



Financial Statements

For the Years Ended September 30, 2022 and 2021

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Independent Auditor's Report

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

Opinion

We have audited the financial statements of (the Foundation), which comprise the statements of financial position as of September 30, 2022 and 2021, and the related statements of activities and changes in net assets, functional expenses, and cash flow for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as of September 30, 2022 and 2021, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.



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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Clark Nuber P.S.

Certified Public Accountants
January 5, 2023

THE ASIA FOUNDATION

**Statements of Financial Position
September 30, 2022 and 2021
(In Thousands)**

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ 30,447	\$ 35,163
Accounts receivable, net	19,794	9,032
Pledges receivable, net	669	1,028
Books for Asia inventory	9,332	9,063
Prepaid expenses and other assets	2,626	1,939
Investments	13,819	18,813
Property and equipment, net	<u>1,095</u>	<u>1,374</u>
Total Assets	<u>\$ 77,782</u>	<u>\$ 76,412</u>
Liabilities and Net Assets		
Accounts payable and accrued expenses	\$ 10,001	\$ 9,831
Deferred support	30,287	21,892
Accrued post-retirement benefit obligation	<u>92</u>	<u>150</u>
Total Liabilities	40,380	31,873
Net Assets:		
Without donor restrictions	15,937	21,369
With donor restrictions	<u>21,465</u>	<u>23,170</u>
Total Net Assets	<u>37,402</u>	<u>44,539</u>
Total Liabilities and Net Assets	<u>\$ 77,782</u>	<u>\$ 76,412</u>

See accompanying notes.

THE ASIA FOUNDATION

**Statement of Activities and Changes in Net Assets
For the Year Ended September 30, 2022
(In Thousands)**

	Without Donor Restrictions				With Donor Restrictions					Total
	Operations	Books for Asia	Investments	Total	Operations	Books for Asia	Investments	Restricted in Perpetuity	Total	
Support and Revenue:										
Support-										
Government, bilateral and multilateral institutions	\$ 90,571	\$ -	\$ -	\$ 90,571	\$ 1,426	\$ -	\$ -	\$ -	\$ 1,426	\$ 91,997
Foundations, corporations and individuals	30			30	6,565			38	6,603	6,633
Books for Asia program						2,708			2,708	2,708
Net asset reclassifications	725		(725)							
Net assets released from donor restriction and board designation	10,342	2,439	(599)	12,182	(9,243)	(2,439)	(500)		(12,182)	
Total support	101,667	2,439	(1,324)	102,783	(1,252)	269	(500)	38	(1,445)	101,338
Revenue-										
Investment return, net and other	216		(3,236)	(3,020)			(260)		(260)	(3,280)
Total Support and Revenue	101,883	2,439	(4,560)	99,763	(1,252)	269	(760)	38	(1,705)	98,058
Expenses:										
Program, grants and related services	86,703			86,703						86,703
Books for Asia distribution		2,439		2,439						2,439
Supporting services-										
Administration and general	14,977			14,977						14,977
Fundraising	1,076			1,076						1,076
Total Expenses	102,756	2,439		105,195						105,195
Change in Net Assets	(873)		(4,560)	(5,432)	(1,252)	269	(760)	38	(1,705)	(7,137)
Net assets, beginning of year	9,304		12,065	21,369	8,233	9,063	1,577	4,297	23,170	44,539
Net Assets, End of Year	\$ 8,431	\$ -	\$ 7,505	\$ 15,937	\$ 6,981	\$ 9,332	\$ 817	\$ 4,335	\$ 21,465	\$ 37,402

See accompanying notes.

THE ASIA FOUNDATION

Statement of Activities and Changes in Net Assets
For the Year Ended September 30, 2021
(In Thousands)

	Without Donor Restrictions				With Donor Restrictions					Total
	Operations	Books for Asia	Investments	Total	Operations	Books for Asia	Investments	Restricted in Perpetuity	Total	
Support and Revenue:										
Support-										
Government, bilateral and multilateral institutions	\$ 87,102	\$ -	\$ -	\$ 87,102	\$ 370	\$ -	\$ -	\$ -	\$ 370	\$ 87,472
Foundations, corporations and individuals	2,392			2,392	3,760				3,760	6,152
Books for Asia program						2,495			2,495	2,495
Net Asset reclassifications	3,938		(3,918)	20	(740)		20	700	(20)	
Net assets released from restriction	6,673	1,760	(538)	7,895	(5,991)	(1,771)	(133)		(7,895)	
Total support	100,105	1,760	(4,456)	97,409	(2,601)	724	(113)	700	(1,290)	96,119
Revenue-										
Investment return, net and other	171		2,545	2,716			473		473	3,189
Total Support and Revenue	100,276	1,760	(1,911)	100,125	(2,601)	724	360	700	(817)	99,308
Expenses:										
Program, grants and related services	82,708			82,708						82,708
Books for Asia distribution		1,760		1,760						1,760
Supporting services-										
Administration and general	12,373			12,373						12,373
Fundraising	649			649						649
Total Expenses	95,730	1,760		97,490						97,490
Change in Net Assets	4,546		(1,911)	2,635	(2,601)	724	360	700	(817)	1,818
Net assets, beginning of year	4,758		13,976	18,734	10,834	8,339	1,217	3,597	23,987	42,721
Net Assets, End of Year	\$ 9,304	\$ -	\$ 12,065	\$ 21,369	\$ 8,233	\$ 9,063	\$ 1,577	\$ 4,297	\$ 23,170	\$ 44,539

