



Financial Statements

For the Years Ended September 30, 2015 and 2014

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Independent Auditor's Report

**Board of Trustees
The Asia Foundation
San Francisco, California**

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of The Asia Foundation (the Foundation), which comprise the statements of financial position as of September 30, 2015 and 2014, and the related statements of activities and changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Foundation as of September 30, 2015 and 2014, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The activity by line of business as presented on the statements of activities and changes in net assets on pages 4 and 5 is presented for purposes of additional analysis, rather than to present the results of activities of each individual line of business, and is not a required part of the financial statements. The accompanying schedules of functional expenses on pages 23 and 24 and the schedule of expenditures of nonfederal bilateral and multilateral awards on pages 25 through 29 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 14, 2016, on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Foundation's internal control over financial reporting and compliance.

Clark Nuber PS

Certified Public Accountants
January 14, 2016

THE ASIA FOUNDATION

**Statements of Financial Position
September 30, 2015 and 2014
(In Thousands)**

	<u>2015</u>	<u>2014</u>
Assets		
Cash and cash equivalents	\$ 28,846	\$ 37,060
Accounts receivable, net	13,082	16,802
Books for Asia inventory	3,709	2,061
Prepaid expenses and other assets	2,854	2,393
Investments	11,967	12,729
Property and equipment, net	<u>2,358</u>	<u>2,112</u>
Total Assets	<u>\$ 62,816</u>	<u>\$ 73,157</u>
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 7,072	\$ 6,932
Deferred support	31,037	42,164
Accrued post-retirement benefit obligation	<u>890</u>	<u>1,210</u>
Total Liabilities	38,999	50,306
Net Assets:		
Unrestricted	15,544	16,708
Temporarily restricted	6,725	4,600
Permanently restricted	<u>1,548</u>	<u>1,543</u>
Total Net Assets	<u>23,817</u>	<u>22,851</u>
Total Liabilities and Net Assets	<u>\$ 62,816</u>	<u>\$ 73,157</u>

See accompanying notes.

THE ASIA FOUNDATION

**Statement of Activities and Changes in Net Assets
For the Year Ended September 30, 2015
(In Thousands)**

	Unrestricted				Temporarily Restricted				Permanently Restricted	
	Operations	Books for Asia	Investments	Total	Operations	Books for Asia	Investments	Total	Investments	Total
Support and Revenue:										
Support-										
Government, bilateral and multilateral institutions	\$ 103,663	\$ -	\$ -	\$ 103,663	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 103,663
Foundations, corporations and individuals	3,917			3,917	838			838	5	4,760
Books for Asia program						12,442		12,442		12,442
Net assets released from restriction and reclassifications	281	10,794		11,075	(176)	(10,794)	(105)	(11,075)		
Total support	107,861	10,794		118,655	662	1,648	(105)	2,205	5	120,865
Revenue-										
Investment return and other	249		(525)	(276)			(80)	(80)		(356)
Total Support and Revenue	108,110	10,794	(525)	118,379	662	1,648	(185)	2,125	5	120,509
Expenses:										
Program, grants and related services	95,234			95,234						95,234
Books for Asia distribution		10,794		10,794						10,794
Supporting services-										
Administration and general	12,785		54	12,839						12,839
Fundraising	676			676						676
Total Expenses	108,695	10,794	54	119,543						119,543
Change in Net Assets	(585)		(579)	(1,164)	662	1,648	(185)	2,125	5	966
Net assets, beginning of year				16,708				4,600	1,543	22,851
Net Assets, End of Year				\$ 15,544				\$ 6,725	\$ 1,548	\$ 23,817

See accompanying notes.

THE ASIA FOUNDATION

Statement of Activities and Changes in Net Assets
For the Year Ended September 30, 2014
(In Thousands)

	Unrestricted				Temporarily Restricted				Permanently Restricted	
	Operations	Books for Asia	Investments	Total	Operations	Books for Asia	Investments	Total	Investments	Total
Support and Revenue:										
Support-										
Government, bilateral and multilateral institutions	\$ 117,513	\$ -	\$ -	\$ 117,513	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 117,513
Foundations, corporations and individuals	3,738			3,738	874			874	524	5,136
Books for Asia program						3,986		3,986		3,986
Net assets released from restriction and reclassifications	436	11,178		11,614	(324)	(11,178)	(112)	(11,614)		
Total support	121,687	11,178		132,865	550	(7,192)	(112)	(6,754)	524	126,635
Revenue-										
Investment return and other	3		576	579			107	107		686
Total Support and Revenue	121,690	11,178	576	133,444	550	(7,192)	(5)	(6,647)	524	127,321
Expenses:										
Program, grants and related services	108,499			108,499						108,499
Books for Asia distribution		11,178		11,178						11,178
Supporting services-										
Administration and general	12,909		59	12,968						12,968
Fundraising	842			842						842
Total Expenses	122,250	11,178	59	133,487						133,487
Change in Net Assets	(560)		517	(43)	550	(7,192)	(5)	(6,647)	524	(6,166)
Net assets, beginning of year				16,751				11,247	1,019	29,017
Net Assets, End of Year				\$ 16,708				\$ 4,600	\$ 1,543	\$ 22,851

See accompanying notes.

THE ASIA FOUNDATION

Statements of Cash Flows
For the Years Ended September 30, 2015 and 2014
(In Thousands)

	<u>2015</u>	<u>2014</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ 966	\$ (6,166)
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities-		
Noncash activity included in change in net assets:		
Depreciation and amortization	677	537
Realized and unrealized loss (gain) on investments	1,058	(339)
Gain on disposal of property and equipment	(15)	(4)
Gifts-in-kind contributions for Books for Asia program	(12,442)	(3,986)
Distribution of books for Books for Asia program	10,794	11,178
Contributions to endowment	(5)	(524)
Changes in assets and liabilities:		
Accounts receivable	3,720	(2,688)
Prepaid expenses and other assets	(461)	852
Accounts payable and accrued expenses	163	(85)
Deferred support	(11,127)	16,609
Accrued post-retirement benefit obligation	(320)	(36)
Net Cash (Used) Provided by Operating Activities	(6,992)	15,348
Cash Flows From Investing Activities:		
Proceeds from the sale of investments	4,606	6,277
Purchases of investments	(4,902)	(6,195)
Proceeds from the sale of property and equipment	15	16
Purchases of property and equipment	(946)	(1,091)
Net Cash Used by Investing Activities	(1,227)	(993)
Cash Flows From Financing Activities:		
Proceeds from contributions to endowment	5	524
Net Cash Provided by Financing Activities	5	524
Net Change in Cash and Cash Equivalents	(8,214)	14,879
Cash and cash equivalents, beginning of year	37,060	22,181
Cash and Cash Equivalents, End of Year	\$ 28,846	\$ 37,060
Supplemental Disclosure of Cash Flow Information:		
Purchases of property and equipment included in accounts payable	\$ -	\$ 23

See accompanying notes.

