



**THE DARIU FOUNDATION**  
*Investment In Empowerment*

# 2017

**ANNUAL REPORT**

**EMPOWERING  
LOW INCOME FAMILIES  
WITH MICROFINANCE  
AND EDUCATION**





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# LETTER FROM THE PRESIDENT

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## Dear friends of the Dariu Foundation,

While you read these lines, our fifty mobile schools in Vietnam and Myanmar are booming. Girls and boys, ages 6 to 15, living in remote rural areas, are about to enter the digital world: We offer them basic knowledge in computer literacy. This includes Windows, Microsoft Office and the use of internet, including social media and internet security.

In 2011 we started with one mobile school, reaching out to children in remote areas who otherwise had no access to computers and the internet. What started with a converted container – equipped with laptops, school desks, software, a large screen for the teachers, air conditioning and a satellite antenna for internet access – has emerged to a sustainable movement enabling us to train more than 105,000 children by the end of 2017 – thanks to your generous support!

2018 will be pivotal for our mobile schools: we are deploying 50 mobile schools and 12 mobile libraries, to teach 50,000 children. In doing so, we have added code literacy to our program: “Scratch”, “Minecraft”, “Micro-bit / Robotics” are on the menu – and we will make sure that 50 percent of children receiving this education are girls. In order to achieve our goals, we have trained an additional 300 teachers in the last twelve months.

The demand for our programs is very high and we hope to increase our capacity in the next three years, so that we can train up to 100,000 children every year. More children also mean

optimizing the costs: we are now looking at a three-month course of around 75 lessons for less than US\$10 per child today.

Since 2008, we have helped build 28 kindergartens across the Mekong Delta region of Vietnam, for approximately 3,000 children, ages 2 to 5. In addition, our scholarships program has helped 15,000 rural students among the most disadvantaged families, of which 1,836 students were awarded our scholarships in 2017.

Our other pillar, microfinance, is also developing well. Having been active in Vietnam since 2002, we started microfinancing in Myanmar in the spring of 2017. With more than 6,000 customers, we exceeded our budget targets by the end of 2017 and are now moving into new regions. By the end of 2018, we will have invested over US\$2 million, reaching around 12,000 customers. By the end of 2021, our ambitious goal will be to have 50,000 customers in Myanmar who, thanks to our support, will realize their own goals as micro-entrepreneurs and thus be able to sustainably get their families out of poverty.

At the end of this year we hope to serve around 35,000 women in Vietnam, Myanmar, and India with loans. If we manage to triple that number over the next five years, then we will have reached an important intermediate goal. The road is still long, but we are well-equipped and highly motivated to reach our goals.

Thank you for your support and I look forward to seeing you again soon.

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**Thomas Trüb**  
Founder and Chairman



# TESTIMONIALS

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**MICHAEL RINGIER**

*Chairman Ringier AG, Switzerland*

The Dariu foundation does not do any developmental aid - it does investments. Believing in people's own motivation and encouraging their declared intention to improve their own position in life, is by far the most efficient start-up aid for change.

**MUHAMMAD YUNUS**

*Professor, Nobel Peace Prize winner, and founder of the Grameen Bank in Bangladesh*

The Dariu Foundation works on the principles of the Grameen Bank and is therefore extremely successful in Vietnam. The fact that the issuing of microcredits is linked to the obligatory school attendance of the children from respective beneficiary families is an interesting experiment. I wish the foundation much success in the future and, who knows, maybe one day we will even be able to take on a collective project.



**GERHARD SCHRÖDER**

*Former German Chancellor*

I visit Vietnam regularly and have known about the Dariu Foundation projects for many years. The people there are doing a great job, with a high degree of professionalism and efficiency. It surprises me time and time again to see just how little money it takes to help the poorest of the poor get on their own two feet and independently secure a better future for themselves and their families.

**ULI SIGG**

*Swiss businessman, art collector, and former Swiss Ambassador to China*

Microfinance is an emerging phenomenon that opens access to capital for individuals previously excluded from financial services. In its direct engagement with the poor, microfinance represents a new way for financial capital to potentially stimulate economic growth in developing countries. The way the Dariu Foundation links the allocation of microcredits to a mandatory school attendance is not only very smart - but helps children, who are most vulnerable, step out of the poverty trap at an early age.



Microfinance may be one of the world's most powerful solutions to poverty, as well as to the wars, diseases, and suffering that poverty ignites.



### VIETNAM

Microfinance and education are key pillars. While our microfinance program helps roughly 20,000 low-income women, the education projects benefit more than 40,000 children among the poorest families each year. We operate in the southern provinces of Dong Nai, Tien Giang, Vinh Long and Hau Giang with microfinancing projects, scholarships for disadvantaged students, building kindergartens, and teaching computer skills and code literacy by way of our mobile schools and mobile container libraries.



