, Children No. 2 Hospital in Ho Chi Minh City. His surgeries are being replicated by local doctors.

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 to buy foods for families during the hospital stays, pay for transportation to and from the surgery, and cover post-operative care.

1.2 Increasing capacity for pediatric speciality care

The capacity for 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:

Instruments in hand: Medical equipment donations

The Foundation supplies hospitals throughout Vietnam with new or refurbished critical medical equipment, which improves the standard of care for thousands of patients through increased quality and access to services.

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

This program is providing funding, design and construction supervision 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 2016, the Foundation supported Quang Nam Pediatric Hospital, provincial and district hospitals in Quang Nam and Quang Ngai, with donations of 11 NCAP, 9 phototherapies, 14 infusion pumps and injection pumps, 30 ambu bags. The program has saved the lives of thousands of infants and children, including many in the central region's most disadvantaged rural and ethnic minority areas. It has also helped to drastically reduce the infant mortality rate in the region by enabling doctors to save babies from their first breath.

Ho Chi Minh University of Medicine and Pharmacy: Disadvantaged Students

This program supports underprivileged students at the Ho Chi Minh City University of Medicine and Pharmacy, with tutoring and mentoring. In 2015, the program supported 76 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 Mekong Delta where healthcare quality needs improvement. After a year, 45% of the supported students had higher academic performance and better soft skills including public speaking, teamwork and time management.

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 SHF became the Foundation's partner by providing over 1,000 hearing aids.

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 2016.

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 attained academic excellence throughout 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. RESTATEMENT OF PREVIOUS YEAR'S FINANCIAL STATEMENTS

During the year, the Board of Directors decided to adjust the foreign currency translation reserve and cash and cash equivalents balance due to the translation of financial statements. Accordingly, the financial statements for the year ended 31 December 2015 were restated retrospectively by adjusting foreign currency translation difference, cash and cash equivalents and foreign currency translation reserve.

These adjustments affect to the financial statements of the Foundation for the year ended 31 December 2015. The details of the restated items are as follows:

	Previously reported USD	Restated USD	Net changed USD
<u>Statement of profit and loss and other comprehensive income</u>			
Other comprehensive income - Foreign currency translation difference	-	(22,014)	22,014
<u>Statement of financial position</u>			
Cash and cash equivalents	645,559	623,545	22,014
Foreign currency translation reserve	-	(22,014)	22,014
<u>Statement of changes in equity</u>			
Foreign currency translation reserve	-	(22,014)	22,014

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

3.1 Amendments to IFRS that are mandatorily effective for the current year

In the current year, the Foundation has applied a number of amendments to IFRS issued by the International Accounting Standards Board ("IASB") that are mandatorily effective for the accounting periods that begin on or after 1 January 2016.

Amendments to IAS 1 Disclosure Initiative

The amendments to IAS 1 clarify that an entity need not provide a specific disclosure required by an IFRS if the information resulting from that disclosure is not material, and give guidance on the bases of aggregating and disaggregating information for disclosure purposes. However, the amendments reiterate that an entity should consider providing additional disclosures when compliance with the specific requirements of IFRS is insufficient to enable users of financial statements to understand the impact of particular transactions, events and conditions on the entity's financial position and financial performance.

The amendments to IAS 1 are effective for annual periods beginning on or after 1 January 2016. The Board of Directors of the Foundation anticipates that the application of these amendments to IAS 1 may result in no material impact on the Foundation's financial statements.

Amendments to IAS 16 and IAS 38 Clarification of Acceptable Methods of Depreciation and Amortisation

The Foundation has applied these amendments for the first time in the current year. The amendments to IAS 16 prohibit entities from using a revenue-based depreciation method for items of property and equipment. The amendments to IAS 38 also introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. This presumption can only be rebutted in the following two limited circumstances:

- a) when the intangible asset is expressed as a measure of revenue; or
- b) when it can be demonstrated that revenue and consumption of the economic benefits of the intangible asset are highly correlated.

As the Foundation already uses the straight-line method for depreciation and amortisation of its property and equipment respectively, the application of these amendments has no impact on the Foundation's financial statements.

3.2 New and revised IFRS in issue but not yet effective

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

IFRS 9	Financial Instruments ¹
IFRS 16	Leases ²

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

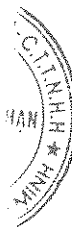
² Effective for annual periods beginning on or after 1 January 2019, with earlier application permitted.