THE ASIA FOUNDATION

Notes to Financial Statements

For the Years Ended September 30, 2015 and 2014

(Amounts Reported Are In Thousands)

Note 1 - Organization

The Asia Foundation (the Foundation) is a nonprofit international development organization committed to improving lives across a dynamic and developing Asia. Informed by six decades of experience and deep local expertise, its programs address critical issues affecting Asia in the 21st century - governance and law, economic development, women's empowerment, environment, and regional cooperation. In addition, its Books for Asia and professional exchange programs are among the ways it encourages Asia's continued development as a peaceful, just, and thriving region of the world. Headquartered in San Francisco, California, the Foundation works through a network of offices in Afghanistan, Bangladesh, Cambodia, China, India, Indonesia, Japan, Korea, Laos, Malaysia, Mongolia, Myanmar, Nepal, Pakistan, Philippines, Singapore, Sri Lanka, Thailand, Timor-Leste, Vietnam and in Washington, D.C. Working with public and private partners, the Foundation receives funding from a diverse group of bilateral and multilateral development agencies, foundations, corporations, and individuals.

The Foundation is funded by an annual appropriation from the U.S. Congress, competitively bid awards from governmental and multilateral development agencies, including the U.S. Agency for International Development, Australian Department of Foreign Affairs and Trade, United Kingdom's Department for International Development and by private foundations and corporations. The Foundation also receives gifts-in-kind, including books and software from major independent publishing houses, that the Foundation's Books for Asia program distributes each year to institutions throughout Asia.

Note 2 - Summary of Significant Accounting Policies

Basis of Presentation - The financial statements of the Foundation have been prepared on the accrual basis of accounting under accounting principles generally accepted in the United States of America (U.S. GAAP).

Net assets and revenue, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of the Foundation are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that may or will be met either by actions of the Foundation and/or the passage of time.

Permanently Restricted Net Assets - Net assets restricted by donor-imposed stipulations to be invested in perpetuity. The investment income from these funds is available for current use.

Support and revenue are reported as increases in unrestricted net assets unless the use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Temporary restrictions expire when the donor-stipulated purpose has been fulfilled and/or the donor-stipulated time period has elapsed. Expirations of temporary restrictions result in the reclassification of temporarily restricted net assets to unrestricted net assets and are reported in the statements of activities and changes in net assets as net assets released from restrictions.

Cash and Cash Equivalents - For purposes of the statements of cash flows, the Foundation considers all highly liquid funds with an original maturity of three months or less, including those held in the Foundation's investment portfolio, to be cash equivalents.

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2015 and 2014 (Amounts Reported Are In Thousands)

Note 2 - Continued

Accounts Receivable - Accounts receivable consists of program and other receivables that are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a charge to expense and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to program or other receivables.

Books for Asia Inventory and Gifts-in-Kind Support - The Foundation recognizes gifts-in-kind consisting of books, software and related shipping services donated to the Foundation's Books for Asia program (the Program). These gifts-in-kind are recognized at fair value on the date received in the statements of activities and changes in net assets. The fair value of the gifts-in-kind support is determined based on the lowest published price, by title of book or software, obtained from independent third parties. Although it is the Foundation's policy to distribute gifts-in-kind as promptly as possible, the Foundation may hold some gifts-in-kind at year-end. Books and software not yet distributed under the Program at year-end are reported at the lower of cost or market as Books for Asia inventory in the statements of financial position. The lowest published price is obtained in the principal market or, in the absence of a principal market, the most advantageous market, reflecting the highest and best use of each title. The principal market for these books is one which offers the greatest volume and level of activity for sales of each title. Program expense is recognized as the books are used by or distributed under the Program, at their carrying value as discussed above, on the date of transaction based on specific book or software title.

Gifts-in-kind revenue consisted of the following for the years ended September 30:

	In Thousands	
	2015	2014
Donated books	\$ 12,277	\$ 3,901
Donated shipping services	165	85
Other donated goods and services	26	
Total Gifts-in-Kind Revenue	\$ 12,468	\$ 3,986

For the year ended September 30, 2015 approximately 70% of gifts-in-kind revenue was from one donor.

Investments - Investments in equity securities with readily determinable market values and all debt securities are recorded at fair value. Investments in securities traded on organized securities exchanges are valued at the closing price on the last business day of the fiscal year. The fair value of other investments, principally investments in hedge funds, for which quoted market prices are not available, is determined by management with the assistance of third-party investment managers using methods it considers appropriate. Securities are generally held in custodial investment accounts administered by certain financial institutions.

Investment securities, in general, are exposed to various risks, including interest rate, credit and overall market volatility. Due to the level of risk associated with certain long-term investments, it is possible that changes in the values of these investments may occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2015 and 2014 (Amounts Reported Are In Thousands)

Note 2 - Continued

Investment return, including dividends, interest and realized and unrealized gains and losses, are reported in the statements of activities and changes in net assets. Where directed by the donor or grantor, interest earned on award advances is credited to a specific restricted fund for future use as specified in the award agreement. All other interest earned is credited to other restricted and unrestricted fund balances as is appropriate.

Fair Value of Financial Instruments - Financial instruments reported at fair value on a recurring basis include investments. Financial instruments not reported at fair value on a recurring basis include receivables and accounts payable. The carrying amounts of these financial instruments approximate fair value.

Property and Equipment - The Foundation capitalizes property and equipment with a cost of \$5, or greater. Property and equipment are recorded at cost if purchased, or if donated, at fair value at the date of the gift. Depreciation is provided on the straight-line method over the estimated useful lives of the assets, which range from three to ten years, with the exception of leasehold improvements. Leasehold improvements are capitalized if they add to the value of the property or prolong its useful life. Leasehold improvements are amortized over the shorter of the life of the leasehold improvement or the lease term. Internally developed software with costs exceeding \$5 are capitalized and depreciated over the software's estimated useful life, which is ten years.