See accompanying notes.

THE ASIA FOUNDATION

**Statement of Functional Expenses
For the Year Ended September 30, 2022
(In Thousands)**

	Program Grants and Related Services	Supporting Services		Total
		Administration and General	Fundraising	
Program grants and subcontracts	\$ 27,686	\$ -	\$ -	\$ 27,686
Staff salaries	19,275	7,363		26,638
Non-staff salaries	10,839		327	11,166
Payroll taxes and employee benefits	12,731	3,652		16,383
Office rent and utilities	2,562	520	144	3,226
Travel	4,459	248	23	4,730
Professional fees	479	1,736	12	2,227
Employee housing	1,307	7	119	1,433
Personnel - moving expenses	369	22		391
Communications and supplies	1,007	517		1,524
Equipment expenses	1,394	261	12	1,667
General insurance	178	103	28	309
Conferences, training and other	4,221	458	3	4,682
Foreign currency exchange	142		122	264
Public relations		90		90
	<u>86,649</u>	<u>14,977</u>	<u>790</u>	<u>102,416</u>
Books for Asia book distribution	2,439			2,439
Other in-kind expenses	54		286	340
Total Expenses	<u>\$ 89,142</u>	<u>\$ 14,977</u>	<u>\$ 1,076</u>	<u>\$ 105,195</u>

See accompanying notes.

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Statement of Functional Expenses
For the Year Ended September 30, 2021
(In Thousands)

	Program Grants and Related Services	Supporting Services		Total
		Administration and General	Fundraising	
Program grants and subcontracts	\$ 27,852	\$ -	\$ -	\$ 27,852
Staff salaries	18,442	6,324	308	25,074
Non-staff salaries	11,450			11,450
Payroll taxes and employee benefits	12,909	3,191	140	16,240
Office rent and utilities	2,851	572	20	3,443
Travel	1,520	22		1,542
Professional fees	321	1,100	136	1,557
Employee housing	1,338			1,338
Personnel - moving expenses	234	34		268
Communications and supplies	1,236	432	10	1,678
Equipment expenses	1,542	254	5	1,801
General insurance	185	99	2	286
Conferences, training and other	2,694	278	28	3,000
Foreign currency exchange	40			40
Public relations		67		67
	<u>82,614</u>	<u>12,373</u>	<u>649</u>	<u>95,636</u>
Books for Asia book distribution	1,760			1,760
Other in-kind	94			94
Total Expenses	<u>\$ 84,468</u>	<u>\$ 12,373</u>	<u>\$ 649</u>	<u>\$ 97,490</u>

See accompanying notes.

THE ASIA FOUNDATION

**Statements of Cash Flows
For the Years Ended September 30, 2022 and 2021
(In Thousands)**

	<u>2022</u>	<u>2021</u>
Cash Flows From Operating Activities:		
Change in net assets	\$ (7,137)	\$ 1,818
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	477	420
Realized and unrealized loss (gain) on investments	4,130	(2,597)
Gain on disposal of property and equipment	(18)	(1)
Accrued post-retirement benefit obligation	(58)	(347)
Gifts-in-kind contributions for Books for Asia program	(2,708)	(2,495)
Distribution of books for Books for Asia program	2,439	1,760
Contributions to endowment	(38)	
Changes in assets and liabilities:		
Accounts receivable	(10,762)	6,501
Pledges receivable	359	126
Prepaid expenses and other assets	(687)	763
Accounts payable and accrued expenses	170	1,031
Deferred support	8,395	732
Net Cash (Used) Provided by Operating Activities	(5,438)	7,711
Cash Flows From Investing Activities:		
Proceeds from the sale of investments	3,928	3,705
Purchases of investments	(3,064)	(4,177)
Proceeds from the sale of property and equipment	415	17
Purchases of property and equipment	(595)	(312)
Net Cash Provided (Used) by Investing Activities	684	(767)
Cash Flows From Financing Activities:		
Proceeds from contributions to endowment	38	
Net Cash Provided by Financing Activities	38	
Net Change in Cash and Cash Equivalents	(4,716)	6,944
Cash and cash equivalents, beginning of year	35,163	28,219
Cash and Cash Equivalents, End of Year	\$ 30,447	\$ 35,163

See accompanying notes.