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 recognised financial assets that are within the scope of IFRS 9 are required to be subsequently measured at amortised 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 amortised 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 nor contingent consideration recognised by an acquirer in a business combination to which IFRS 3 applies) in other comprehensive income, with only dividend income generally recognised 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 a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes 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 recognised.
- 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.

As facts and circumstances may change during the period leading up to the initial date of application of IFRS 9, which is expected to be 1 January 2018 as the Foundation does not intend to early apply the standard, the Board of Director assessed that the impact will be not significant to the Foundation's financial statements.

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 recognised 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.

As facts and circumstances may change during the period leading up to the initial date of application of IFRS 16, which is expected to be 1 January 2019 as the Foundation does not intend to early apply the standard and intend to use the full retrospective method upon adoption, the assessment of the potential impact is subject to change.

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.

The amendments apply prospectively for annual periods beginning on or after 1 January 2017 with earlier application permitted. The Foundation's Board of Directors do not anticipate that the application of these amendments will have a material impact on the Foundation's financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 *Statement of compliance*

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

4.2 *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 22,790).
- 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 in the Statement of other comprehensive income.

4.3 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.

Financial instruments

Initial recognition

Financial assets and financial liabilities are recognised 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 recognised immediately in profit or loss.

Financial assets

Financial assets of the Foundation are classified as "loans and receivables".

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables (including trade and other receivables, bank balances, cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each financial year. Financial assets are considered to be impaired when 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 affected.

The objective evidence of impairment could include:

- Breach of contract, such as default or delinquency in interest or principal payments; 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 are assessed not to be impaired individually are, in addition, 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, an increase in the number of delayed payments in the portfolio past the average credit period of 60 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised 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 asset is reduced by the impairment loss directly for all financial assets with the exception of receivables where the carrying amount is reduced through the use of an allowance account. When a receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowances account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

Derecognition of financial assets

The Foundation derecognises 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 recognises 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 recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Foundation retains an option to repurchase part of a transferred asset), the Foundation allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities

Classification

Financial liabilities of the Foundation comprise of trade and other payables.

Trade 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.

Derecognition of financial liabilities

The Foundation derecognises financial liabilities when, and only when, the Foundation's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

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, transaction 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.

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.

Cash and cash equivalents

Cash and cash equivalents 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.

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 profit from its activities.

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 eligible employee severance allowance calculated based on years of service and employee's compensation at termination. Provision for severance allowance has been provided based on employees' years of service and their current salary level.

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 implementation of unemployment insurance scheme, the Foundation is no longer to provide severance allowance for the service period after 1 January 2014. However, severance allowance to be paid to existing eligible employees as at 31 December 2016 will be determined based on the eligible employees' years of services as at 31 December 2013 and their average salary for the six-month period prior to the termination date.

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

THE VINACAPITAL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (Continued)

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.

5. DONATIONS

Donations received in 2016 included large donations from the Foundation's founding sponsor, VinaCapital, and other benefactors. These donors included but were not limited to: Sena Tech Company Limited, International Dairy Products Joint Stock Company, Vietnam Artist Agency (VAA), Toyota Motor Vietnam Company Limited, Exxon Mobil Vietnam, Australian Consulate-General Ho Chi Minh City, Julie Ferne Memorial Trust, FedEx, Hoi An South Development, Gamuda Land Vietnam (HCMC) and related companies, Gamuda Land and related companies, Helping Hand Helping Hearts Foundation, Mr. Pham Tan Nghia, Mrs. Julie Lam, Hannah's Promise International Aid, Suntory PepsiCo Vietnam Beverage, etc.