Deferred Support - Deferred support represents the unearned portion of funds billed under exchange transactions and collected conditional contributions. Such amounts are recognized as support when earned as the related services are provided or when the donor's conditions are met.

Revenue Recognition - Support from exchange transactions is recognized when earned as the related services are provided. Payments under such transactions are generally received on a cost-reimbursement basis.

Contributions are recognized as revenue when they are unconditionally received or promised. Unconditional promises to give that are expected to be collected in future years are included in accounts receivable and discounted to present value based on estimated future cash flows. The discounts on those amounts are computed using appropriate interest rates applicable in the years in which the promises were received. Unconditional promises to give expected to be collected within one year are recorded at their net realizable value.

Conditional contributions are recognized as revenue when the conditions upon which they depend have been substantially met. The Foundation has been named as beneficiary of certain revocable wills and trusts for which the amount and date of expected future contributions cannot be determined. Accordingly, these conditional promises to give are not reflected in the accompanying financial statements.

Concentration of Credit Risk - Financial instruments that potentially subject the Foundation to concentrations of credit and market risk consist primarily of cash and cash equivalents, investments and accounts receivable. Cash and cash equivalents and investments held by financial institutions at times exceed Federal Deposit Insurance Corporation and Securities Investor Protection Corporation insured limits.

The Foundation operates in a number of foreign countries. As of September 30, 2015 and 2014, the Foundation held approximately \$3,533 and \$3,783 in foreign countries, of which \$1,450 and \$1,676 was in foreign currencies, respectively. Repatriation of funds restrictions may exist in a small number of foreign currency accounts. The Foundation has not experienced any losses in such accounts and closely monitors its cash and investments. Therefore, management believes the Foundation is not exposed to any significant credit risk on cash and cash equivalents or investments.

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Notes to Financial Statements For the Years Ended September 30, 2015 and 2014 (Amounts Reported Are In Thousands)

Note 2 - Continued

For the years ended September 30, 2015 and 2014, receivables for awards from the U.S. Government represented 64% and 65%, respectively, of the Foundation's accounts receivable. For the years ended September 30, 2015 and 2014, revenue for awards from the U.S. Government and one nonfederal agency provided 68% and 66%, respectively, of the Foundation's support and revenue.

Functional Allocation of Expenses - The costs of providing the various programs and other activities have been summarized on a functional basis in the statements of activities and changes in net assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Additionally, the Foundation incurs various fundraising expenses.

Tax Exempt Status - The Internal Revenue Service has determined that the Foundation is exempt from federal income taxes under provisions of Section 501(c)(3) of the Internal Revenue Code (IRC) and is classified as an organization that is not a private foundation under Section 501(a) of the IRC. The Foundation is also recognized by the California Franchise Tax Board as exempt in California under the California Revenue and Taxation Code Section 23701d and is, therefore, exempt from California income and franchise taxes on operations related to its exempt purpose and investment income. The Foundation files tax returns with the United States and various state, local and foreign governments. The Foundation is subject to tax examinations by the tax authorities of these governments for the current year and certain prior years based on the applicable laws and regulations of each jurisdiction.

Foreign Currency Translation - Substantially all assets and liabilities of the Foundation that are held in foreign currencies are translated to U.S. dollars at year-end exchange rates. Revenue, gains and other support and expenses are translated at the average weekly exchange rates during the year. Gains and losses from foreign currency translation for the year are included in the statements of activities and changes in net assets. Net foreign currency translation losses totaled \$105 for the year ended September 30, 2015. Net foreign currency translation gains totaled \$9 for the year ended September 30, 2014.

Use of Estimates - The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events - The Foundation has evaluated subsequent events through January 14, 2016, the date on which the financial statements were available to be issued.

Note 3 - Program Receivables

Program receivables represent amounts due under funding agreements with public and private entities for program services rendered or to be performed, inclusive of advances to subrecipients. All program receivables are deemed collectible at September 30, 2015 and 2014.

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Notes to Financial Statements For the Years Ended September 30, 2015 and 2014 (Amounts Reported Are In Thousands)

Note 3 - Continued

Program receivables were as follows at September 30:

	In Thousands	
	2015	2014
Billed	\$ 7,199	\$ 5,334
Unbilled	5,529	10,974
Total Program Receivables	\$ 12,728	\$ 16,308

Note 4 - Investments and Fair Value Measurements

U.S. GAAP provides a framework for measuring fair value. To increase consistency and comparability in fair value measurements, the framework requires fair value to be determined based on the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants.

The framework uses a three-level valuation hierarchy based on observable and nonobservable inputs. Observable inputs consist of data obtained from independent sources. Nonobservable inputs reflect market assumptions. These two types of inputs are used to create the fair value hierarchy, giving preference to observable inputs.

Assets and liabilities classified as Level 1 have fair values based on unadjusted quoted market prices for identical instruments in active markets. Assets and liabilities classified as Level 2 have fair values based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in inactive markets, or model-derived valuations whose inputs are observable. Assets and liabilities classified as Level 3 have fair values based on value drivers that are unobservable.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2015 and 2014.

Mutual Funds - Valued at quoted market prices in active markets, which represent the net asset value (NAV) of shares held by the Foundation at year-end.

Equity Securities - Valued at the closing price reported on the active market on which the securities are traded.

Hedge Funds - Valued using the NAV provided by the investment's manager. The NAV is based on the fair value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of units outstanding at the valuation date. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Beneficial Interest in Charitable Remainder Trust - Valued at the present value of estimated future cash flows to be received by the Foundation based on the value of trust assets, which approximates fair value.

