



THE DARIU FOUNDATION  
*Investment In Empowerment*

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



# DARIU ANNUAL REPORT 2018



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# LETTER FROM THE PRESIDENT



## Dear friends of the Dariu Foundation,

We sent our first mobile school to remote areas of the Mekong River Delta in 2011, to introduce the children of predominantly poor families to the secrets

of the digital world. We brought laptops, teaching material for teachers and students, and taught the children how to use simple computer programs, introducing them to the secrets of the Internet.

A year ago, we had the pleasure of announcing our “Digital Literacy Initiative”. By 2018, there were already 54 mobile schools and mobile libraries in Vietnam and Myanmar. We sent them on a journey to teach basic computer skills and reprogramming to children ages 7 and up. Our DLI was launched with the ambitious goal of reaching 50,000 children.

The demand from students, teachers, parents, and local authorities was huge and overwhelming. Thanh Cong Tran, responsible for education in the Vinh Long Province, summarized the matter as follows: *“We are a rural area in the Mekong River Delta, mostly poor farmers with their families live here. In contrast to the urban centers, there are hardly any families and schools with access to the Internet. There are no learning materials, computers, or trained teachers. Thanks to The Dariu Foundation, we were able to launch DLI there, benefiting thousands of girls and boys. Most significantly, due to this initiative, we have been able to mobilize teachers, families, and local authorities, while raising*

*awareness for digital learning materials. Together, we work hand in hand to implement the initiative at all levels of primary and secondary education.”*

Instead of 50'000 children - our initial goal - we reached 222,900 boys and girls (approximately 50 percent each) with DLI. We owe this great success with many thanks to you and your generous support. Special thanks go to *Microsoft* for their support of the The Dariu Foundation in the past year. Their partnership in our pilot project, accompanied and evaluated by a scientific team from the *Ho Chi Minh City Bach Khoa University*, was of extreme value in our efforts. Again, the results were overwhelming: more than 90 percent of the children involved passed their tests, and the highly motivated teachers consider their own training as an important step in their careers.

In our efforts, we learned an important lesson: not only did the children master the basic rules of the game for programming; in the non-cognitive area they improved their creative thoughts and actions, learning to work as a team.

Nonetheless, there were some critical insights: teachers require more training for themselves, the children want to spend more time on the computers, while local authorities wish that The Dariu Foundation would provide more materials and sufficient laptops to complete the DLI for all grades.

Our goal is to resolve these points in the years to come. However, this is only possible

with the continued support from our donors, partners, and local authorities.

With great respect for these challenges, we are tackling them with our highly motivated set of teams and partners. In the next year, you will learn how far we have come on our long journey.

The ongoing development of the DLI has become our number one priority, as it allows hundreds of thousands of children in the poorest areas of Vietnam and Myanmar to get in touch with the digital world at an early age, thus providing them with a good basis for their future training and, eventually, their life.

In addition, we have opened another three kindergartens in the past year (with a current total of 32 kindergartens), with around 3,000 children being supported by our scholarship programs.

The microcredit sector recently announced the issue of circa 18,000 loans in Vietnam, Myanmar, and India for 2018, with a total volume of more than ten million francs. Due to the rapid technological changes in the coming years, this area will be subject to a detailed analysis in 2019. It is of importance for us to find out what consequences this will have for us.

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

**THOMAS TRÜB**  
Founder and Chairman





## COUNTRIES



### VIETNAM

Microfinance and education are key pillars. While our microfinance program helps roughly 20,000 low-income women, the education projects benefit nearly 200,000 children among the poorest families each year. We operate in the southern provinces of Dong Nai, Tien Giang, Vinh Long and Hau Giang with microfinance 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 program 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 an accumulated total of 8,346 clients. In addition, we began setting-up mobile schools in 2013, which gave thousands of rural youth access to computers and the possibility to familiarize themselves with code literacy.



### INDIA

In India, the Dariu Foundation partners with the Sampurna Training and Entrepreneurship Program (STEP), a local 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 people in the last year.