### MYANMAR

Dariu Microfinance Company Limited, officially licensed in the country in 2016, aims to create access to financial services for rural, low-income women.

The first branch was launched in early 2017 in the remote township of Yamethin. Like most of Myanmar's rural areas, almost 90 percent of the population lacks access to official financial services. By the end of the year, Dariu had reached over 6,000 clients. In addition, in 2013 we began setting-up mobile schools, which gave thousands of rural youth access to computers and the internet.



### INDIA

The Sampurna Training and Entrepreneurship Program (STEP) is a non-profit microfinance organization. It works dominantly in Kolkata's slum areas, offering a range of services, including financial, business development and social services to meet individual needs. STEP currently serves nearly 5,000 low-income families with microfinance services, impacting more than 10,000 participants in the last year with its services.

# COUNTRIES



# PROJECTS

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## MICROFINANCE

Our microfinance program involves extending small-loans and savings services to rural low-income women who currently do not have access to capital. The program helps low-income people become financially independent, enabling them to become more resilient and better able to provide for their families in times of economic difficulty.

We provide low-income clients with affordable microcredit and convenient savings services via groups of five to nine members. Essentially, the clients get step-by-step loans ranging from US\$ 200 to US\$ 2,500 in rounds, each depositing their compulsory savings of 25 cents per week. By the end of 2017, we are serving 29,664 clients with the total outstanding loan of 5.8 million US\$.



## MOBILE SCHOOLS/ LIBRARIES

In developing countries like Vietnam and Myanmar, access to computers remains a big challenge for financially disadvantaged children, especially in rural and mountainous areas where computer literacy remains an unaffordable luxury for most of them. Our aim is to narrow the gap of computer skills between kids in urban and rural areas.

It is said that we have provided these schools with the necessary foundation to circumvent standing still in one place like a normal school, by enabling them to move around to reach out to students - this is what we call mobile schools. Mobile schools include containers, foldable houses, and 36-seat cruisers, which function as a floating school. By the end of 2017, we had set-up 35 mobile schools, 13 mobile container libraries in Vietnam and 12 mobile schools in Myanmar, training a total of 98,859 students since 2011.



## SCHOLARSHIPS

The Scholarships for Disadvantaged Students program provides scholarships to primary and secondary students from disadvantaged backgrounds, whose mothers are involved in microfinance programs. The program provides the students with school utensils (notebooks, pens, uniforms) and/or bicycles, which costs on average US\$100 per student per annum.

In order to qualify for this scholarship program, the mothers must be microfinance clients. Students must also characterize their financial situation as low-income or very low-income and are recommended by both loan officers and local partners' representatives. 15,641 scholarships have been awarded to financially disadvantaged students since 2007, thus contributing to the prevention of school drop-outs among children from underprivileged families.



## KINDERGARTENS

Unlike primary, secondary and high school education, kindergarten schooling for children under five is not regulated as compulsory education under the Constitution of the Social Republic of Vietnam. The average State spending for a child at kindergarten level is about US\$250 per year, of which 83 percent is spent on teachers' salaries. Only 17 percent goes to facilities, educational programs, and other investments. In such context, solidly built kindergarten classrooms for children are severely lacking in many rural areas. Our kindergarten project helps to build new schools in these areas. Each kindergarten usually consists of three classrooms and required facilities, accommodating around 120-200 children. The average total investment is around US\$70,000, which is contributed 50/50 by both TDF/its donors and the local partners. To date, 28 kindergartens have been constructed in such cooperation since 2004.

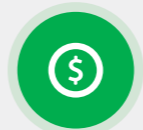




# KEY STATISTICS



# VIETNAM



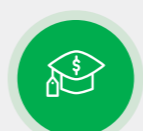
## MICROFINANCE HIGHLIGHTS

- Total number of active clients: 18,888
- Total outstanding loan: US\$5.2 million
- Total # loan disbursed: 15,661
- Total of loan value disbursed: US\$8.5 million
- Total value compulsory savings: US\$419,569
- Total value voluntary savings: US\$459,374
- Loan repayment rate: 99%



## MOBILE SCHOOLS/ LIBRARIES

- 35 Mobile schools in vietnam
- Training 77,995 students since 2011, of which 35,602 students in 2017
- 13 Mobile container libraries opened since 2014, of which 5 mobile container libraries launched in 2017



## SCHOLARSHIPS

- 14,341 Scholarships granted since 2007, of which 1,836 scholarships granted in 2017

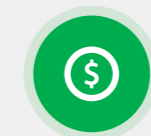


## KINDERGARTENS

- 28 Kindergartens built since 2004, of which 2 kindergartens built in 2017



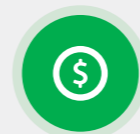
# INDIA



## MICROFINANCE HIGHLIGHTS

- Total number of active clients: 4,724
- Total outstanding loan: US\$0.2 million
- Total # loan disbursed: 2,465
- Total of loan value disbursed: US\$628,560