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Notes to Financial Statements
For the Years Ended September 30, 2015 and 2014
(Amounts Reported Are In Thousands)

Note 4 - Continued

Investments recorded at fair value on a recurring basis were as follows at September 30, 2015:

	In Thousands			Total
	Level 1	Level 2	Level 3	
Mutual funds-				
Equity - large cap US	\$ 1,516	\$ -	\$ -	\$ 1,516
Equity - small/mid cap US	150			150
Equity - international	982			982
Equity - global	1,627			1,627
Real assets/real return	1,314			1,314
Fixed income	2,027			2,027
Fixed income - global	573			573
Total mutual funds	8,189			8,189
Equity securities-				
US	158			158
International	795			795
Total equity securities	953			953
Hedge funds			2,708	2,708
Beneficial interest in charitable remainder trust			117	117
Total Investments at Fair Value on a Recurring Basis	\$ 9,142	\$ -	\$ 2,825	\$ 11,967

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**Notes to Financial Statements
For the Years Ended September 30, 2015 and 2014
(Amounts Reported Are In Thousands)**

Note 4 - Continued

Investments recorded at fair value on a recurring basis were as follows at September 30, 2014:

	In Thousands			
	Level 1	Level 2	Level 3	Total
Mutual funds-				
Equity - large cap US	\$ 1,858	\$ -	\$ -	\$ 1,858
Equity - small/mid cap US	161			161
Equity - international	1,097			1,097
Equity - global	1,713			1,713
Equity hedge	1,085			1,085
Real assets/real return	1,323			1,323
Fixed income	2,884			2,884
Fixed income - global	621			621
Total mutual funds	10,742			10,742
Equity securities-				
US	161			161
International	810			810
Total equity securities	971			971
Hedge funds			917	917
Beneficial interest in charitable remainder trust			99	99
Total Investments at Fair Value on a Recurring Basis	\$ 11,713	\$ -	\$ 1,016	\$ 12,729

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**Notes to Financial Statements
For the Years Ended September 30, 2015 and 2014
(Amounts Reported Are In Thousands)**

Note 4 - Continued

The changes in investments classified as Level 3 were as follows for the years ended September 30:

	In Thousands			
	HFOF: Private Investors	Skybridge	Beneficial Interest in Trust	Total
Total Level 3 investments, October 1, 2013	\$ 877	\$ -	\$ -	\$ 877
Unrealized gains	40			40
Transfers			97	97
Change in value of beneficial interest in trust			2	2
Total Level 3 Investments, September 30, 2014	917		99	1,016
Purchases	425	1,375		1,800
Change in value of beneficial interest in trust			18	18
Unrealized gains and fees, net	25	(34)		(9)
Total Level 3 Investments, September 30, 2015	\$ 1,367	\$ 1,341	\$ 117	\$ 2,825

The table below summarizes significant terms of the agreements with certain investment companies. There are no significant redemption restrictions or unfunded commitments on other types of investments.

Asset Class	Fair Value	Remaining Life	Unfunded Commitments	Redemption Terms	Redemption Restrictions
HFOF: Private Advisors	\$1,367	No limit	None	Quarterly withdrawals with 65 days' written notice.	Redemptions in full are subject to a hold back of 3% on redemption proceeds at the discretion of the Fund's management until the Fund's subsequent audit is completed. Interest is not paid on the hold back.
Skybridge	\$1,341	No limit	None	Quarterly withdrawals with 60 days' written notice.	For partial redemptions, the funds are paid out approximately 30 days after the redemption date. For full redemptions, 95% of the funds are paid out approximately 30 days after redemption date and 5% within 60 days.

The Foundation is named as a beneficiary in a charitable remainder trust held by a third party. The trust assets consist generally of publicly traded investments; however, the Foundation's beneficial interest in the trust is based on the present value of estimated future cash flows over the term of the trust. The Foundation does not control the investment portfolio or the distributions from the trust.

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Notes to Financial Statements For the Years Ended September 30, 2015 and 2014 (Amounts Reported Are In Thousands)

Note 4 - Continued

Investment return on cash and investments was comprised of the following for the years ended September 30:

	In Thousands	
	2015	2014
Interest and dividends	\$ 453	\$ 344
Realized (losses) gains	(123)	571
Unrealized losses	(935)	(232)
Investment management fees	(54)	(59)
Investment Return, Net	\$ (659)	\$ 624

Note 5 - Property and Equipment

Property and equipment consisted of the following at September 30:

	In Thousands	
	2015	2014
Furniture and equipment	\$ 2,940	\$ 3,355
Leasehold improvements	1,733	1,470
Automobiles	1,442	1,368
Capitalized software	717	
	6,832	6,193
Less accumulated depreciation and amortization	(4,474)	(4,081)
Property and Equipment, Net	\$ 2,358	\$ 2,112

As of September 30, 2015 and 2014, \$298 and \$726, respectively, of property and equipment was not yet placed in service and no depreciation or amortization had been taken.

Note 6 - Pension Plans and Postretirement Benefits

The Foundation provides a defined contribution retirement plan for its US payrolled employees paid by the Foundation as a cooperating institution in the Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA/CREF). The Foundation's policy is to fund accrued retirement costs. The retirement plan expense incurred by the Foundation related to TIAA/CREF totaled \$1,439 and \$1,435 for the years ended September 30, 2015 and 2014, respectively, and was based on a percentage of salary expense taking into account the start date of the employee.

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2015 and 2014 (Amounts Reported Are In Thousands)

Note 6 - Continued

The Foundation also provides various defined contribution retirement plans for its local employees at the Asian field offices. The plans vary by country with the majority of contributions based on a percentage of salary expense. The total contributions made by the Foundation to these plans totaled \$772 and \$752 for the years ended September 30, 2015 and 2014, respectively.

In addition to the defined contribution retirement plans, the Foundation provides certain health care and life insurance benefits to retired U. S. employees and their dependents (the Plan). The Plan was amended and curtailed in 2001 to exclude all current and future employees from coverage. The Foundation has the right to modify or terminate these benefits at its discretion.

The actuarial present value of benefit obligations, funded status, and change in benefit obligations were as follows for the years ended September 30:

	In Thousands	
	2015	2014
Change in benefit obligation-		
Benefit obligation at beginning of year	\$ 820	\$ 809
Net periodic cost - interest	24	21
Benefits paid	(59)	(54)
Adjustment to unrestricted net assets	(229)	44
Benefit obligation at end of year	556	820
Change in plan assets-		
Fair value of plan assets at beginning of year		
Employer contributions	59	54
Benefits and expenses paid	(59)	(54)
Fair value of plan assets at end of year		
Accrued Pension Liability at End of Year	\$ 556	\$ 820

Unrecognized net gain for the years ended September 30, 2015 and 2014, totaled \$331 and \$101, respectfully. The gains and losses are being amortized over the average future lifetime of covered retirees.