# PROJECTS





## 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 assists low-income individuals in becoming financially independent, enabling them to become more resilient and better able to provide for their families in times of economic difficulty. We provide these individuals with affordable microcredits 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 2018, we were serving 19,892 clients with a total outstanding loan of US\$ 5.3 million.



## SCHOLARSHIPS

The Scholarships for Disadvantaged Students program provides scholarships to primary and secondary students from disadvantaged backgrounds, whose mothers are involved in microfinance programs, or joined our mobile school program. The program provides the students with school utensils (notebooks, pens, uniforms) and/or bicycles, which cost on average US\$ 100 per student per year. 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. A total of 19,954 scholarships have been awarded to financially disadvantaged students since 2007, contributing to the prevention of school drop-outs among children from underprivileged families.



## 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, as well as 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 2018, we had set up 40 mobile schools, 14 mobile container libraries in Vietnam and 14 mobile schools.



## 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 a 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 in equal parts by TDF, its donors, and the local partners. To date, 32 kindergartens have been constructed in such cooperation since 2004.



## VOCATIONAL TRAINING

Vietnamese youth and graduates, in particular, face serious unemployment due to poor practical and social skills. Quite a few students find it difficult to get a job after their graduation, as they lack both professional and social skills. To close the gap of skills, we work closely with our training partners to provide a practical and job-based vocational training

program, with corporate partners to create access to internship and employment opportunities, as well as financial support for the disadvantaged youth. Our program is aimed at preparing these individuals to be prepared and competent for potential employment. Our program is industry-oriented, employment-linked, short-term, internationally recognized, and affordable.



## DIGITAL LITERACY INITIATIVE

Vietnamese youth badly lack access to code literacy, especially in rural areas, due to the absence of practical digital skill training, computers/laptops, internet, updated curriculums, and qualified teachers. Unfortunately, many schools are not ready to change and improve their methodology to provide their students with future-ready skills and enable them to join the workforce.

Therefore, we provide access to computer skills, code literacy and digital education to those in need. Since 2011, we have given over 222,900 children access to computer skills and we plan to extend our reach in this field. In the next three years, we plan to target roughly 1 Million students - 50 percent of them being girls.



# KEY STATISTICS





# VIETNAM



## MICROFINANCE HIGHLIGHTS

- Total number of active clients: 16,871
- Total outstanding loan: US\$ 5 million
- Total # loan disbursed: 14,964
- Total of loan value disbursed: US\$ 9.7 million
- Total value compulsory savings: US\$ 382,159
- Total value voluntary savings: US\$ 517,374



## DIGITAL LITERACY INITIATIVE

- 40 Mobile schools in Vietnam
- Training 193,186 students since 2011, of which 115,191 students trained in 2018.
- A total of 13 container libraries activated, creating access for around 3,000 students per day.



## SCHOLARSHIPS

- 16,661 scholarships granted since 2007, of which 2,320 scholarships granted in 2018.



## KINDERGARTENS

- 32 kindergartens built since 2004, of which 4 kindergartens built in 2018.

# INDIA



## MICROFINANCE HIGHLIGHTS

- Total number of active clients: 975
- Total outstanding loan: US\$ 0.2 million
- Total # loan disbursed: 3,851, of which 782 loans granted in 2018
- Total of loan value disbursed: US\$ 804,413, of which US\$ 233,032 granted in 2018



# MYANMAR



## MICROFINANCE HIGHLIGHTS



- Total number of clients served: 3,021
- Total outstanding loan: US\$ 127,611
- Total # loan disbursed: 8,596 of which 2,195 loans granted in 2018
- Total of loan value disbursed: US\$ 1,508,000, of which US\$ 670,645 granted in 2018



## MOBILE SCHOOLS/ LIBRARIES



- 14 mobile schools in Myanmar, of which 6 were built in 2018
- Training 29,729 students since 2013, of which 8,865 students trained in 2018