# MYANMAR



## MICROFINANCE HIGHLIGHTS

- Total number of active clients: 6,052
- Total outstanding loan: US\$0.4 million
- Total # loan disbursed: 6,401
- Total of loan value disbursed: US\$939,826
- Total value compulsory savings: US\$38,254
- Loan repayment rate: 100%



## MOBILE SCHOOLS/ LIBRARIES

- 12 Mobile schools in Myanmar
- Training 20,864 students since 2013, of which 4,864 students in 2017



## SCHOLARSHIPS

- 1,300 Scholarships granted since 2017



# CLIENT STORIES IN VIETNAM AND MYANMAR

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# VIETNAM



## DAM NGUYEN

50 years old, Tra On, Vinh Long Province

Dam had been pig-farming to support her family, but they could barely make ends meet. In 2014, her children went to university but she did not have enough money to finance their needs. It was then when she first joined Dariu's Microfinance program with a loan of US\$265 to invest in her pig-farming. The business grew well, earning her a profit of US\$220 per month and enabling her to send her child to school. With the little success and confidence, she got another loan of

US\$440 in 2018 and earned US\$270 per month. Now Dam's farm has more than 70 pigs and she is investing in guava farming to make more money.

*"My little son is studying at University; the other child already got a job. Things are going well, and I am planning to expand my business in the near future. I am so happy with the current situation", Dam shared.*



## VY NGUYEN

27 years old, Tan Phu, Dong Nai Province

With the ambition of youth, the newlywed couple wanted to invest in traditional Vietnamese Pia cake. The newlyweds received loan from the bank but were quickly facing a critical situation as the business was unsustainable in its first stage. In 2014, Vy Nguyen joined Dariu's Microfinance program with the loan of US\$ 265 to invest in her business. She gradually had more clients and had a great investment in her Pia Cake business with the loan of US\$ 1,100 from Dariu in 2018. With this loan she focused more on packaging design and was able to hire eight

employees. Today, the couple's business is stable as they earn a profit of US\$ 1,100 per month. They also have plans to expand their business, as their Pia Cake brand acts as an advocate for local people.

*"I am very happy that our business is growing very well. We can also create jobs for other people. My husband and I are very excited to develop our own Pia Cake brand", she boasted.*





## LANH TRAN

35 years old, Tan Phu, Dong Nai Province

Lanh tried different kinds of jobs but her family's situation remained unstable. She was farming for a long time to earn money but did not have savings. She joined Dariu's Microfinance program in 2009, as recommended by a friend, to invest in farming and gradually had little savings. A few years ago, she learned how to make products from agarwood and eventually gained considerable experiences in this field. She currently received a loan of US\$ 1,300 from Dariu's Microfinance program to invest in her agarwood business. Last year, she had a huge success, earning over

US\$ 3,000 on average per month. Now she owns an agarwood workshop with more than 20 employees.

*"My little kid is four and she is going to school soon. I am very thankful for everything that I have now. I tried so hard and now my economic status is stable; I even can make an impact on the community. I recommended Dariu's Microfinance program to my employees and I hope everyone will improve better financially in the future", Lanh said.*



# MYANMAR



**MS. DAW  
THANDAR AUG**  
*23 years old, Yamethin  
Township*

**A**ug is living in Yamethin Township with her family of five members, which includes a little kid in primary school. She joined Dariu's Microfinance program in May 2017. Her first loan was US\$147. She used the loan to invest in purchasing materials (woods and other supplement decoration) for producing Burmese festival products, including small drums for kids and Ozi (goblet-shaped) drums for adults.

Previously, she could barely generate jobs for her family (her parents and husband) and grew her business slowly due to limited capital. Since participating in Dariu's Microfinance Program, she opened a small woodcraft workshop reaching 18 employees. At present, the workshop's monthly revenue is US\$2,000/month, making her a profit of around US\$700 per month.



**MS. DAW  
SANNY THET**  
*23 years old, Yamethin  
Township*

Thet is living in Yamethin Township with her family of nine, all living under the same roof. She has two kids going to kindergarten and primary school. She first joined Dariu's Microfinance program in July 2017. Her loan was US\$147, which she used to open Knives Retail, a Blacksmithing shop. She operated the Blacksmithing business with her family without an actual retail shop. Hence, she did not make enough sales and was not able to borrow money from the bank either because their shelter could not guarantee the mortgage.

With the loan from Dariu, she was able to open a Blacksmithing shop near the main road. Today, her workshop produces goods used in the agricultural field and kitchen utensils. The shop helps her support her entire family, in addition to providing them with job opportunities.

Her business currently creates job opportunities for eight other people; four work in retail shops and the others work in her workshop. She makes a monthly profit of US\$400.