THE ASIA FOUNDATION

**Notes to Financial Statements
For the Years Ended September 30, 2015 and 2014
(Amounts Reported Are In Thousands)**

Note 6 - Continued

Assumptions used in the accounting for the above Plan were as follows for the years ended September 30:

	<u>2015</u>	<u>2014</u>
Medical cost trends for-		
Medical benefits	7.5%	8.0%
Prescription drug coverage	10.0%	15.5%
Dental benefits	4.0%	4.0%
Subsequent year rate of increase-		
Medical benefits	-0.5%	-0.5%
Prescription drug coverage	-1.0%	-0.5%
Weighted average discount rate used in determining the accumulated postretirement benefit obligation	3.19%	3.42%

The Foundation expects to make contributions to the Plan as benefit payments are required. Projected benefit payments are expected to be paid as follows:

For the Year Ending September 30,	<u>In Thousands</u>
2016	\$ 54
2017	54
2018	54
2019	53
2020	51
Succeeding 5 years	218

The Foundation also provides certain retirement benefits to local employees in its field offices and retired employees for which the Foundation has a financial liability. This liability totaled \$334 and \$390 at September 30, 2015 and 2014, respectively.

Note 7 - Unrestricted Net Assets

Unrestricted net assets consisted of the following at September 30:

	<u>In Thousands</u>	
	<u>2015</u>	<u>2014</u>
Undesignated	\$ 4,851	\$ 5,465
Board designated for long-term investment	10,658	11,208
Board designated for Indonesia operations	35	35
Total Unrestricted Net Assets	<u>\$ 15,544</u>	<u>\$ 16,708</u>

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2015 and 2014 (Amounts Reported Are In Thousands)

Note 8 - Temporarily Restricted Net Assets

Temporarily restricted net assets were available for the following purposes at September 30:

	In Thousands	
	2015	2014
Books for Asia	\$ 3,709	\$ 2,061
Restricted purpose projects	2,174	1,530
Programs and scholarships	725	910
Beneficial interest in remainder trust	117	99
Total Temporarily Restricted Net Assets	\$ 6,725	\$ 4,600

Net assets were released from restriction either as program purposes were met or by the passage of time as specified by donors as follows during the years ended September 30:

	In Thousands	
	2015	2014
Books for Asia	\$ 10,794	\$ 11,178
Restricted purpose projects	176	324
Programs and scholarships	105	112
Total Temporarily Restricted Net Assets Released	\$ 11,075	\$ 11,614

Note 9 - Endowments

The Foundation's permanently restricted net assets consist of five individual and one general donor-restricted endowment funds established for a variety of purposes. As required by U.S. GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Uniform Prudent Management of Institutional Funds Act (UPMIFA) has been adopted by the State of California. The Board of Trustees of the Foundation has reviewed UPMIFA and, having considered its rights and obligations thereunder, has determined that it is desirable to preserve, on a long-term basis, the fair value of original gifts as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this determination, the Foundation classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

THE ASIA FOUNDATION

Notes to Financial Statements
For the Years Ended September 30, 2015 and 2014
(Amounts Reported Are In Thousands)

Note 9 - Continued

In accordance with UPMIFA, the Foundation considers:

- The duration and preservation of the endowment fund;
- The purposes of the Foundation and the endowment fund;
- General economic conditions;
- The possible effect of inflation or deflation;
- The expected total return from income and the appreciation of investments;
- Other resources of the Foundation; and
- The investment policies of the Foundation.

Changes in donor-restricted endowment net assets were as follows for the years ended September 30:

	In Thousands		
	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets, October 1, 2013	\$ 925	\$ 1,019	\$ 1,944
Endowment investment return-			
Interest and dividends	39		39
Realized and unrealized gains	58		58
Total endowment investment return	97		97
Endowment contributions		524	524
Appropriation of endowment for expenditure	(112)		(112)
Endowment Net Assets, September 30, 2014	910	1,543	2,453
Endowment investment return-			
Interest and dividends	120		120
Realized and unrealized losses	(230)		(230)
Total endowment investment return	(110)		(110)
Endowment contributions		5	5
Transfers to cover underwater endowments	30		30
Appropriation of endowment for expenditure	(105)		(105)
Endowment Net Assets, September 30, 2015	\$ 725	\$ 1,548	\$ 2,243

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2015 and 2014 (Amounts Reported Are In Thousands)

Note 9 - Continued

Funds With Deficiencies - From time to time, the fair value of investments associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. Such deficiencies totaled \$30 at September 30, 2015. There were no such deficiencies at September 30, 2014.

Return Objectives and Risk Parameters - The Foundation has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets included those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specified period. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results while assuming a moderate level of investment risk. The Foundation currently expects its endowment funds, over time, to provide an average rate of return of approximately 5.7 percent plus the rate of inflation annually. Actual returns in any given year may vary from this amount.

Strategies Employed for Achieving Objectives - To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy and How the Investment Objectives Relate to the Spending Policy - The Foundation has a policy of appropriating for distribution each year 5 percent of its permanently restricted endowment fund's weighted-average fair value over the prior 20 quarters at June 30. The valuation takes place three months before the start of the next fiscal year. In establishing this policy, the Foundation considered the long-term expected return on its endowment. Accordingly, over the long term, the Foundation currently expects the current spending policy to allow its endowment to earn an average of 5.7 percent plus the rate of inflation annually. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

The earnings on the donor-restricted endowments are to be used for general support to the Foundation as well as to support fellowships in conflict resolution, the Washington, D.C. Public Affairs program, advancing human rights, student internships and scholarships.

Note 10 - Department for International Development Project Revenue and Expense

In accordance with the memorandum of understanding between the Foundation and Department for International Development (DFID) for the DFID Program Partnership Agreement (PPA), PPA revenue and expenses were subjected to the auditing procedures applied in the audit of the financial statements of the Foundation. PPA expenditures totaled \$3,618,619 for the year ended September 30, 2015, and are reflected in the schedule of expenditures of nonfederal awards, presented as a supplementary schedule to the financial statements on page 27 (DFID CHASE PPA (Yr. 4)).

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2015 and 2014 (Amounts Reported Are In Thousands)

Note 10 - Continued

Contribution funds received for the PPA were as follows for the year ended September 30, 2015:

DFID Fund Request PO Number	DFID Quarter Funds Requested	Date Funds Received	Amount Received in GBP	Amount Received in USD
40082373	Qtr. 3 - October to December 2014	November 7, 2014	£ 611,257.50	\$ 969,634.36
40082373	Qtr. 4 - January to March 2015	January 15, 2015	611,257.50	924,606.72
40082373	Qtr. 1 - April to June 2015	July 15, 2015	611,257.50	950,190.42
40082373	Qtr. 2 - July to September 2015	July 28, 2015	611,257.50	943,589.94
Total Received			£ 2,445,030.00	\$ 3,788,021.44

Funds are received in British Pounds (GBP) and are translated to the United States Dollar (USD) at the prevailing exchange rate on the date received. Revenue for the PPA is released from restriction as related allowable project costs are incurred and is included in government, bilateral and multilateral institutions revenue in the statements of activities and changes in net assets. Management asserts the satisfactory performance of procedures and internal controls to mitigate risks to which the Foundation would be exposed in administering the contributions.