## SCHOLARSHIPS



- 1,993 scholarships granted since 2017, of which 693 scholarships granted in 2018



## DIGITAL LITERACY INITIATIVE

*“The Dariu Foundation’s “Digital Literacy Initiative” in Vietnam takes important steps in bringing digital literacy to disadvantaged children from rural areas. The goal of making one million children computer literate in the next three years is ambitious and attainable thanks to the innovative design of the program.”*

**ERNST FEHR**

*Professor of Economics, University of Zurich  
Director of the UBS International Center of Economics in Society*



According to the *World Economic Forum Future of Jobs*, 65 percent of children entering primary school today will end up working in jobs that do not exist yet. In Vietnam alone, around 70 percent of jobs are at high risk of being replaced through automation over the next two decades and Vietnam was identified as the country most at risk of digital disruption out of the five ASEAN countries examined - Vietnam, the Philippines, Thailand, Indonesia, and Cambodia.

Therefore, literacy today goes beyond the basic ability to read and write, there is new expertise to be accomplished: DIGITAL LITERACY. Cornell University defines digital literacy as “the ability to find, evaluate, utilize, share, and create content using information technologies and the Internet”. This means, that children will need to be equipped with a range of new skills to handle the challenges of the digital age. Yet, Vietnamese rural youth lack access to practical digital skill training, particularly computers/laptops, internet, updated curriculums, and qualified teachers. Unfortunately, schools are not ready to change, renovate and improve their methodology

to provide their students with future-ready skills, which enable them to successfully join the workforce. As a result, the gap in digital skills between urban and rural children is widening. In this context, the Dariu Foundation developed and implemented **Digital Literacy** in 2011 via its mobile schools. It provides basic digital skills for children who lack access to this type of training and creates a link to STEM vocational training programs so that these children have the possibility to join the IT-sector later on.

We have implemented a comprehensive program of four pillars: access to computers, providing curriculums, training trainers, and training students (online and offline). To create access to computers for the trainees, we have built over 50 mobile schools, aiming to network with 450 schools by 2022.

In the past years, nearly 223,000 students have benefited from our **Digital Literacy Initiative**. Our ambitious goal is to train **one million students in the next three years**, to integrate the curriculums into the official state curriculums, and create an online platform that is open for everyone.

A woman with dark hair, wearing a floral patterned long-sleeved shirt and a grey protective sleeve on her left arm, is smiling warmly in a lush green rice field. She is holding a large bundle of harvested rice stalks. The background is filled with tall, vibrant green rice plants under bright sunlight.

**CLIENT STORIES**  
IN VIETNAM  
AND MYANMAR

# VIETNAM



## HUYNH THI UNG

55 years old,  
Vinh Long Province

Ung Huynh, who is 55 years old and a mother of two kids of six and 15 years old, living in the Vung Liem district of the Vinh Long province, has received US\$ 262 loans from the microfinance program of TDF since 2015. She was eligible to be granted loans from TDF due to her low-income background. Though working very hard as a sedge mat maker, she could not make ends meet. In addition, her son has a cleft lip and cleft palate and needs to go through several surgeries that could risk her going bankrupt. Prior to joining TDF's microfinance program, Ung had to take some loans from the local loan sharks with high-interest rates, which were over her repayment' capacity. She was introduced to TDF's program by the local women's union in 2015, upon which she could start her first loan of US\$ 262 for purchasing sedge materials. In the first year, she earned a total sale of US\$ 8,972, with a net profit of US\$ 842. Her business has since gradually expanded, earning her US\$ 1,103 in profit per annum. She has also hired seven group peers and three relatives to work in her workshop, assisting them in a stable income of US\$ 15 per day. She used her savings and latest loan of US\$ 2,173 to invest in buying four tons of sedge. "This year I can make a profit of around US\$ 180 per month from this business, creating jobs for around 10 people in the village," said Ung. "Today, I can afford all of my family's expenses, including healthcare costs for my son and daughter, and investing in my business expansion."