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 1 - Organization

The Asia Foundation (the Foundation) is a nonprofit international development organization, chartered as a public benefit corporation organized under the laws of the State of California. The Foundation's focus is on international development and is committed to improving lives across a dynamic and developing Asia. Informed by nearly seven 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. The Foundation is headquartered in San Francisco, California. The Asia Foundation works through its network of offices in 18 countries across Asia and the Pacific 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 annually approved 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, U.K. Foreign, Commonwealth and Development Office, 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). The Foundation has presented an unclassified statement of financial position which sequences assets according to their nearness of conversion to cash and sequences liabilities according to the nearness of their maturity and resulting use of cash.

Net assets, 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:

Net Assets Without Donor Restrictions - Net assets that are not subject to donor-imposed stipulations.

Net Assets With Donor Restrictions - 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. Other donor restrictions are perpetual in nature, where the donor has stipulated that funds be maintained in perpetuity. The investment income from these funds is available for current use. Subject to the Foundation's endowment policy.

Support and revenue are reported as increases in net assets without donor restrictions unless the use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Purpose and time restrictions expire when the donor-stipulated purpose has been fulfilled and/or the donor-stipulated time period has elapsed. Expirations of purpose or time restrictions result in the reclassifications between the applicable classes of net assets. It is the Foundation's policy to recognize restricted support and revenue in the net assets without donor restrictions classification if the restrictions have been met in the same year the support and revenue was recognized, except for donations to the Books for Asia program, which are reported as contributions with donor restrictions and are released from restriction upon use.

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 2 - Continued

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.

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 support revenue 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. An allowance for doubtful accounts was deemed unnecessary at September 30, 2022 and 2021.

Pledges Receivable - Pledges receivable, unconditional promises to give, that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows using a risk adjusted rate. Management provides for probable uncollectible amounts through a charge to support revenue and a credit to a valuation allowance based on management's assessment of individual balances. An allowance for doubtful accounts was deemed unnecessary at September 30, 2022 and 2021.

Books for Asia Inventory - 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 as Program revenue and inventory and are recorded as expense and a reduction to inventory when the goods are either distributed or used in the Program. Inventory is released using a specific identification method and is reviewed at least annually for impairment. Inventory is considered impaired when it becomes obsolete, damaged, or otherwise is determined to be unusable (Note 5).

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 Foundation's beneficial interest in a charitable remainder trust is recorded at fair value based on the investments held in the trust. 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.

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 fund balances with or without donor restrictions as appropriate.

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 2 - Continued

Property and Equipment - The Foundation capitalizes property and equipment with a cost of \$5,000, 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 external costs exceeding \$5,000 are capitalized and depreciated over the software's estimated useful life, which is up to ten years.

Deferred Support - Deferred support consists of the advance payments for conditional grants and awards or for activities performed under contracts.

Post-Retirement Benefit Obligation - The post-retirement benefit obligation considers payout patterns as well as investment returns on available assets prior to payment. The discount rate used to value the post-retirement benefit obligation is the risk-adjusted rate commensurate with the duration of anticipated payments (Note 8).

Revenue Recognition - Unconditional contributions and grants are recognized as revenue in the period received. Conditional promises to give are recognized as revenue when the conditions on which they depend are satisfied. Most government, bilateral and multilateral awards are considered conditional grants, and revenue is recognized generally on a cost-reimbursement basis when qualifying expenditures are incurred. Outstanding conditional contributions and grants totaled approximately \$187 million and \$190 million as of September 30, 2022 and 2021, respectively, and are expected to be recognized as revenue over the next five years. Approximately 94% and 64% of these amounts as of September 30, 2022 and 2021, respectively, are from the U.S. Government. Contributions also include nonfinancial gifts-in-kind which are valued at estimated fair value on the date received. 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 pledges are not reflected in the accompanying financial statements. Fees for services performed in exchange transactions are recognized as revenue in the period the performance obligation is completed, which is typically aligned with costs incurred.

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, 2022 and 2021, the Foundation held approximately \$3.97 million and \$3.73 million in foreign countries, of which \$1.76 million and \$1.58 million was held 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.