Note 11 - Commitments and Contingencies

The Foundation leases certain office, equipment and warehouse facilities under various operating leases. Future minimum lease payments for noncancelable operating leases are as follows:

For the Year Ending September 30,	In Thousands
2016	\$ 978
2017	929
2018	921
2019	934
2020	901
Thereafter	2,010
Total	\$ 6,673

Rental expense totaled \$3,068 and \$3,228 for the years ended September 30, 2015 and 2014, respectively. The Foundation has a lease with escalating rent payments with future annual minimum lease payments increasing from \$667 to \$804.

The Foundation is liable for accumulated termination rights of employees working overseas in certain countries. The Foundation's policy is to accrue termination rights when local law mandates that payment be made on separation irrespective of the specific circumstances. Accrued termination rights totaled \$2,559 and \$2,362 at September 30, 2015 and 2014, respectively.

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2015 and 2014 (Amounts Reported Are In Thousands)

Note 11 - Continued

Lawsuits and claims are filed from time to time against the Foundation in the ordinary course of operations. Management does not believe that any outstanding matters will have a material adverse impact on the financial statements.

Under the terms and conditions of award agreements with the Foundation's funders, support funds not spent in accordance with the intent of the agreements may be recovered by the funder. In the opinion of management, adequate provision has been made in the accompanying financial statements for any funds that may be recovered by or are not recoverable from the Foundation's funders.

The Foundation receives funds that are subject to audits by the funders. In the opinion of management, the Foundation's liability, if any, resulting from such claims will not materially affect the Foundation's financial position or its results of activities.

Commitments due by the Foundation under grant agreements to subrecipients for services not yet provided totaled \$20,482 and \$20,715 as of September 30, 2015 and 2014, respectively.

Note 12 - Related Party Transactions

Contributions received from the Foundation's Board of Trustees totaled \$259 and \$966 for the years ended September 30, 2015 and 2014, respectively.

SUPPLEMENTARY INFORMATION

THE ASIA FOUNDATION

**Schedule of Functional Expenses
For the Year Ended September 30, 2015
(In Thousands)**

	Program Grants and Related Services	Supporting Services		Total
		Administration and General	Fundraising	
Program grants and subcontracts	\$ 38,333	\$ -	\$ -	\$ 38,333
Staff salaries	16,531	5,456	173	22,160
Non-staff salaries	8,018			8,018
Payroll taxes and employee benefits	12,235	3,322	95	15,652
Office rent and utilities	3,333	712	23	4,068
Travel	6,774	646	21	7,441
Professional fees	477	1,237	89	1,803
Employee housing	1,896			1,896
Personnel - moving expenses	544	12		556
Communications and supplies	1,483	288	11	1,782
Equipment expenses	1,898	206	9	2,113
General insurance	213	117		330
Conferences, training and other	3,394	756	234	4,384
Foreign currency exchange	105			105
Public relations		87		87
	95,234	12,839	655	108,728
Books for Asia book distribution	10,794			10,794
Other in-kind			21	21
Total Expenses	\$ 106,028	\$ 12,839	\$ 676	\$ 119,543

See independent auditor's report.

THE ASIA FOUNDATION

Schedule of Functional Expenses
For the Year Ended September 30, 2014
(In Thousands)

	Program Grants and Related Services	Supporting Services		Total
		Administration and General	Fundraising	
Program grants and subcontracts	\$ 50,210	\$ -	\$ -	\$ 50,210
Staff salaries	16,060	5,486	86	21,632
Non-staff salaries	8,534			8,534
Payroll taxes and employee benefits	12,190	3,289	57	15,536
Office rent and utilities	2,970	664	13	3,647
Travel	7,738	808	31	8,577
Professional fees	424	1,296	283	2,003
Employee housing - overseas	1,918			1,918
Personnel - moving expenses	554	14		568
Communications and supplies	1,542	370	21	1,933
Equipment expenses	2,359	159	6	2,524
General insurance	225	114	1	340
Conferences, training and other	3,785	670	344	4,799
Foreign currency exchange	(10)	1		(9)
Public relations		97		97
	108,499	12,968	842	122,309
Books for Asia book distribution	11,178			11,178
Total Expenses	\$ 119,677	\$ 12,968	\$ 842	\$ 133,487

See independent auditor's report.

THE ASIA FOUNDATION

**Schedule of Expenditures of Nonfederal Bilateral and Multilateral Awards
For the Year Ended September 30, 2015**

<u>Nonfederal Grantor / Program Title</u>	<u>Country</u>	<u>Award Number</u>	<u>Expenditures</u>
Multilateral Awards:			
Asian Development Bank- Workshop on Assessing Fragility for a Differentiated Approach in Fragile and Conflict Affected Situations and Areas	Thailand	TA 8065	\$ 9,373
Total Asian Development Bank			9,373
European Commission- Promoting Regional Cooperation Capacity in Ministry of Foreign Affairs (PRCC-MoFA)	Afghanistan	DCI-ASIE/2013/334286	844,326
Total European Commission			844,326
International Labour Office- Expanded Socio-Economic Analysis of Research Data on Child Labor and Labor Conditions in Thai Shrimp and Seafood Processing Industry Setting Up of Mediation Boards for Migrant Workers and Their Families	Thailand Sri Lanka	40139245/0 M27012317690	83,457 18,597
Total International Labour Office			102,054
National AIDS Control Program- Global Fund-R3-TB	Pakistan	Global Fund	4,100
Total National AIDS Control Program			4,100
The World Bank- Consolidated Training Program - Theme Civil Society Role and Social Accountability ISAF - Learning by Doing Sri Lanka: North East Local Services Improvement Project (NELSIP)	Cambodia Sri Lanka	7175453	6,558 13,859
Cross Regional Violence Monitoring Knowledge Exchange Project	Program, Strategy, Innovation and Learning - Thailand	7175804	41,667
Total The World Bank			62,084
United Nations Children's Fund- Provision of Technical Support for the Ministries of Health and Education and Science; HWTS Scale Up Environmental Protection and School - and Household - Level Water Treatment and Safe Storage (HWTS): a Pilot Project in Khuvsgul Aimag	Mongolia Mongolia		79,698 106,697
Total United Nations Children's Fund			186,395
Total Multilateral Awards			1,208,332
Other Governments Awards:			
Agriteam Canada- National Language Project - Phase IV	Sri Lanka	1890 TAF 14-1	43,530
Total Agriteam Canada			43,530

See independent auditor's report.