## TRIEU THI KIM LUONG

*39 years old, Dong Nai Province*

**N**amed as “special lady” in the village, 38-year-old Luong Trieu earns a living with a job that is often for men. She works in an iron and steel workshop owned by her family, in the mountainous district of the Dong Nai province, 180km northeast of Ho Chi Minh city. Before 2008, she often earned her living by offering welding services to local families in the communes and nearby areas. However, the family could only ever earn enough for their minimum expenses, not to mention the costs of schooling for their three children. Luong Trieu was then referred to TDF’s microfinance program that offered her around US\$ 30 with the first loan. The family and Luong Trieu decided to invest in a family workshop selling ready-made products, yet this did not help improve their

income by much. Only two years later and after three loans, their business started to grow, thanks to their investment in machines and materials ready for client demand. “In 2011, I worked at the workshops, making products at the clients’ requests and my husband was responsible for carrying to the clients’ house and installing or finishing them, then collecting the cash,” said Luong. “And in two years, my workshop expanded two times, earning us a net profit of around US\$ 500 per month in 2013,” she added. In 2018, they transformed part of their iron and steel workshop into an electrical shop selling electric devices, thanks to a new loan of US\$ 2,173. At the end of 2018, they built a new house of over 200 sqm from their retained profits.



## NGUYEN THI BIEN

*61 years old, Vinh Long Province*

Though considered to be at the age of retirement, Mrs. Bien Nguyen still works hard on the farm with her family in a rural village of Vinh Long province, 200 km west of Ho Chi Minh city. Mrs. Nguyen and her husband live in a small house and earning their income by growing sedge plants after all of their six children have married. Four years ago, she joined TDF's microfinance program with the first loan amount of US\$ 85 invested into fertilizer for growing sedge plants. *Realizing that this business could not sustain her, she used her next loans to buy sedge plants from other local growers during the harvesting seasons, processing and drying the raw sedge plants, and then selling them during off-seasons.* After three years of joining the program, her current loan of US\$ 1,739 is used in the same business model. Bien earned a profit of US\$ 2,178 in 2018, which enable her to afford her family's daily expenses and provide her with little savings. Bien's business creates jobs for her neighbors who also work in the sedge-field while providing qualified sedge materials for local handicraft enterprises in the village.



# MYANMAR



## DAW HTAR HTAR MOE

*54 years old, Tha Yat Pin Village*

**D**aw Moe is a group leader for the microfinance program implemented by TDF in the Yamethin township of the Mandalay region in Myanmar, since October 2017. As with most families in town, their main income is generated from vegetable farming. She joined TDF's microfinance program and got the first loan of US\$ 147 and invested in setting up a small shop selling vegetables in the local market. She collected farming products from her members and neighbors and sold them at the local market. Instead of spending all her time working in the field, she now travels from home to home, village

to village, buying home-made vegetables, fruits, products, and trading at the markets. In 2018, her total profit was US\$ 1,427, enabling her to pay off the loan and have some savings to make a bigger investment in her current business. "The greatest benefit I've gotten from TDF's microfinance is not only access to loans but the loans that help me to access to the market, opening opportunities that I never thought of before," said Daw. "I wish somebody like TDF had told me this earlier," she said.





## YUN SHWE YI SOE

*19 years old, Myin Nar Village*

Yun Soe is one of the youngest clients in a remote village of Yamethin Township, joining microfinance program since early 2018. As the fourth daughter of a poor family with six children, Soe had to stop her studies after finishing secondary school. She worked in the field to support the family, but the crop was not harvesting enough to provide them with a substantial living. Therefore, she decided to work in a wood workshop in her village and became one of the most well-

trained workers there. Soe realized that she could ask her employer to bring raw material home with her, to create more work and income for her siblings. With the first loan of US\$ 147, she invested in new equipment and material to prepare for her first small business. After six months, her workshop went into stability and offered 100 products per month. Now, she not only spends time on the field, but she and other relatives can also earn an extra income of US\$ 200 per



month from working at home. Soe brightly shared: "When I ask for the first borrowing, my parents pretended to support me since they thought I was too young to start the business. But now, I am very confident in my choice and can let my family become more comfortable. In the next months, I plan to increase the capital from the microfinance program to enhance more productivity."