Receivables for awards and contracts from the U.S. Government represented 53% and 73% of the Foundation's total accounts receivable at September 30, 2022 and 2021, respectively. Revenue from awards and contracts from the U.S. Government provided 56% and 55% of the Foundation's total support for the years ended September 30, 2022 and 2021, respectively.

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Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 2 - Continued

Included in the total receivables and revenue from the U.S. Government is an annually approved appropriation from the U.S. Congress. The receivable related to this appropriation represented 15% and 16% of the Foundation's total accounts receivable at September 30, 2022 and 2021, respectively. Revenue from this Congressional appropriation provided 24% and 19% of the Foundation's total support for the years ended September 30, 2022 and 2021, respectively.

Receivables for awards from one multilateral development agency represented 11% of the Foundation's total accounts receivable at September 30, 2022, and awards from two multilateral development agencies represented 24% of the Foundation's total accounts receivable at September 30, 2021. Revenue for awards from one bilateral development agency provided 20% and 19% of the Foundation's total support for the years ended September 30, 2022 and 2021, respectively.

Approximately 57% and 57% of pledges receivable were due from two individual donors at September 30, 2022 and 2021, respectively.

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. Each organizational unit has a facilities cost pool. This cost pool is allocated to projects in proportion to aggregated time charges by staff assigned to that unit. Where there are multiple organizational units residing in an office location, a central facilities cost pool is utilized to collect costs and distribute to each of the residing unit's facilities cost pool based on each unit's staff count. In addition, program unit administrative expenses are accumulated in a cost pool. This cost pool is allocated in proportion to aggregated time charges by staff in that unit.

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 may be 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 \$264,000 and \$40,000 for the years ended September 30, 2022 and 2021, respectively.

Special Events - Special events held during the years ended September 30, 2022 and 2021, resulted in gross receipts of approximately \$892,000 and \$776,000 respectively, which are included in support from foundations, corporations and individuals on the statements of activities and changes in net assets. Estimated expenses for direct donor benefits from special events totaled \$366,000 and \$161,000 during the years ended September 30, 2022 and 2021, respectively, and are included in fundraising expense on the statements of activities and changes in net assets.

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 2 - Continued

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.

Note 3 - Program Receivables

Program receivables, included in accounts receivable on the statements of financial position, represent amounts due under funding agreements with public and private entities for program activities performed. All program receivables are deemed collectible at September 30, 2022 and 2021.

Program receivables were as follows at September 30:

	In Thousands	
	2022	2021
Billed	\$ 6,287	\$ 5,453
Unbilled	12,073	2,965
Total Program Receivables	\$ 18,360	\$ 8,418

Note 4 - Pledges Receivable

Pledges receivable were due as follows at September 30:

	In Thousands	
	2022	2021
Pledges due in less than one year	\$ 578	\$ 491
Pledges due in two to five years	165	586
	743	1,077
Less present value discount (0.68%)	(74)	(49)
Total Pledges Receivable	\$ 669	\$ 1,028

Note 5 - Books for Asia Inventory and Gifts-in-Kind

The Foundation receives gifts-in-kind consisting of books, software and related shipping services donated to the Foundation's Books for Asia program (the Program). Donated books and software are recorded as inventory and revenue at the time received and as Program services expense and a reduction of inventory in the period in which the books are used by or distributed under the Program (Note 2).

Contribution revenue is recognized based on the fair value of the books and software on the date received. 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. 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.

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Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 5 - Continued

Program expense is recognized as the books are used in or distributed under the Program, at their carrying value as discussed above, on the date of transaction based on specific book or software title. 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 as Books for Asia inventory in the statements of financial position. The value of the books and software held at year end and reported on the statements of financial position is reduced if it is determined the value has changed due to obsolescence, damage, or disposal.

Gifts-in-kind inventory, revenue and expense consisted of the following as of and for the years ended September 30:

	In Thousands	
	2022	2021
Books for Asia inventory, beginning of year	\$ 9,112	\$ 8,377
Donated books and software	2,714	2,495
Books and software used or distributed	<u>(2,439)</u>	<u>(1,760)</u>
Books for Asia inventory, end of year	9,387	9,112
Allowance	<u>(55)</u>	<u>(49)</u>
Books for Asia Inventory, Net	<u>\$ 9,332</u>	<u>\$ 9,063</u>

During the year ended September 30, 2022, the Foundation received approximately 143,000 books, used or distributed approximately 96,000 books, and has approximately 296,000 books in ending inventory. During the year ended September 30, 2021, the Foundation received approximately 84,000 books and used or distributed approximately 43,000 books with approximately 249,000 books in ending inventory. All books were used in or distributed by the Foundation's overseas offices throughout Asia. Approximately 79% and 83% of gifts-in-kind revenue was from three donors at September 30, 2022 and 2021, respectively.