**MS. DAW MOE  
WAR**

*40 years old,  
Yamethin Township*

**W**ar's family has four members with two kids in going to kindergarten and primary school. She joined Dariu's Microfinance Program in October 2017 as a group leader of four other microfinance clients. Her loan was US\$147. She used the loan to make jerky beef strips and to support the delivery chain for her workshop. She wants to create more jobs in the jerky workshop to support her neighborhood; therefore, it is necessary to develop the supply chain. Currently, her jerky workshop offers up to 18 employees (all of whom are her neighbors) with a daily payment of US\$4 a day.

# STATEMENT OF ACTIVITIES 2017 VIETNAM

Unit: CHF - Exchange rate 2017: 22.809  
Exchange rate 2016: 22.445

	2017			2016		
	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL
<b>INCOME</b>						
Loan interest income	1,108,874	-	1,108,874	1,078,263	-	1,078,263
Capital from Dariu Switzerland	-	109,102	109,102	-	500,320	500,320
Bank interest	1,564	-	1,564	9,385	-	9,385
Foreign exchange gains	731	-	731	1,331	-	1,331
Other donations	-	120,243	120,243	-	115,985	115,985
Transfer between MF to Charity activities	-	296,729	296,729	-	-	-
Other income	43,409	-	43,409	40,257	-	40,257
<b>TOTAL INCOME</b>	<b>1,154,578</b>	<b>526,074</b>	<b>1,680,652</b>	<b>1,129,236</b>	<b>616,306</b>	<b>1,745,541</b>
<b>EXPENSES</b>						
Staff salary and benefits	520,618	84,325	604,943	440,172	88,928	529,100
Office rental	26,053	2,895	28,949	24,297	5,924	30,221
Telephone, fax and internet	11,895	369	12,263	5,840	4,762	10,602
Electricity and water	3,683	250	3,933	3,351	684	4,035
Travel and transportation	14,749	31,208	45,957	11,362	18,953	30,315
Car rental	9,662	14,457	24,119	9,210	12,400	21,610
Training and seminars	9,738	327	10,065	4,823	798	5,621
Scholarship granting	-	84,752	84,752	-	95,791	95,791
School building, mobile school building	-	322,099	322,099	-	143,093	143,093
Expenses from other donations	-	128,534	128,534	-	86,533	86,533
Stationery and other office costs	10,666	533	11,200	9,696	1,138	10,834
Interest expenses	22,388	-	22,388	21,489	-	21,489
Foreign exchange losses	1,063	324	1,386	1,020	340	1,360
Bank charges	2,693	403	3,096	1,831	260	2,091
Depreciation and amortisation	9,271	708	9,980	11,002	1,553	12,555
Provision for doubtful debts	8,983	-	8,983	11,924	-	11,924
Commission expenses	20,789	-	20,789	20,794	-	20,794
Transfer between MF to Charity activities	296,729	-	296,729	-	-	-
Other expenses	44,597	63,468	108,066	33,794	80,440	114,234
<b>TOTAL EXPENSES</b>	<b>1,013,578</b>	<b>734,652</b>	<b>1,748,231</b>	<b>610,607</b>	<b>541,596</b>	<b>1,152,203</b>
<b>EXCESS OF INCOME OVER EXPENSES</b>	<b>141,000</b>	<b>-208,579</b>	<b>-67,579</b>	<b>518,629</b>	<b>74,710</b>	<b>593,338</b>

