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DOTASIA FOUNDATION LIMITED

**FINANCIAL STATEMENT
FOR THE YEAR ENDED 30TH SEPTEMBER 2017**

DOTASIA FOUNDATION LIMITED

**FINANCIAL STATEMENT
FOR THE YEAR ENDED 30TH SEPTEMBER 2017**

DOTASIA FOUNDATION LIMITED

REPORT OF THE DIRECTORS

The directors have pleasure in presenting their annual report and the audited financial statements for the year ended 30th September 2017.

PRINCIPAL ACTIVITY

The principal activities of the company are to organize and support community projects and socio-technological initiatives with charitable purposes that fulfill its mandate of relief of poverty, digital inclusion, advancement of education, and promoting internet development in Asia.

RESULTS AND APPROPRIATIONS

The surplus/deficit of the foundation for the year ended 30th September 2017 and the state of the company's affairs at that date are set out on pages 5 to 9.

BUSINESS REVIEW

The foundation falls within reporting exemption for the financial year. Accordingly, the company is exempted from preparing a business review.

DIRECTORS

The directors of the company during the year and up to the date of this report were:-

THAM Yiu Kwok
CHUNG Edmon Wang On

There is no provision in the company's articles of association for the retirement and rotation of directors. DotAsia Organisation Limited, as sole member of the company, shall have the power to remove/or appoint the directors.

AUDITOR

The auditor, Chan Kin Cheong, Certified Public Accountant, retires and, being eligible, offers himself for re-appointment.

DOTASIA FOUNDATION LIMITED

REPORT OF THE DIRECTORS (CONT'D)


DIRECTORS' INTEREST IN CONTRACTS

No contract of significance in relation to the company's business to which the company, any of its holding companies or fellow subsidiaries was a party and in which directors of the company had a material interest, subsisted at the end of the year or at any time during the year.

ARRANGEMENTS TO ACQUIRE SHARES OR DEBENTURES

At no time during the year was the company, any of its holding companies or fellow subsidiaries a party to any arrangement to enable the directors of the company to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

On behalf of the Board:



Chairman

Hong Kong

19 DEC 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF**DOTASIA FOUNDATION LIMITED**

(Incorporated in Hong Kong with limited liability)

Opinion

I have audited the financial statements of DOTASIA FOUNDATION LIMITED ("the Company") set out on pages 5 to 9, which comprise the statement of financial position as at 30th September 2017, and the income statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements of the Company are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Opinion

I conducted my audit in accordance with Hong Kong Standards on Auditing ("HKSAs") and with reference to Practice Note 900 (Revised), Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard issued by the HKICPA. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the directors' report, but do not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation of the financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF**DOTASIA FOUNDATION LIMITED**

(Incorporated in Hong Kong with limited liability)

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs 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 HKSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- d) Conclude on the appropriateness of the 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 Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Chan Kin Cheong

Certified Public Accountant (Practising)

Hong Kong,

Room 1205, 12/F, Silvercord, 30 Canton Road, Kowloon, Hong Kong

DOTASIA FOUNDATION LIMITEDINCOME STATEMENTFOR THE YEAR ENDED 30TH SEPTEMBER 2017

(Expressed in United States Dollars)

	<u>Note</u>	<u>2017</u> US\$	<u>2016</u> US\$
Income	3	140,379.62	178,728
Administrative and operating expenses	APPENDIX 1	<u>140,822.15</u>	<u>178,718</u>
Surplus / (deficit) before tax	4	(442.53)	10
Tax	5	-	-
Net surplus / (deficit) for the year		<u><u>(442.53)</u></u>	<u><u>10</u></u>

CHANGES IN EQUITY

Balance brought forward	(811.58)	(822)
Net loss for the year	<u>(442.53)</u>	<u>10</u>
Balance carried forward	<u><u>(1,254.11)</u></u>	<u><u>(812)</u></u>

The net loss for the year is the only component of the statement of change in equity during the year.

The notes on pages 7 to 9 form an integral part of these financial statements.

DOTASIA FOUNDATION LIMITEDBALANCE SHEET AS AT 30TH SEPTEMBER 2017

(Expressed in United States Dollars)

		<u>2017</u>	<u>2016</u>
	<u>Note</u>	US\$	US\$
<u>CURRENT ASSET</u>			
Accounts receivable		<u>4,000.00</u>	<u>81,994</u>
<u>CURRENT LIABILITIES</u>			
Accrued charges		800.02	82,806
Amount due to a member	6	<u>4,454.09</u>	<u>-</u>
		<u>5,254.11</u>	<u>82,806</u>
NET CURRENT LIABILITIES		<u>(1,254.11)</u>	<u>(812)</u>
NET LIABILITIES		<u><u>(1,254.11)</u></u>	<u><u>(812)</u></u>
<u>GENERAL DEFICIT</u>			
Accumulated deficit		<u>(1,254.11)</u>	<u>(812)</u>
TOTAL DEFICIT		<u><u>(1,254.11)</u></u>	<u><u>(812)</u></u>

Approved by the Board of directors on
and signed on its behalf

19 DEC 2018


Director



Director

The notes on pages 7 to 9 form an integral part of these financial statements.