Other donated goods and services generally consist of publishing, advertising and transportation services and their fair value is based on estimated retail values on the date received. Other donated goods and services received totaled \$54,000 and \$94,000 for the years ended September 30, 2022 and 2021, respectively.

Management has decided to transition the Books for Asia program entirely from the delivery of physical copies to the electronic versions effectively by October 2023.

Note 6 - 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 ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 6 - Continued

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 and liabilities measured at fair value on a recurring basis. There have been no changes in the methodologies used at September 30, 2022 and 2021.

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.

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.

Accrued Post-Retirement Benefit Obligation - Valued based on actuarial models using observable trends and actual claims, discounted to present value.

THE ASIA FOUNDATION

**Notes to Financial Statements
For the Years Ended September 30, 2022 and 2021**

Note 6 - Continued

Assets and liabilities recorded at fair value on a recurring basis were as follows at September 30, 2022:

	In Thousands			Total
	Level 1	Level 2	Level 3	
Assets at Fair Value on a Recurring Basis:				
Mutual funds-				
Equity - large cap U.S.	\$ 4,696	\$ -	\$ -	\$ 4,696
Equity - small/mid cap U.S.	517			517
Equity - international	3,568			3,568
Fixed income	3,492			3,492
Fixed income - global	842			842
Total mutual funds	13,115			13,115
Equity securities-				
Technology	135			135
Energy	9			9
Consumer cyclical	90			90
Basic materials	79			79
Industrials	8			8
Communication services	117			117
Healthcare	27			27
Financial services	22			22
Total equity securities	487			487
Beneficial interest in charitable remainder trust			217	217
Total Assets at Fair Value on a Recurring Basis	\$ 13,602	\$ -	\$ 217	\$ 13,819
Liabilities at Fair Value on a Recurring Basis:				
Post-retirement benefit obligation	\$ -	\$ 92	\$ -	\$ 92
Total Liabilities at Fair Value on a Recurring Basis	\$ -	\$ 92	\$ -	\$ 92

THE ASIA FOUNDATION

**Notes to Financial Statements
For the Years Ended September 30, 2022 and 2021**

Note 6 - Continued

Assets and liabilities at fair value on a recurring basis were as follows at September 30, 2021:

	In Thousands			Total
	Level 1	Level 2	Level 3	
Assets at Fair Value on a Recurring Basis:				
Mutual funds-				
Equity - large cap U.S.	\$ 6,268	\$ -	\$ -	\$ 6,268
Equity - small/mid cap U.S.	665			665
Equity - international	5,041			5,041
Fixed income	4,737			4,737
Fixed income - global	1,156			1,156
Total mutual funds	17,867			17,867
Equity securities-				
Technology	155			155
Energy	33			33
Consumer cyclical	124			124
Industrials	7			7
Communication services	96			96
Healthcare	26			26
Basic materials	186			186
Financial services	62			62
Total equity securities	689			689
Beneficial interest in charitable remainder trust			257	257
Total Assets at Fair Value on a Recurring Basis	\$ 18,556	\$ -	\$ 257	\$ 18,813
Liabilities at Fair Value on a Recurring Basis:				
Post-retirement benefit obligation	\$ -	\$ 150	\$ -	\$ 150
Total Liabilities at Fair Value on a Recurring Basis	\$ -	\$ 150	\$ -	\$ 150

There were no purchases, sales or transfers of assets reported as Level 3 during the years ended September 30, 2022 and 2021.

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 6 - Continued

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

	In Thousands	
	2022	2021
Interest and dividends	\$ 860	\$ 587
Realized and unrealized (losses) gains	(4,130)	2,597
Investment management fees	(10)	(72)
Investment Return, Net	\$ (3,280)	\$ 3,112

Note 7 - Property and Equipment

Property and equipment consisted of the following at September 30:

	In Thousands	
	2022	2021
Furniture, equipment and computers	\$ 1,529	\$ 2,433
Leasehold improvements	2,167	2,148
Automobiles	1,192	1,481
Capitalized software	1,143	848
	6,031	6,910
Less accumulated depreciation and amortization	(4,936)	(5,536)
Property and Equipment, Net	\$ 1,095	\$ 1,374

As of September 30, 2022 and 2021, \$90,000 and \$424,000 respectively, of property and equipment was not yet placed in service and no depreciation or amortization had been recognized on these items.