# STATEMENT OF ACTIVITIES 2018 VIETNAM

Unit: CHF - Exchange rate 2018: 23,473  
Exchange rate 2017: 22,809

	2018			2017		
	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL
<b>INCOME</b>						
Loan interest income	922,578	-	922,578	1,108,874	-	1,108,874
Capital from Dariu Switzerland	-	602,640	602,640	-	109,102	109,102
Bank interest	2,406	76	2,482	1,564	22	1,587
Foreign exchange gains	237	1,418	1,655	731	2	732
Other donations	-	148,293	148,293	-	120,243	120,243
Transfer between MF to Charity activities	-	-	-	-	1,470,544	1,470,544
Other income	47,747	3,025	50,771	43,409	1,583	44,992
<b>TOTAL INCOME</b>	<b>972,967</b>	<b>755,452</b>	<b>1,728,419</b>	<b>1,154,578</b>	<b>1,701,496</b>	<b>2,856,074</b>
<b>EXPENSES</b>						
Staff salary and benefits	627,212	84,256	711,468	520,618	84,325	604,943
Office rental	27,577	-	27,577	26,053	2,895	28,949
Telephone, fax and internet	24,575	-	24,575	11,895	369	12,263
Electricity and water	4,328	-	4,328	3,683	250	3,933
Travel and transportation	17,119	35,510	52,629	14,749	31,208	45,957
Car rental	12,826	13,662	26,487	9,662	14,457	24,119
Training and seminars	11,236	-	11,236	9,738	327	10,065
Scholarship granting	-	99,331	99,331	-	84,752	84,752
School building, mobile school building	-	274,877	274,877	-	322,099	322,099
Coding	-	247,798	247,798	-	-	-
Expenses from other donations	-	155,381	155,381	-	128,534	128,534
Stationery and other office costs	12,418	-	12,418	10,666	533	11,200
Interest expenses	23,835	-	23,835	22,388	-	22,388
Foreign exchange losses	718	591	1,309	1,063	324	1,386
Bank charges	2,352	729	3,081	2,693	403	3,096
Depreciation and amortisation	13,276	-	13,276	9,271	708	9,980
Provision for doubtful debts	13,406	-	13,406	8,983	-	8,983
Commission expenses	26,461	-	26,461	20,789	-	20,789
Transfer between MF to Charity activities	-	-	-	296,729	-	296,729
Other expenses	49,433	79,683	129,116	44,597	63,468	108,066
<b>TOTAL EXPENSES</b>	<b>866,772</b>	<b>991,817</b>	<b>1,858,589</b>	<b>1,013,578</b>	<b>734,652</b>	<b>1,748,231</b>
<b>EXCESS OF INCOME OVER EXPENSES</b>	<b>106,195</b>	<b>-236,366</b>	<b>-130,170</b>	<b>141,000</b>	<b>966,844</b>	<b>1,107,843</b>