# FINANCIAL POSITIONS 2017 VIETNAM

Unit: CHF - Exchange rate 2017: 23.450  
Exchange rate 2016: 22.576

	AS AT 31/12/2017			AS AT 31/12/2016		
	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL
<b>ASSETS</b>						
<b>Current assets</b>						
Cash on hand	10,977	-	10,977	7,122	-	7,122
Cash at bank	73,056	-	73,056	414,746	-	414,746
Loans receivable	5,002,163	-	5,002,163	4,549,202	-	4,549,202
Provision for doubtful debts	-42,835	-	-42,835	-38,324	-	-38,324
Advance to suppliers	8,929	-	8,929	14,488	-	14,488
Receivables from Microfinance activities	-	425,491	-	-	522,094	-
Other receivables	5,664	-	5,664	718	-	718
Other current assets	34,904	-	34,904	24,156	-	24,156
<b>TOTAL CURRENT ASSETS</b>	<b>5,092,858</b>	<b>425,491</b>	<b>5,092,858</b>	<b>4,972,108</b>	<b>522,094</b>	<b>4,972,108</b>
<b>Non-current assets</b>						
Loans receivable	179,029	-	179,029	307,553	-	307,553
Property, plant and equipment	-	-	-	-	-	-
Tangible and intangible fixed assets	13,767	-	13,767	-	-	-
Other non-current assets	34,493	-	34,493	14,113	-	14,113
<b>TOTAL NON-CURRENT ASSETS</b>	<b>227,290</b>	<b>-</b>	<b>227,290</b>	<b>321,666</b>	<b>-</b>	<b>321,666</b>
<b>TOTAL ASSETS</b>	<b>5,320,148</b>	<b>425,491</b>	<b>5,320,148</b>	<b>5,293,774</b>	<b>522,094</b>	<b>5,293,774</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Current liabilities</b>						
Accounts payable - compulsory savings	405,635	-	405,635	398,382	-	398,382
Accounts payable - voluntary savings	461,677	-	461,677	342,102	-	342,102
Payables to employees	52,398	-	52,398	59,908	-	59,908
Payable for Charity activities	425,491	-	-	522,094	-	-
Payable to suppliers	-	-	-	-	-	-
Accrued liabilities	15,538	124,165	139,703	19,230	-	19,230
Other payables	70,936	-	70,936	55,569	-	55,569
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,431,675</b>	<b>124,165</b>	<b>1,130,349</b>	<b>1,397,284</b>	<b>-</b>	<b>875,190</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>3,021</b>	<b>-</b>	<b>3,021</b>	<b>13,721</b>	<b>-</b>	<b>13,721</b>
<b>Equity</b>						
Paid-in capital of owners	1,446,647	-	1,446,647	1,492,031	-	1,492,031
Other Donations	154,812	-	154,812	160,804	-	160,804
Surplus from Microfinance activities	2,283,993	-	2,283,993	2,229,934	-	2,229,934
Net assets - charity activities	-	301,326	301,326	-	522,094	522,094
<b>TOTAL EQUITY</b>	<b>3,885,451</b>	<b>301,326</b>	<b>4,186,778</b>	<b>3,882,769</b>	<b>522,094</b>	<b>4,404,863</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,320,148</b>	<b>425,491</b>	<b>5,320,148</b>	<b>5,293,774</b>	<b>522,094</b>	<b>5,293,774</b>

# STATEMENT OF ACTIVITIES

## 2016 / 2017 MYANMAR

Unit: CHF -  
Exchange rate 2017: 1.364

	2016 / 2017		
	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL
<b>INCOME</b>			
Loan interest income	64,717	-	64,717
Capital from Dariu Switzerland	-	90,684	90,684
Bank interest	-	-	-
Foreign exchange gains	2,641	2	2,643
Other income	2,381	-	2,381
<b>TOTAL INCOME</b>	<b>69,739</b>	<b>90,685</b>	<b>160,425</b>
<b>EXPENSES</b>			
Staff salary and benefits	87,667	12,250	99,918
Office rental	2,724	220	2,944
Telephone, fax and internet	1,689	132	1,821
Electricity and water	295	-	295
Travel and transportation	9,140	3,019	12,160
Scholarship granting	-	25,924	25,924
Mobile school	-	39,320	39,320
Stationery and other office costs	7,418	299	7,718
Interest expense	2,399	-	2,399
Foreign exchange losses	4,795	1,775	6,570
Bank charges	432	54	486
Depreciation and amortisation	9,316	55	9,371
Provision for doubtful debts	4,830	-	4,830
Other expenses	11,967	2,825	14,792
<b>TOTAL EXPENSES</b>	<b>142,673</b>	<b>85,873</b>	<b>228,547</b>
<b>EXCESS OF INCOME OVER EXPENSES</b>	<b>-72,934</b>	<b>4,812</b>	<b>-68,122</b>



# FINANCIAL POSITIONS 2017 MYANMAR

Unit: CHF -  
Exchange rate 2017: 1.379

	AS AT 31/12/2017		
	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL
<b>ASSETS</b>			
Cash in hand	20,388	-	20,388
Bank in hand	294,381	-	294,381
Loans receivable	477,704	-	477,704
Provision for doubtful debts	(4,777)	-	(4,777)
Receivables from Microfinance activities	-	4,759	-
Other current assets	12,790	-	12,790
<b>TOTAL CURRENT ASSETS</b>	<b>800,487</b>	<b>4,759</b>	<b>800,487</b>
<b>NON-CURRENT ASSETS</b>			
Tangible and intangible fixed assets	17,766	-	17,766
<b>TOTAL NON-CURRENT ASSETS</b>	<b>17,766</b>	<b>-</b>	<b>17,766</b>
<b>TOTAL ASSETS</b>	<b>818,253</b>	<b>4,759</b>	<b>818,253</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable - compulsory savings	40,624	-	40,624
Payable for Charity activities	4,759	-	-
Other current payables	328	-	328
<b>TOTAL CURRENT LIABILITIES</b>	<b>45,711</b>	<b>-</b>	<b>40,952</b>
<b>EQUITY</b>			
Paid-in Capital of owners	74,688	-	74,688
Capital reserves	769,988	-	769,988
Surplus from Microfinance activities	(72,135)	-	(72,135)
Net assets - Charity activities	-	4,759	4,759
<b>TOTAL EQUITY</b>	<b>772,541</b>	<b>4,759</b>	<b>777,300</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>818,253</b>	<b>4,759</b>	<b>818,253</b>