Note 8 - Pension Plans and Post-Retirement Benefits

The Foundation provides a defined contribution retirement plan for eligible U.S. employees paid by the Foundation under the provisions of Section 403(b) of the IRC. The Teachers Insurance and Annuity Association/College Retirement Equities Fund (TIAA/CREF) is the issuer of the 403(b) plan's annuity contracts and custodian of the plan. Employees are eligible to make salary deferral contributions to the 403(b) plan on their date of hire. Employees are eligible to receive discretionary employer contributions when certain requirements have been met. The Foundation's contributions to the 403(b) plan totaled \$1.483 million and \$1.313 million for the years ended September 30, 2022 and 2021, respectively, and were based on a percentage of salary expense taking into account the start date of the employee.

The Foundation also provides various defined contribution retirement plans for its local employees at the Asian and Pacific country 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 \$986,000 and \$1 million for the years ended September 30, 2022 and 2021, respectively.

THE ASIA FOUNDATION

**Notes to Financial Statements
For the Years Ended September 30, 2022 and 2021**

Note 8 - Continued

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.

Pension funding requirements are computed by an actuary and are subject to certain actuarial assumptions regarding discount rates and mortality rates. The benefits are computed based on the accrued annual benefit stipulated in the Plan document. The actuarial present value of benefit obligations, funded status and change in benefit obligations computed by the actuary were as follows as of and for the years ended September 30:

	In Thousands	
	2022	2021
Change in benefit obligation-		
Accumulated benefit obligation, beginning of year	\$ 42	\$ 189
Net periodic cost - interest	(46)	(52)
Benefits paid	(53)	(42)
Adjustment to unrestricted net assets	(43)	(53)
Accumulated benefit obligation, end of year	(100)	42
Change in plan assets-		
Fair value of plan assets, beginning of year		
Employer contributions	53	42
Benefits and expenses paid	(53)	(42)
Fair value of plan assets, end of year		
Accumulated Accrued Pension Liability, End of Year	\$ (100)	\$ 42

Unrecognized net gain, included as a deduction from net assets without donor restrictions, for the years ended September 30, 2022 and 2021, totaled \$218,000 and \$261,000 respectively. The gains are being amortized over the average future lifetime of covered retirees.

THE ASIA FOUNDATION

**Notes to Financial Statements
For the Years Ended September 30, 2022 and 2021**

Note 8 - Continued

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

	<u>2022</u>	<u>2021</u>
Medical cost increases (trends) for-		
Medical benefits	5.0%	5.0%
Prescription drug coverage	5.0%	5.0%
Dental benefits	4.0%	4.0%
Subsequent year rate of decrease-		
Medical benefits	0.0%	0.0%
Prescription drug coverage	0.0%	0.0%
Weighted average discount rate used in determining the accumulated postretirement benefit obligation	4.81%	1.59%

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 Years Ending September 30,	<u>In Thousands</u>
2023	\$ 18
2024	15
2025	13
2026	10
2027	8
Succeeding 5 years	22

The Foundation sponsors an unqualified 457(b) deferred compensation plan that allows eligible employees to defer a portion of their compensation. Participant accounts, together with accumulated earnings, are 100% vested upon a participant's contribution. The Foundation does not make contributions to this plan.

Note 9 - Net Assets Without Donor Restrictions

Net assets without donor restrictions consisted of the following at September 30:

	<u>In Thousands</u>	
	<u>2022</u>	<u>2021</u>
Undesignated	\$ 8,397	\$ 9,269
Board designated for long-term investment	7,505	12,065
Board designated for Indonesia operations	35	35
Total Net Assets Without Donor Restrictions	<u>\$ 15,937</u>	<u>\$ 21,369</u>

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 9 - Continued

Net assets designated for long-term investment represent the Foundation's operating reserve and funds available for future activities and initiatives. Management does not expect to utilize these funds in the near term; therefore, the reserve is held in an investment portfolio that can be liquidated as needed. Management allocates approximately 5% of the reserve balance each year to be available for operations.

Note 10 - Net Assets With Donor Restrictions

Net assets with donor restrictions were available for the following purposes at September 30:

	In Thousands	
	2022	2021
Subject to expenditure for specific purpose or passage of time-		
Books for Asia	\$ 9,332	\$ 9,063
Restricted purpose projects	6,764	8,012
Accumulated unappropriated endowment earnings to be used for programs and scholarships	817	1,515
Beneficial interest in remainder trust	217	283
	17,130	18,873
Endowments - donor restricted in perpetuity	4,335	4,297
Total Net Assets With Donor Restrictions	\$ 21,465	\$ 23,170

Net assets were released from restriction for program purposes met as specified by donors as follows during the years ended September 30:

	In Thousands	
	2022	2021
Books for Asia	\$ 2,439	\$ 1,771
Restricted purpose projects	9,243	5,991
Programs and scholarships	500	133
Total Net Assets With Donor Restrictions Released	\$ 12,182	\$ 7,895

Note 11 - Endowments

The Foundation's net assets restricted in perpetuity consist of eight 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 ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 11 - Continued

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 net assets restricted in perpetuity within the net assets with donor restrictions classification (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 net assets restricted in perpetuity is

classified in net assets with donor restrictions until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by UPMIFA.