# FINANCIAL POSITIONS 2018 VIETNAM

Unit: CHF - Exchange rate 2018: 23.819  
Exchange rate 2017: 23.450

	AS AT 31/12/2018			AS AT 31/12/2017		
	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL
<b>ASSETS</b>						
<b>Current assets</b>						
Cash on hand	17,926	-	17,926	10,977	-	10,977
Cash at bank	158,457	-	158,457	73,056	-	73,056
Loans receivable	4,631,650	-	4,631,650	5,002,163	-	5,002,163
Provision for doubtful debts	-37,845	-	-37,845	-42,835	-	-42,835
Advance to suppliers	14,372	-	14,372	8,929	-	8,929
Receivables from Microfinance activities	-	1,227,507	-	-	1,567,219	-
Other receivables	49,013	-	49,013	5,664	-	5,664
Other current assets	58,867	-	58,867	34,904	-	34,904
<b>TOTAL CURRENT ASSETS</b>	<b>4,892,439</b>	<b>1,227,507</b>	<b>4,892,439</b>	<b>5,092,858</b>	<b>1,567,219</b>	<b>5,092,858</b>
<b>Non-current assets</b>						
Loans receivable	209,232	-	209,232	179,029	-	179,029
Property, plant and equipment	-	-	-	-	-	-
Tangible and intangible fixed assets	11,910	-	11,910	13,767	-	13,767
Other non-current assets	29,568	-	29,568	34,493	-	34,493
<b>TOTAL NON-CURRENT ASSETS</b>	<b>250,711</b>	<b>-</b>	<b>250,711</b>	<b>227,290</b>	<b>-</b>	<b>227,290</b>
<b>TOTAL ASSETS</b>	<b>5,143,150</b>	<b>1,227,507</b>	<b>5,143,150</b>	<b>5,320,148</b>	<b>1,567,219</b>	<b>5,320,148</b>
<b>EQUITY AND LIABILITIES</b>						
<b>Current liabilities</b>						
Accounts payable - compulsory savings	382,678	-	382,678	405,635	-	405,635
Accounts payable - voluntary savings	533,446	-	533,446	461,677	-	461,677
Payables to employees	54,228	-	54,228	52,398	-	52,398
Payable for Charity activities	1,227,507	-	-	1,567,219	-	-
Payable to suppliers	-	-	-	-	-	-
Accrued liabilities	16,520	39,778	56,298	15,538	124,165	139,703
Other payables	115,660	-	115,660	70,936	-	70,936
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,330,039</b>	<b>39,778</b>	<b>1,142,310</b>	<b>2,573,403</b>	<b>124,165</b>	<b>1,130,349</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>7,311</b>	<b>-</b>	<b>7,311</b>	<b>3,021</b>	<b>-</b>	<b>3,021</b>
<b>Equity</b>						
Paid-in capital of owners	300,187	-	300,187	304,919	-	304,919
Other Donations	152,410	-	152,410	154,812	-	154,812
Surplus from Microfinance activities	2,353,202	-	2,353,202	2,283,993	-	2,283,993
Net assets - charity activities	-	1,187,729	1,187,729	-	1,443,054	1,443,054
<b>TOTAL EQUITY</b>	<b>2,805,799</b>	<b>1,187,729</b>	<b>3,993,528</b>	<b>2,743,723</b>	<b>1,443,054</b>	<b>4,186,778</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>5,143,150</b>	<b>1,227,507</b>	<b>5,143,150</b>	<b>5,320,148</b>	<b>1,567,219</b>	<b>5,320,148</b>

# STATEMENT OF ACTIVITIES 2018 MYANMAR

Unit: CHF - Exchange rate 2018: 1.461  
Exchange rate 2017: 1.364

	2018			2016 / 2017		
	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL
<b>INCOME</b>						
Loan interest income	147,965	-	147,965	64,717	-	64,717
Capital from Dariu Switzerland	-	102,822	102,822	-	90,684	90,684
Bank interest	-	-	-	-	-	-
Foreign exchange gains	6,208	8,725	14,932	2,641	2	2,643
Other income	729	-	729	2,381	-	2,381
<b>TOTAL INCOME</b>	<b>154,901</b>	<b>111,547</b>	<b>266,448</b>	<b>69,739</b>	<b>90,685</b>	<b>160,425</b>
<b>EXPENSES</b>						
Staff salary and benefits	99,633	9,906	109,539	87,667	12,250	99,918
Office rental	9,025	154	9,179	2,724	220	2,944
Telephone, fax and internet	1,418	28	1,446	1,689	132	1,821
Electricity and water	204	-	204	295	-	295
Travel and transportation	7,605	2,982	10,587	9,140	3,019	12,160
Scholarship granting	-	28,569	28,569	-	25,924	25,924
Mobile school	-	45,980	45,980	-	39,320	39,320
Stationary and other office costs	9,501	16	9,517	7,418	299	7,718
Interest expenses	8,161	-	8,161	2,399	-	2,399
Foreign exchange losses	933	1,070	2,003	4,795	1,775	6,570
Bank charges	1,019	178	1,197	432	54	486
Depreciation and amortisation	9,201	51	9,252	9,316	55	9,371
Provision for doubtful debts	8,331	-	8,331	4,830	-	4,830
Other expenses	18,418	3,084	21,502	11,967	2,825	14,792
<b>TOTAL EXPENSES</b>	<b>173,449</b>	<b>92,019</b>	<b>265,468</b>	<b>142,673</b>	<b>85,873</b>	<b>228,547</b>
<b>EXCESS OF INCOME OVER EXPENSES</b>	<b>-18,548</b>	<b>19,528</b>	<b>980</b>	<b>-72,934</b>	<b>4,812</b>	<b>-68,122</b>