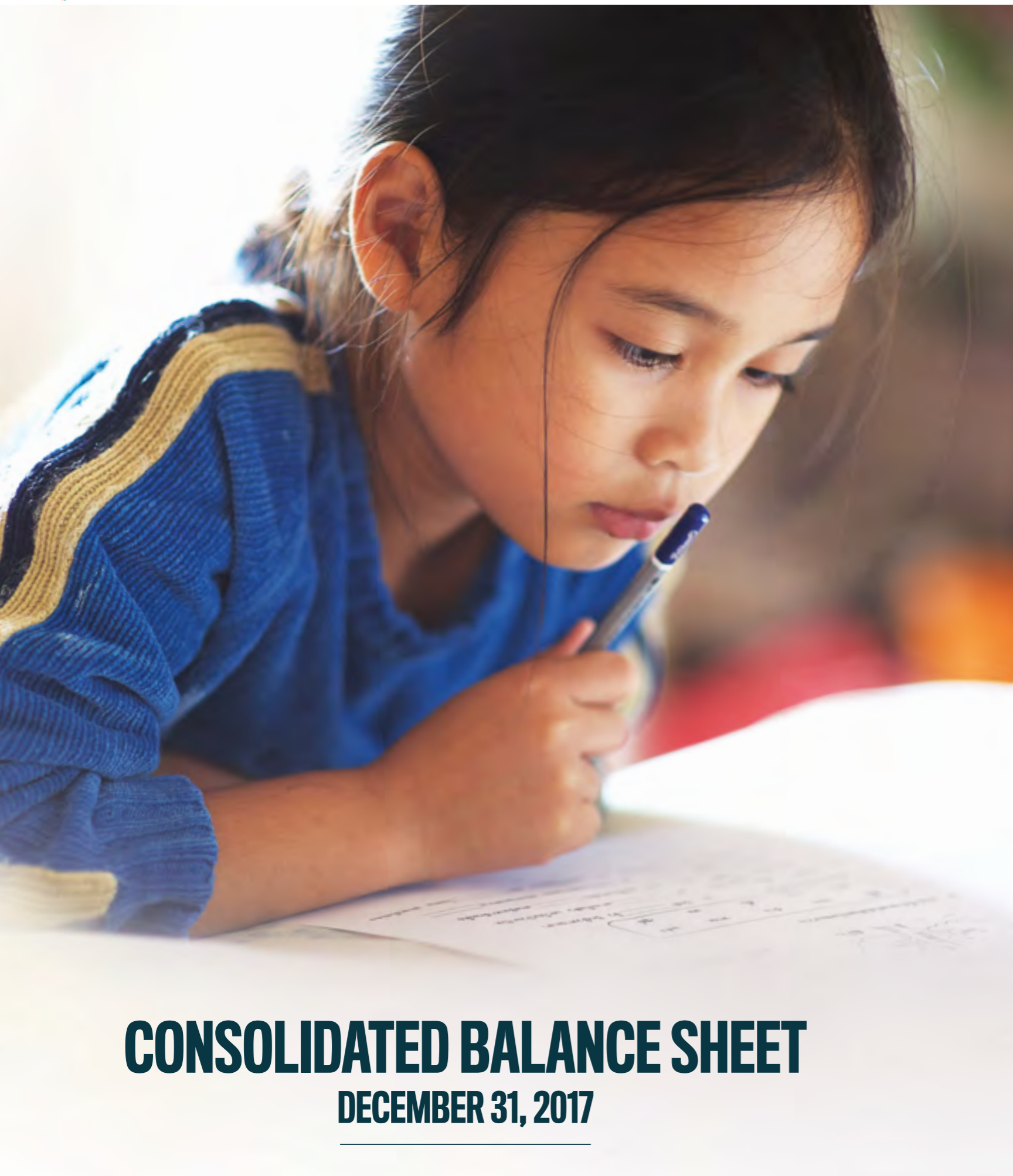


# CONSOLIDATED PROFIT AND LOSS STATEMENT 2017

Unit: CHF

	2017	2016
<b>OPERATING REVENUES</b>		
Loan interests	1,173,592	1,078,263
Donations	1,260,565	904,604
Other income	47,373	40,257
<b>TOTAL INCOME</b>	<b>2,481,529</b>	<b>2,023,124</b>
<b>EXPENSES</b>		
Personnel costs	797,161	586,646
Scholarship awarded	111,000	95,791
School building	489,630	229,626
Expenses Myanmar	34,740	(0)
General and administrative expenses	144,475	106,570
Write-off bad debts	13,812	11,924
Other expenses	143,647	135,028
Depreciation of fixed assets	19,351	12,555
<b>TOTAL OPERATING EXPENSES</b>	<b>1,753,817</b>	<b>1,178,140</b>
<b>OPERATING PROFIT</b>	<b>727,712</b>	<b>844,984</b>
<b>OTHER INCOME (EXPENSE)</b>		
Interest income	1,587	9,385
Interest expense	(68,546)	(80,439)
Foreign exchange differences	31,852	9,434
<b>TOTAL OTHER INCOME (EXPENSE)</b>	<b>(35,108)</b>	<b>(61,621)</b>
<b>NET INCOME (LOSS) FOR THE YEAR</b>	<b>692,604</b>	<b>783,363</b>