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.

THE ASIA FOUNDATION

**Notes to Financial Statements
For the Years Ended September 30, 2022 and 2021**

Note 11 - Continued

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

	In Thousands		
	Subject to Appropriation	Restricted in Perpetuity	Total
Endowment Net Assets, October 1, 2020	\$ 1,156	\$ 3,597	\$ 4,753
Endowment investment return, net	471		471
Contributions to endowments			
Reclassifications	21	700	721
Appropriation of endowment for expenditure	(133)		(133)
Endowment Net Assets, September 30, 2021	1,515	4,297	5,812
Endowment investment return, net	(260)		(260)
Contributions to endowments		38	38
Appropriation of endowment for expenditure	(438)		(438)
Endowment Net Assets, September 30, 2022	\$ 817	\$ 4,335	\$ 5,152

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. When such deficiencies occur, spending from the endowment fund continues in accordance with the Foundation's spending policy. There were no such deficiencies at September 30, 2022 and 2021.

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 5.50%. Actual returns in any given year may vary from this amount.

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 11 - Continued

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% of its perpetually 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 5.50%. 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 12 - Commitments and Contingencies

Operating Leases - The Foundation leases certain office, equipment and warehouse facilities in the United States and other countries in which it works throughout Asia. The various operating leases expire from 2023 through 2026. Future minimum lease payments for noncancelable operating leases are as follows:

For the Year Ending September 30,	<u>In Thousands</u>
2023	\$ 1,081
2024	925
2025	878
2026	690
Total	<u>\$ 3,574</u>

Rental expense totaled \$2.32 million and \$2.78 million for the years ended September 30 2022 and 2021, respectively. The Foundation has a lease with escalating rent payments with future annual minimum lease payments increasing from approximately \$595,000 to \$631,000.

Termination Rights - 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 \$3.78 million and \$4.17 million at September 30, 2022 and 2021, respectively, and are included in accounts payable and accrued expenses on the statements of financial position.

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 12 – Continued

Awards - 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.

Conditional Grants - Commitments due by the Foundation under grant agreements to subrecipients for services not yet provided totaled \$13.83 million and \$18.16 million as of September 30, 2022 and 2021, respectively.

Contingencies - 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.

Note 13 - Related Party Transactions

Contributions and pledge payments received from the Foundation's Board of Trustees totaled approximately \$728,000 and \$1 million for the years ended September 30, 2022 and 2021, respectively.

Note 14 - Liquidity and Availability of Financial Assets

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. The Foundation invests cash in excess of daily requirements in short-term investments. In general, funds subject to expenditure for specific purposes are available for use when received subject to restrictions placed by donors. Board designated funds may be made available for use at the Board's discretion.

THE ASIA FOUNDATION

Notes to Financial Statements For the Years Ended September 30, 2022 and 2021

Note 14 - Continued

The Foundation's financial assets available to meet general expenditures within one year of the statements of financial position are as follows at September 30:

	In Thousands	
	2022	2021
Cash and cash equivalents	\$ 30,447	\$ 35,163
Accounts receivable, net	19,794	9,032
Pledges receivable, net	669	1,028
Investments	13,819	18,813
Total financial assets	64,729	64,036
Contractual and donor-imposed restrictions-		
Pledges due in two to five years, net	(91)	(537)
Deferred support beyond one year	(4,136)	(1,317)
Restricted purpose projects	(6,764)	(8,012)
Restricted for programs and scholarships	(817)	(1,515)
Beneficial interest in remainder trust	(217)	(283)
Restricted in perpetuity	(4,335)	(4,297)
Board designated for long-term investment	(7,505)	(12,065)
Financial Assets Available to Meet General Expenditures Within One Year	\$ 40,864	\$ 36,010

Note 15 - Subsequent Events

The Foundation has evaluated subsequent events through January 5, 2023, the date on which the financial statements were available to be issued and has determined that no adjustments are necessary to the amounts reported in the accompanying financial statements, nor have any events occurred, the nature of which would require disclosure.