THE ASIA FOUNDATION

**Schedule of Expenditures of Nonfederal Bilateral and Multilateral Awards (Continued)
For the Year Ended September 30, 2015**

Nonfederal Grantor / Program Title	Country	Award Number	Expenditures
Other Governments Awards (Continued):			
Australian Department of Foreign Affairs and Trade (formerly AusAID)- Public Outreach, Democracy, and Elections (Afghanistan)	Afghanistan	64034	175,861
Institutionalizing the Survey of the Afghan People	Afghanistan	64520	164,540
Afghan Survey 2015-2018	Afghanistan	64520	131,148
Strengthened Access to Justice for Women Affected by Violence in Afghanistan	Afghanistan	66993	2,993,695
Improving Targeting to Prevent Intimate Partner Violence	Cambodia	69990	273,833
Joint Research Program that Responds to the Shared Strategic Needs of Both Government of Australia's Department of Foreign Affairs and Trade DFAT and TAF	Cambodia	70915	63,917
Preventing Intimate Partner Violence (PIPV) against Women in Cambodia - Stage 1	Cambodia	71027	289,535
Australia Indonesia Partnership - Promoting Rural Income Through Support for Markets in Agriculture project (AIP-PRISMA)	Indonesia		56,468
Civil Society Sub-Grants and Technical Assistance for Australia-Indonesia Electoral Support Program 2011-2015	Indonesia	60389	1,511,962
Prison Reform in Indonesia - Phase 3	Indonesia	62753	652,568
PNPM Peduli Phase II: National Program for Community Empowerment	Indonesia	70009	6,176,734
Civic Information API	Indonesia	70831	320,728
Capacity Building Training to LAO MFA	Laos	71613	38,101
The Development and Delivery of the Australia-ASEAN Emerging Leaders Program (A2ELP) - 5th A2ELP	Malaysia	DFAT13-SED-09; 71800	77,781
TIM-Strengthen Trans MG	Mongolia	70146	110,209
Post-Earthquake Recovery NP	Nepal	71662	561,677
AusAID-TAF Partnership Agreement: Program Initiatives	Program, Strategy, Innovation and Learning	62970/1	4,391,690
AusAID-TAF Partnership Agreement: Strategic Dialogue	Learning	62970/1	51,184
AusAID-TAF Partnership in the Philippines	Philippines	60149	5,836,330
Building Autonomous and Stable Institutions and Communities for Bangsamoro Advancement Through National-Level and Grassroots Organizations and Networks (B-BANGON)	Philippines	70948	611,188
Sri Lanka Local Economic Governance Project	Sri Lanka	55249	994,708
Sri Lanka Northern Provincial Council Capacity Building Program	Sri Lanka	71811	7,393
Protecting Migrant Workers' Rights in Vietnam	Vietnam	66745	12,732
Supporting Business Associations for Dynamic and Inclusive Growth (Vietnam)	Vietnam	69124	245,221
Non-Government Organisation Funding to Support Good Public Policy in Public Administration and Public Financial Management in Timor-Leste	Timor-Leste	61971	1,196,910
Ending Violence Against Women in Timor-Leste	Timor-Leste	69943	4,311,722
Total Australian Department of Foreign Affairs and Trade (formerly AusAID)			31,257,835
Australian Federal Police- Quantitative Study of Community-Police in Timor-Leste in 2015	Timor-Leste		55,113
Total Australian Federal Police			55,113
Australian High Commission- Good Governance Through Youth of Higher Levels Schools and Madrassahs Promoting Good Governance at the Community Level Through Muslim Religious Leaders	Bangladesh	Direct Aid Program	9,672
	Bangladesh	Direct Aid Program	4,157
Total Australian High Commission			13,829

See independent auditor's report.

THE ASIA FOUNDATION

**Schedule of Expenditures of Nonfederal Bilateral and Multilateral Awards (Continued)
For the Year Ended September 30, 2015**

<u>Nonfederal Grantor / Program Title</u>	<u>Country</u>	<u>Award Number</u>	<u>Expenditures</u>
Other Governments Awards (Continued):			
British Embassy-			
Institutionalizing the Survey of the Afghan People	Afghanistan	AGA 120227	61,200
Afghan Survey 2015-2018	Afghanistan		185,112
Innovation Zones: Supporting Low Carbon Development for Vietnamese Business	Vietnam		61,191
Supporting Investigative Journalism for More Vibrant Public Policy Debates in Vietnam	Vietnam		<u>26,474</u>
Total British Embassy			333,977
British High Commission-			
Partnership for Security and Justice - Community Policing	Sri Lanka		351,713
Supporting Sensitive and Effective Police Response to Address and Reduce Violence Against Women	Sri Lanka		130,825
Youth as a Catalyst in Promoting Religious Tolerance	Sri Lanka		78,736
Partnership for Security and Justice: Strengthening Community Policing in Sri Lanka	Sri Lanka		<u>349,018</u>
Total British High Commission			910,292
Canadian DFATD-			
Pakistan Religious Freedom Initiatives: Leaders of Influence Program	Pakistan	RFF 2013-028	<u>487,418</u>
Total Canadian DFATD			487,418
CARDNO-			
Australia Indonesia Partnership for Justice (AIPJ)	Indonesia Women's Empowerment Program	AC43600/AIPJ/TAF/SL	2,329,349
The Australia-Asia Program To Combat Trafficking In Persons (AAPTIP)			<u>112,321</u>
Total CARDNO			2,441,670
CIDA-			
Building Better Budgets for Women and their Peers	Indonesia	7055173	<u>36,990</u>
Total CIDA			36,990
Department for International Development (DFID)-			
Increasing Women's Political Participation and Dialogue Opportunity Project	Afghanistan	203501-104	321,057
Preventing Violence Against Women and Girls in Cambodia Through Innovations in Mobile Technology	Cambodia	ARIES PROJ NO 203244	197,422
Saving Forests and Land by Improving Governance	Indonesia	202798-102	2,615,253
Saving Forests and Land by Improving Governance II	Indonesia	204623-101	179,764
Independent Impact and Recovery Monitoring for Accountability in Post-Earthquake Nepal: Phase One	Nepal	203385-103	246,674
DFID CHASE PPA (YR 4)	Program, Strategy, Innovation and Learning - Thailand		<u>3,618,619</u>
Total Department for International Development (DFID)			7,178,789
Deutsche Gesellschaft fur Internationale Zusammenarbeit			
Afghan Survey 2015-2018	Afghanistan	81188787	<u>74,466</u>
Total Deutsche Gesellschaft fur Internationale Zusammenarbeit			74,466

See independent auditor's report.