# CONSOLIDATED BALANCE SHEET

## DECEMBER 31, 2017

Unit: CHF

	AS AT 31/12/2017	AS AT 31/12/2016
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	1,281,151	1,574,512
Loans receivable	5,432,255	4,510,878
Other accounts receivable	5,664	718
Prepaid expenses	8,929	30,386
Other current assets	47,694	24,156
<b>TOTAL CURRENT ASSETS</b>	<b>6,775,693</b>	<b>6,140,650</b>
<b>Fixed assets</b>		
Property plant and equipment	17,766	-
Loans receivable, long-term	396,343	524,867
Majority-owned subsidiary in construction	-	90,428
Other non current assets	48,261	14,113
<b>TOTAL NON-CURRENT ASSETS</b>	<b>462,370</b>	<b>629,408</b>
<b>TOTAL ASSETS</b>	<b>7,238,062</b>	<b>6,770,058</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Other current liabilities	1,031,270	855,961
Deferred income and accrued expenses	167,683	86,367
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,198,953</b>	<b>942,327</b>
<b>LONGTERM LOANS/PAYABLES (INCL. CURRENT PORTIONS)</b>		
Equity prior year	5,033,587	4,206,340
Capital paid in	22,184	-
Profit for the period	692,604	783,363
Translation differences current year	-179,786	43,882
<b>TOTAL EQUITY</b>	<b>5,568,589</b>	<b>5,033,586</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>7,238,062</b>	<b>6,770,058</b>

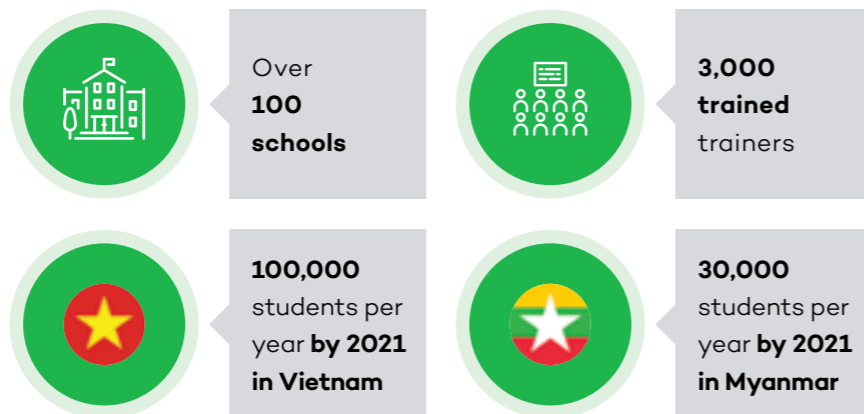


# 100,000

## LOW-INCOME STUDENTS TRAINED IN DIGITAL LITERACY

We are in the middle of what many are calling the 4th Industrial Revolution. Technology is becoming essential to the jobs of today and tomorrow. However, rural and low-income youth in Vietnam and Myanmar lack basic access to the knowledge and skills that would enable them to participate in the new digital economy. Sadly, schools in these communities do not effectively prepare their students for this fast-changing world – especially in the rural and remote areas. This is attributed to a lack of state investment, awareness in the schools’ leaders and to the quality of local teachers. According to our estimates, less than one-third of students have access to basic computer literacy until they graduate secondary education, not to mention code literacy.

TDF Mobile School Initiative is a disruptive innovation in that it transforms an expensive and old-



Since its inception in 2011, TDF has grown from training 500 students per year to 40,000 students per year and now spans over 100 schools, training a total of over 100,000 students. TDF envisions growing to 100,000 students per year by 2021 in Vietnam and 30,000 students in Myanmar.

fashioned model (state-invested computer labs) into a simple, relatively low-cost solution that is accessible to more students. Its core idea is to rent laptops to schools, extensively make use of the laptops within 3 to 6 months at one school and to then move them to the other schools. TDF offers laptops, little management costs, and most importantly curriculums. Meanwhile, the local schools contribute teachers, classrooms and related running costs. We also assist the schools to convert from book-based to practice-based training, as well as paper-based to online tests, which are taken by the trained students who are awarded certificates at the completion of the training program.