# FINANCIAL POSITIONS 2018 MYANMAR

Unit: CHF - Exchange rate 2018: 1.557  
Exchange rate 2017: 1.379

	AS AT 31/12/2018			AS AT 31/12/2017		
	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL	MICROFINANCE ACTIVITIES	CHARITY ACTIVITIES	TOTAL
<b>ASSETS</b>						
Cash in hand	72	-	72	20,388	-	20,388
Bank in hand	544,713	-	544,713	294,381	-	294,381
Loans receivable	127,052	-	127,052	477,704	-	477,704
Provision for doubtful debts	(11,927)	-	(11,927)	(4,777)	-	(4,777)
Receivable from Microfinance activities	-	22,541	-	-	4,759	-
Other current assets	45,448	-	45,448	12,790	-	12,790
<b>TOTAL CURRENT ASSETS</b>	<b>705,358</b>	<b>22,541</b>	<b>705,358</b>	<b>800,487</b>	<b>4,759</b>	<b>800,487</b>
<b>NON-CURRENT ASSETS</b>						
Tangible and intangible fixed assets	8,836	-	8,836	17,766	-	17,766
<b>TOTAL NON-CURRENT ASSETS</b>	<b>8,836</b>	<b>-</b>	<b>8,836</b>	<b>17,766</b>	<b>-</b>	<b>17,766</b>
<b>TOTAL ASSETS</b>	<b>714,194</b>	<b>22,541</b>	<b>714,194</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	34,843	-	34,843	40,624	-	40,624
Payable for Charity activities	22,541	-	-	4,759	-	-
Other current payables	4,693	-	4,693	328	-	328
<b>TOTAL CURRENT LIABILITIES</b>	<b>62,077</b>	<b>-</b>	<b>39,536</b>	<b>45,711</b>	<b>-</b>	<b>40,952</b>
<b>EQUITY</b>						
Paid-in capital of owners	733,417	-	733,417	74,688	-	74,688
Capital reserves	4	-	4	769,988	-	769,988
Surplus from Microfinance activities	(81,304)	-	(81,304)	(72,135)	-	(72,135)
Net assets - charity activities	-	22,541	22,541	-	4,759	4,759
<b>TOTAL EQUITY</b>	<b>652,117</b>	<b>22,541</b>	<b>674,658</b>	<b>772,541</b>	<b>4,759</b>	<b>777,300</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>714,194</b>	<b>22,541</b>	<b>714,194</b>	<b>818,253</b>	<b>4,759</b>	<b>818,253</b>