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

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Heart surgeries (Note 7)	511,624	531,858
Tumor surgeries (Note 8)	23,037	64,550
Provincial outreach clinics for poor children (Note 9)	23,542	20,247
Family grants and continuing care for heart alumni	5,364	7,786
	563,567	624,441

7. HEART SURGERIES

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

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
SAPP - DONG THAP	4,828	4,392
SAPP - NGHE AN	8,922	576
SAPP - AN GIANG	9,780	2,076
SAPP - CAN THO	6,514	-
SAPP - DAK LAK	8,395	-
SAPP - DAK NONG	1,385	-
SAPP - KHANH HOA	6,317	10,148
SAPP - TRA VINH	18,853	9,825
SAPP - QUANG NAM	239	2,130
SAPP - SOC TRANG	-	952
SAPP - LAM DONG	3,813	823
SAPP - QUANG BINH	6,201	-
SAPP - HO CHI MINH	15,663	6,054
SAPP - NINH THUAN	4,181	1,873
SAPP - BINH THUAN	975	-
SAPP - QUANG NGAI	5,059	-
VCF - DA NANG	10,766	-
VCF - QUANG NGAI - GIBTK	9,628	11,138
VCF - QUANG NAM	25,334	24,032
TG.6 - VCF	1,408	-
Walk in cases	250,274	426,845
Heartbeat Vietnam Program	26,641	26,869
Heartbeat Myanmar Program	-	4,125
Scar of Life 6	86,448	-
	511,624	531,858

THE VINACAPITAL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (Continued)

8. TUMOR SURGERIES

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Travel expenses for US surgical team	-	24,460
Tumor surgeries	23,037	39,930
Others	-	160
	23,037	64,550

9. PROVINCIAL OUTREACH CLINICS FOR POOR CHILDREN

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Quang Ngai Outreach Clinic	1,985	1,340
Nghe An Outreach Clinic	847	1,759
Lam Dong Outreach Clinic	2,781	846
Quang Nam Outreach Clinic	970	-
Can Tho Outreach Clinic	730	816
Binh Phuoc Outreach Clinic	-	175
Binh Thuan Outreach Clinic	-	445
Dak Lak Outreach Clinic	785	-
Yen Bai Outreach Clinic	1,388	1,169
An Giang Outreach Clinic	-	370
Ninh Thuan Outreach Clinic	1,006	-
Tay Ninh Outreach Clinic	402	-
Ba Ria Vung Tau Clinic	-	335
Dak Nong Clinic	-	961
Dong Thap Clinic	-	447
Quang Nam Clinic	-	1,000
Ha Tinh Clinic	1,222	1,884
Bac Kan Clinic	794	1,404
Nam Dinh Clinic	-	285
Cao Bang Clinic	-	1,834
Thai Binh Clinic	-	846
Vinh Phuc Clinic	-	535
Phu Tho Clinic	-	579
Khanh Hoa Outreach Clinic	1,493	-
Quang Binh Outreach Clinic	1,047	-
Thai Nguyen Outreach Clinic	447	-
Hung Yen Outreach Clinic	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	3,217
	23,542	20,247

THE VINACAPITAL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (Continued)

10. COST OF INCREASING CAPACITY FOR PEDIATRIC AND CARDIAC CARE

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Survive to Thrive (training equipment) (Note 11)	122,821	52,840
Critical response: PALS training and crash carts (Note 12)	189,555	126,423
Starkey hearing aid program	7,330	-
	319,706	179,263

11. SURVIVE TO THRIVE (TRAINING EQUIPMENT)

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Equipment purchases	78,963	50,820
Other	43,858	2,020
	122,821	52,840

12. CRITICAL RESPONSE: PALS TRAINING AND CRASH CARTS

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Equipment purchases	146,245	70,744
Travel and meeting expenses	9,377	23,155
Monitoring and evaluation	1,061	4,900
Crash cart delivery and training	12,667	1,571
Food and beverage	166	3,501
Trainer's stipends	11,393	13,552
Other costs	8,646	9,000
	189,555	126,423

13. EDUCATION COSTS FOR DISADVANTAGED CHILDREN AND YOUTH

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Indigenous minority girls education empowerment	60,822	52,859
Heartbeat Vietnam scholarships	2,217	2,569
HSBC scholarships for ethnic women	18,516	19,233
VietnamWorks Dream Fund	1,455	1,582
	83,010	76,243

14. GENERAL PROGRAM COSTS

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Salaries and related expenses	181,738	141,213
Other costs	6,162	16,799
	187,900	158,012

THE VINACAPITAL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (Continued)

15. FUND RAISING COSTS

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Salaries and related expenses	127,714	66,829
Marketing and public relations	4,711	4,847
Travel expenses	3,192	-
Other costs	24,299	13,841
	159,916	85,517