In addition, we train the local teachers on methodology, skills, and inspire them with innovative experiences. By doing so, the schools not only have computers and curriculums

ready for training, but also well-trained teachers who are inspired to teach new skills to their students. Most importantly we can increase access for rural students and reduce the costs of implementation. The TDF Mobile School model not only closes the digital literacy gap between rural and urban students, but acts as the model by which schools transform themselves from within.

In order to sustain the training results, we have introduced and launched the so-called Mobile Container Libraries that are used as a connecting point for our students to have access to computers and the internet. Once a mobile school is moved to another location, the mobile container library continues to enable our students to access computers, the internet, and continued training, especially in coding.

Microsoft Vietnam has recently

partnered with TDF in the “Enabling Boat” project, which delivers computer skills and code literacy training to the rural youth in Vietnam via mobile schools. I found that TDF’s mobile school model is a very innovative way of enabling the disadvantaged rural youth with access to digital and code literacy, as well as inspiring the local teacher communities. Microsoft Vietnam highly appreciates the capacity of and cooperation with The Dariu Foundation and believes that the project will be effectively implemented. Microsoft Vietnam reinforces its commitment of support to TDF in this “Enabling Boat” project and in its future efforts”, said Pham The Truong – General Director of Microsoft Vietnam.

By the end of 2017, we ran 35 mobile classrooms in Vietnam and 12 mobile schools in Myanmar, together training 40,000 students in Vietnam and Myanmar in basic computer skills and code literacy. Since its inception in 2011, TDF has grown from training 500 students per year to 40,000 students per year and now spans over 100 schools, having trained a total of 100,000 students within the last 6 years.

TDF envisions growing to 100,000 students per year by 2021, expanding to at least five provinces of Vietnam and the whole region of Mandalay, and having multiple training program offerings, including basic computer skills, code literacy (Scratch, Kodu, Minecraft, Micro-bit, and Robotics), and digital intelligence.

The Dariu Foundation calls for support by both private and institutional partners to generate a measurable social impact.

WITH A GRANT OF

US\$5,000

- You help train **600 children** in computer literacy over **12-week** courses, giving them the chance to adapt to the world we live in today.
- You help provide scholarships to **50 vulnerable children**, enabling them to attend school for one year, covering the costs of uniforms, pens, books etc., or a bike.
- You help **25 low-income women** access loans, impacting **100 family** members in one year.

WITH A GRANT OF

US\$20,000

- You help train **2,400 children** in computer literacy over 12-week courses, giving them the chance to adapt to the world we live in today.
- You help provide scholarships to **200 vulnerable children**, enabling them to attend school for one year, covering the costs of uniforms, pens, books etc., or a bike.
- You help **100 low-income women** access loans, impacting **400 family** members in one year.

WITH A GRANT OF

US\$10,000

- You help train **1,200 children** in computer literacy over **12-week** courses, giving them the chance to adapt to the world we live in today.
- You help provide scholarships to **100 vulnerable children**, enabling them to attend school for one year, covering the costs of uniforms, pens, books etc., or a bike.
- You help **50 low-income women** access loans, impacting 200 family members in one year.

WITH A GRANT OF

US\$35,000

- You help train **4,200 children** in computer literacy over **12-week** courses, giving them the chance to adapt to the world we live in today.
- You help provide a grant for a mobile school, enabling **1,000 students** to join computer internet skills training courses every year.
- You help build a school or kindergarten enabling access for over **200 children** each year in areas where there is no school or access is difficult. Each kindergarten consists of 3 classrooms and required facilities.
- You help provide scholarships to **350 vulnerable children**, enabling them to attend school for one year, covering the costs of uniforms, pens, books etc., or a bike.
- You help **175 low-income women** access loans, impacting 600 family members in one year.



We are a Swiss Foundation incorporated under Swiss law, tax-exempted, with offices in Vietnam and Myanmar. Your involvement can help us break the circle of poverty. If you would like to make a donation please contact: Manuela Nieth, Communication & Fundraising of The Dariu Foundation, at manuela@dariu.com, or please use one of the following bank accounts:

#### VIETNAM ACCOUNT

Account name: The Dariu Foundation

Account number (US\$): 044 137 3703067

Bank name: Vietcombank – Tan Binh branch

Bank address: 364 Cong Hoa, ward 13, Tan Binh district, Ho Chi Minh city

Swift code: BFTVVNVX007

#### SWITZERLAND ACCOUNTS

Bank: Aargauische Kantonalbank

Branch/address: Lindenplatz 18, CH-4800 Zofingen, Switzerland

Account name: Dariu Foundation, c/o Ringier AG, Brühlstrasse 5, CH-4800 Zofingen, Switzerland

Account number (CHF): 0160 9256 2057 (IBAN: CH42 0076 1016 0925 62057)

Account number (US\$): 0161 1162 7253 (IBAN: CH29 0076 1016 1116 2725 3)

SWIFT Code: KBAGCH22



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*Investment In Empowerment*