## DARIU FOUNDATION CONSOLIDATED PROFIT AND LOSS STATEMENT 2018

Unit: CHF

	2018	2017
<b>OPERATING REVENUES</b>		
Loan interests	1,070,542	1,173,592
Donations	1,330,834	1,260,565
Other income	51,500	47,373
<b>TOTAL INCOME</b>	<b>2,452,876</b>	<b>2,481,529</b>
<b>EXPENSES</b>		
Personnel costs	921,946	797,161
Scholarship awarded	127,900	111,000
School building	476,238	489,630
Coding project	247,798	-
Donations	28,327	-
Expenses Myanmar	-	34,740
General and administrative expenses	160,549	144,475
Write-off bad debts	21,736	13,812
Other expenses	177,079	143,647
Depreciation of fixed assets	22,528	19,351
<b>TOTAL OPERATING EXPENSES</b>	<b>2,184,103</b>	<b>1,753,817</b>
<b>OPERATING PROFIT</b>	<b>268,773</b>	<b>727,712</b>
<b>OTHER INCOME (EXPENSE)</b>		
Interest income	2,482	1,587
Interest expense	(68,913)	(68,546)
Foreign exchange differences	39,005	31,852
<b>TOTAL OTHER INCOME (EXPENSE)</b>	<b>(27,426)</b>	<b>(35,108)</b>
<b>NET INCOME (LOSS) FOR THE YEAR</b>	<b>241,347</b>	<b>692,604</b>



## DARIU FOUNDATION CONSOLIDATED BALANCE SHEET DECEMBER 31, 2018

Unit: CHF

	AS AT 31/12/2018	AS AT 31/12/2017
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	1,494,868	1,281,151
Loans receivable	4,708,930	5,432,255
Other accounts receivable	49,013	5,664
Prepaid expenses	38,932	8,929
Other current assets	104,315	47,694
<b>TOTAL CURRENT ASSETS</b>	<b>6,396,058</b>	<b>6,775,693</b>
<b>Fixed assets</b>		
Property plant and equipment	8,836	17,766
Loans receivable, long-term	413,893	396,343
Majority-owned subsidiary in construction	-	-
Other non-current assets	41,478	48,261
<b>TOTAL NON-CURRENT ASSETS</b>	<b>464,207</b>	<b>462,370</b>
<b>TOTAL ASSETS</b>	<b>6,860,265</b>	<b>7,238,062</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Current liabilities</b>		
Other current liabilities	1,145,855	1,031,270
Deferred income and accrued expenses	63,866	167,683
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,209,721</b>	<b>1,198,953</b>
<b>LONGTERM LOANS/PAYABLES (INCL. CURRENT PORTIONS)</b>	<b>7,311</b>	<b>470,521</b>
Equity prior year	5,568,588	5,033,587
Capital paid in	(14,815)	22,184
Profit for the period	241,347	692,604
Translation differences current year	(151,888)	-179,786
<b>TOTAL EQUITY</b>	<b>5,643,233</b>	<b>5,568,589</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>6,860,265</b>	<b>7,238,062</b>



**SUPPORT**



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

In Switzerland, the Dariu Foundation is incorporated as a charitable society under Swiss law (ZGB, article 60ff). We are tax-exempt by the tax authorities of the Canton Aargau (Steueramt des Kantons Aargau), all other Swiss cantons as well as the federal tax authorities. Therefore, Swiss-taxed donors may claim the maximum tax benefits allowed by local tax law for their contributions. Please use one of the bank accounts below.

As of very recent, we are also able to accept tax-deductible gifts from donors based in the United States and Hong Kong through our partnership with Give2Asia. As Give2Asia is a public charity, within the meaning of Sections 501(c)(3) and 509 (a)(1) of the IRC, donors may claim the maximum tax benefits allowed by U.S. tax law for their contributions.

Thanks to our partnership agreement with Transnational Giving Europe (TGE), donors based in Europe receive a tax receipt for their donations to The Dariu Foundation. Please contact us prior to making a donation at [manuela@dariu.com](mailto:manuela@dariu.com), we can launch the process.

For any requests you may have, please contact MANUELA NIETH at the Dariu Foundation at [manuela@dariu.com](mailto:manuela@dariu.com)

**Account name:** The Dariu Foundation  
**Account number (USD):** 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

**Bank:** Aargauische Kantonalbank  
**Bank/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 (USD):** 0161.1162.7253 (IBAN: CH29 0076 1016 1116 2725 3)  
**Swift code:** KBAGCH22





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