DOTASIA FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2017

1. GENERAL INFORMATION

DOTASIA FOUNDATION LIMITED is a limited liability company domiciled and incorporated in Hong Kong. The address of its registered office and principal place of business is 12/F., Daily House, 35-37 Haiphong Road, Tsim Sha Tsui, Hong Kong. The principal activities of the company are to organize and support community projects and socio-technological initiatives with charitable purposes that fulfill its mandate of relief of poverty, digital inclusion, advancement of education, and promoting internet development in Asia.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

The company qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the company is a going concern.

The measurement base adopted is the historical cost convention.

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

a) Revenue

Revenue is recognised when it is probable that the economic benefits will flow to the company and when the revenue can be measured reliably, on the following basis:

- i). sales of good is recognised when the goods are delivered and the risks and rewards of ownership have passed to the customer;
- ii). Rental income is recognised on a time proportion basis over the lease terms;
- iii). Interest income is recognised on a time proportion basis taking into account the principal outstanding and the interest applicable; and
- iv). Dividend income is recognised when the shareholders/ right to receive payment is established.

b) Foreign exchange

The reporting currency of the company is United States Dollars.

Foreign currency transactions are converted at the exchange rate applicable at the transaction date. Foreign currency monetary items are translated into United States Dollars using exchange rates applicable at the end of the reporting year. Gains and losses on foreign exchange are recognised in the income statement.

DOTASIA FOUNDATION LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2017

c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method.

d) Trade and other receivables

Trade and other receivables are stated at estimated realizable value after each debt has been considered individually where the payment of a debt becomes doubtful a provision is made and charged to the income statement.

e) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are also included as a component of cash and cash equivalents for the purpose of the cash flow statement.

f) Taxation

As the total income came from voting member and sponsor(s), it deems that the foundation does not carry on business pursuant to Section 24(1) of the Inland Revenue Department. Thus the surplus, if any, derived from there is non-taxable.

g) Related parties

(a). A person or a close member of that person's family is related to the company if that person:

- 1.) has control or joint control of the company;
- 2.) has significant influence over the company; or
- 3.) is a member of the key management personnel of the company or of a parent of the company.

(b). An entity is related to the company if any of the following conditions applies:

- 1.) The entity and the company are members of the same group.
- 2.) One entity is an associate or joint venture of the other entity.
- 3.) Both entities are joint ventures of the same third entity.
- 4.) One entity is a joint venture of the other entity and the other entity is an associate of the third entity.
- 5.) The entity is post-employment benefit plan for the benefit of employees of either the company or an entity related to the company.
- 6.) The entity is controlled or jointly controlled by a person identified in (a).
- 7.) A person identified in (a)(1) has significant influence over the entity or is a member of the key management personnel of the entity.

DOTASIA FOUNDATION LIMITEDNOTES TO THE FINANCIAL STATEMENTSFOR THE YEAR ENDED 30TH SEPTEMBER 2017**3. WELFARE FUND RECEIPTS**

	<u>2017</u>	<u>2016</u>
	US\$	US\$
ICG Secretariat	4,000.00	73,750
Sponsorship / Donation	15,710.35	37,858
Other income	14.28	3,369
Subsidy	120,654.99	63,751
	<u>140,379.62</u>	<u>178,728</u>

4. SURPLUS / (DEFICIT) BEFORE TAX

	<u>2017</u>	<u>2016</u>
	US\$	US\$
The loss before tax is stated after charging		
Auditor's remuneration	774.21	774
Bank charges	0.65	1
	<u>774.86</u>	<u>775</u>

5. TAX

No Hong Kong profits tax has been provided as the company is exempted under section 88 of the Inland Revenue Ordinance.

6. AMOUNT DUE TO A MEMBER

The balance are unsecured, interest free and repayable on demand.

7. RELATED PARTIES TRANSACTIONS

In addition to the transactions and balances disclosed elsewhere in these financial statements, the company had the following material related party transactions during the year:

<u>Name of companies</u>	<u>Nature</u>	<u>2017</u>	<u>2016</u>
		US\$	US\$
DotAsia Organisation Limited	Subsidy	120,654.99	63,751
DotAsia Organisation Limited	Office expenses	12,044.74	11,713
DotAsia Organisation Limited	Salaries and wages	78,345.00	73,800

All the transactions with related party were negotiated at arm's-length basis in accordance with common commercial terms in the same manner as other external customers and suppliers.

8. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the broad of directors on 19th December 2018.

(For management purpose only)

APPENDIX 1

DOTASIA FOUNDATION LIMITED

DETAILED INCOME STATEMENT

FOR THE YEAR ENDED 30TH SEPTEMBER 2017

(Expressed in United States Dollars)

	<u>2017</u>	<u>2016</u>
<u>Income</u>	US\$	US\$
ICG Secretariat	4,000.00	73,750
Sponsorship / Donation	15,710.35	37,858
Other income	14.28	3,369
Subsidy	120,654.99	63,751
	<u>140,379.62</u>	<u>178,728</u>
 <u>Less: Administrative and operating expenses</u>		
Auditor's remuneration	774.21	774
Bank charges	0.65	1
Community contributions	49,631.74	92,404
Legal and professional fee	25.81	26
Office expenses	12,044.74	11,713
Salaries and wages	78,345.00	73,800
	<u>140,822.15</u>	<u>178,718</u>
 Surplus / (deficit) before tax	<u>(442.53)</u>	<u>10</u>