16. ADMINISTRATION COSTS

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Salaries and related expenses	36,813	118,531
Office rental	25,201	24,209
Security fees	4,623	7,582
Professional fees	12,434	12,896
Office repairs	-	1,229
Bank charges	2,853	3,133
IT, facility and stationery expenses	8,620	4,060
Travel expenses	1,740	-
Other costs	31,505	18,282
	123,789	189,922

17. PROPERTY AND EQUIPMENT

	Office equipment	Office furniture	Total
	USD	USD	USD
COST			
As at 1 January 2016	37,580	11,193	48,773
Additions	12,596	321	12,917
Disposals	(3,305)	-	(3,305)
Written-off	(2,130)	(4,404)	(6,534)
As at 31 December 2016	44,741	7,110	51,851
ACCUMULATED DEPRECIATION			
As at 1 January 2016	37,533	6,915	44,448
Charge for the year	3,495	1,619	5,114
Disposals	(3,305)	-	(3,305)
Written-off	(2,082)	(4,404)	(6,486)
As at 31 December 2016	35,641	4,130	39,771
NET BOOK VALUE			
As at 31 December 2015	47	4,278	4,325
As at 31 December 2016	9,100	2,980	12,080

18. CASH AND CASH EQUIVALENTS

	31/12/2016	31/12/2015
	USD	USD
Bank accounts in the United States of America	25,287	3,623
Bank accounts in Vietnam	1,172,311	619,922
	1,197,598	623,545

19. TRADE PAYABLES

	31/12/2016	31/12/2015
	USD	USD
Heart surgery costs	218,883	275,018
Professional fees	11,343	10,000
Others	6,784	30,067
	237,010	315,085

20. PROVISIONS

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Opening balance	42,690	38,499
Provision made during the year	-	4,191
Payment during the year	(6,245)	-
Closing balance	36,445	42,690

21. FINANCIAL INSTRUMENTS

Capital risk management

The Foundation manages its capital to ensure that the Foundation will be able to continue as a going concern while maximising the return to owners through the optimisation of the debt and equity balance.

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 4.

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 market risk (including foreign currency risk).

Market risk

The Foundation's activities expose it primarily to the financial risks of changes in foreign currency exchange rates. The Foundation does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.

Foreign currency risk management

The Foundation undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Foundation's foreign currency denominated monetary assets and monetary liabilities at the end of the year are as follows:

	Assets		Liabilities	
	Carrying amount	Fair value	Carrying amount	Fair value
	USD	USD	USD	USD
Vietnam Dong ("VND")	621,922	621,922	237,010	237,010

Foreign currency sensitivity analysis

The Foundation is mainly exposed to the currency of Vietnam Dong.

THE VINACAPITAL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (Continued)

The following table details the Foundation's sensitivity to a 2% increase and decreased in the United States Dollars against the relevant foreign currencies. 2% is the sensitivity rate used when reporting foreign currency risk internally to the Board of Directors personnel and represents the Board of Directors' assessment of the reasonably possible change in foreign exchange rates over the period of one year.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the United States Dollar strengthens 2% against the relevant currency, they would be a comparable impact on the profit or equity, and the balances below would be negative:

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Profit or loss	7,698	5,877
Equity	7,698	5,877

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 2016

	Carrying amount	Fair value	Within 1 year
	USD	USD	USD
Trade and other receivables	18,925	18,925	18,925
Trade payables	237,010	237,010	237,010
Net liquidity gap	(218,085)	(218,085)	(218,085)

31 December 2015

	Carrying amount	Fair value	Within 1 year
	USD	USD	USD
Trade payables	(315,085)	(315,085)	(315,085)
Net liquidity gap	(315,085)	(315,085)	(315,085)

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

THE VINACAPITAL FOUNDATION
NOTES TO THE FINANCIAL STATEMENTS (Continued)

22. RELATED PARTY TRANSACTIONS AND BALANCES

	Year ended 31/12/2016	Year ended 31/12/2015
	USD	USD
Salaries and allowances of executives	104,000	93,911
Donations received from members of the Board of Directors	31,275	29,885
	135,275	123,796

23. APPROVAL OF FINANCIAL STATEMENTS

The accompanying financial statements were approved by the Board of Directors and authorised for issue on 23 March 2017.