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**Schedule of Expenditures of Nonfederal Bilateral and Multilateral Awards (Continued)
For the Year Ended September 30, 2015**

Nonfederal Grantor / Program Title	Country	Award Number	Expenditures
Other Governments Awards (Continued):			
FCO-			
Reducing Barriers to Food Trade in India	India		20,725
Enhancing Trade and Regional Cooperation Between Pakistan and Afghanistan (PACT)	Pakistan		13,203
Facilitating Diverse Public Voice in Thai Political Reform	Thailand		<u>36,271</u>
Total FCO			70,199
International Development Research-			
Regional Violence Monitoring Knowledge Exchange	Program, Strategy, Innovation and Learning - Thailand	107858-001	<u>65,914</u>
Total International Development Research			65,914
Irish AID-			
Developing a Sustainable Civil Society Sector in Vietnam	Vietnam	VCSF.2013.05	<u>77,312</u>
Total Irish AID			77,312
Korea Development Institute-			
International Development Cooperation Capacity Building Program	South Korea		229,871
South-South Development Cooperation Dialogue: Lessons for Development Effectiveness - Year 4	South Korea		52,981
South-South Development Cooperation Dialogue: Lessons for Development Effectiveness - Year 5	South Korea		<u>46,685</u>
Total Korea Development Institute			329,537
Korea International Cooperation Agency-			
Sri Lanka Local Economic Governance Project	Sri Lanka		<u>110,368</u>
Total Korea International Cooperation Agency			110,368
Korean Women's Development Initiative-			
Joint Research Project Between the Asia Foundation, Cambodia and KWDI	Cambodia		<u>1,820</u>
Total Korean Women's Development Initiative			1,820
Multiple Funders-			
Afghan Survey 2015-2018	Afghanistan	CR 31892 31893 31897 31908	4,457
EWG National Election Program - Strengthening Civic Engagement in Elections and Political Processes for Enhanced Transparency and Democratic Accountability	Bangladesh	DFID 200593.109, RDE 104.Bang.125-20-99, SIDA 51060032, SDC 81019990	1,312,554
Myanmar Strategic Support Program	Myanmar	71716; 203996-107	143,081
Supporting Transparency, Accountability and Electoral Process in Pakistan	Pakistan	RNE 20098 DFID202289	<u>30,437</u>
Total Multiple Funders			1,490,529
New Zealand Agency of International Development-			
Quantitative Study of Community - Police Relationships in Timor-Leste	Timor-Leste	A1059-A02	<u>143,115</u>
Total New Zealand Agency of International Development			143,115

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THE ASIA FOUNDATION

**Schedule of Expenditures of Nonfederal Bilateral and Multilateral Awards (Continued)
For the Year Ended September 30, 2015**

<u>Nonfederal Grantor / Program Title</u>	<u>Country</u>	<u>Award Number</u>	<u>Expenditures</u>
Other Governments Awards (Continued):			
New Zealand Embassy-			
Promoting Improved Access to Justice and Human Rights			
Protection in Southern Thailand Through Forensic Capacity Development	Thailand	GSF 14/97	<u>9,860</u>
Total New Zealand Embassy			9,860
Norwegian Ministry of Foreign Affairs-			
Trust Building Initiatives Between State and Non-State Institutions	Afghanistan	11/0033	27,997
NORAD - Strengthening Local Governance in Timor-Leste to Better Address Women's Need in Development	Timor-Leste	TIM 2044-TIM-11/0011	<u>224,023</u>
Total Norwegian Ministry of Foreign Affairs			252,020
Office of the President-			
Survey of Mindanao Peace Process	Philippines		<u>96,928</u>
Total Office of the President			96,928
Royal Netherlands Embassy-			
Support for Non-State Justice Providers and Advocates for Peace in Afghanistan	Afghanistan		653,291
Open and Transparent Governance in China: For Expansion of 'Information and Participation Rights in China; Putting into Practice Open Government Legislation in Hunan'	China	22250	62,502
Enhancing Protection and Respect for Religious Freedom and Human Rights (PROSPECT)	Indonesia	24669	862,595
Human Rights Fund - Phase III	Pakistan	24684	<u>1,464,345</u>
Total Royal Netherlands Embassy			3,042,733
Swiss Agency for Development and Cooperation-			
Fostering Civic Engagement Sub-National Level (FOCE) and Module 4.3: Social Accountability Tools for M&E (SAME)	Mongolia	81015853	412,802
Support Mongolia's Efforts to Combat Trafficking in Persons	Mongolia	82002460	20,389
Engaging Stakeholders for the Environmental Conservation - Phase II (ESEC II)	Mongolia	81018776	1,548,793
Component II: Urban Governance Project Inception Phase	Mongolia	81032888	37,166
Mandate for Implementing Component 2 of GDP: Urban Governance	Mongolia	81034716	99,464
Promoting Dialogue Through the Nepal Transition to Peace Forum (NTTP: Phase II)	Nepal	82002875	<u>43,073</u>
Total Swiss Agency for Development and Cooperation			2,161,687
The Danish Ministry of Foreign Affairs-			
Enhancing State and Society Commitment to Human Rights in Indonesia	Indonesia		<u>885,893</u>
Total The Danish Ministry of Foreign Affairs			<u>885,893</u>
Total Other Governments Awards			<u>51,571,824</u>
Total Multilateral and Bilateral Awards			<u>\$ 52,780,156</u>

Note to the Schedule of Expenditures of Nonfederal Bilateral and Multilateral Awards

The schedule of expenditures of nonfederal bilateral and multilateral awards (the Schedule) was prepared on the accrual basis of accounting.

See independent auditor's report.