SUPPLEMENTARY INFORMATION

THE ASIA FOUNDATION

Schedule of Expenditures of Nonfederal Bilateral and Multilateral Awards For the Year Ended September 30, 2022

Nonfederal Grantor/Program Title	Country	Award Number	Expenditures
Multilateral Awards:			
British Council - Sri Lanka-			
Supporting Effective Dispute Resolution in Sri Lanka	Sri Lanka		\$ 181,428
Development Officer (Mediation) Induction Training Program	Sri Lanka		<u>20,295</u>
Total British Council - Sri Lanka			201,723
Centre for Peace and Conflict Studies-			
Foundations for Future Peace in Southern Thailand	Thailand	ICSP/2019/410-000	<u>39,441</u>
Total Centre for Peace and Conflict Studies			39,441
European Commission-			
Enabling Better Access to Justice for Domestic Violence Victims Through Strengthened Implementation of the Anti-Domestic Violence Law in China	China	EIDHR/2017/393-928	<u>(10,708)</u>
Total European Commission			(10,708)
European Union-			
Promoting Regional Cooperation Capacity of MoFA (PRCC-MoFAO Project - Phase II)	Afghanistan	ACA/2017/386-784	28,568
Justice Sector Responsibility and Accountability to Redress SGBV	Sri Lanka	EIDHR/2017/389-234	
SoAsia Reg Awareness COVID	Pakistan	ICSP/2020/417-844	<u>568,824</u>
Total European Union			597,392
Ministry of Rural Rehabilitation and Development-			
Booster Survey 2021	Afghanistan	MRRD CCAP CN-327 ARTF TFA03827	<u>46,603</u>
Total Ministry of Rural Rehabilitation and Development			46,603
Ramboll Group-			
Southeast Asia Urban Services Facility – ASEAN Smart Cities Initiative	Programs	TA-9554	<u>128,668</u>
Total Ramboll Group			128,668
The World Bank-			
Local Development Support Project (LDSP)	Sri Lanka	7199859	117,336
Conflict Monitoring in Nepal	Nepal	7195484	39,063
WB Young Readers in CB	Cambodia	7200462	41,558
Monitoring of Gender Based Violence In Myanmar	Myanmar	7203629	<u>82,280</u>
Total The World Bank			280,237
United Nations Environment Programme-			
Delivering Integrated Waste Solutions at the National and Local Level	Mongolia	BP No.: 1500007846	
Waste and Climate Change Project	Mongolia	DTIE20-IE003	1,094
Waste and Climate Change Project (WCC IV)	Mongolia	DTIE21-IE002	<u>33,639</u>
Total United Nations Environment Programme			34,733
United Nations Development Programme-			
Diagnostic Study on Local Government Institutions and Finances and Capacity Needs	Sri Lanka	COL/CDLG/118837/001/006	88,341
Conduct a Social Innovation Programme through Design Thinking Exercises	Sri Lanka	CNT/RFP/CDLG/2021/79	85,587
Strengthening Alternative Dispute Resolution Mechanisms	Sri Lanka		8,730
Support to Effective and Responsive Institutions Project (SERIP) Project	Myanmar	2021/UNDP-MMR/CONT/040	<u>265,252</u>
Total United Nations Development Programme			447,910
United Nations Children's Fund-			
Enhancing Child Protection System to Keep Filipino Children Safe Online	Philippines	PHI/PCA201946	397,553
Program to Enhance Leadership & Gender Equality	Cambodia	43338470	<u>206,953</u>
Total United Nations Children's Fund			604,506
United Nations Educational Programme-			
Reconstructing Masculinity Research	India	Contract 4500418012	2,666
Funding to Strengthen GPE's Global and Regional Response to the COVID-19 Pandemic	Books for Asia	4500436269	<u>21,383</u>
Total United Nations Educational Programme			24,049
Total Multilateral Awards			<u>2,394,554</u>
Bilateral Awards:			
Australian Department of Foreign Affairs and Trade (AusDFAT, formerly AusAID)-			
Strategic Partnership on Subnational Governance in Nepal	Nepal	72580/4	71
Ending Violence Against Women in Timor-Leste	Timor - Leste	69943	3,330,352
PNPM Peduli Phase II: National Program for Community Empowerment	Indonesia	70009	
Coalitions for Change Program Phase 2	Philippines	74632	2,683,485
Strengthened Access to Justice for Women Affected by Violence Through Proven Culturally Sensitive Approaches 2 (A2J-II)	Afghanistan	74074	154,059
Cohesion, Advocacy, Resilience and Expansive Engagement (CARE) for Peace in the Philippines	Philippines	73672	
Ponlok Chomnes: Data and Dialogue for Development	Cambodia	72580/19	485,440
Adhika Para sa Katarungan	Philippines	72580/11	11,820
ASEAN - Australia Strategic Partnership: ACTIP Implementation	Thailand	72580/13	485,557
Malaysia and Thailand	Programs	72580/31	<u>845,378</u>

See independent auditor's report.

THE ASIA FOUNDATION

Schedule of Expenditures of Nonfederal Bilateral and Multilateral Awards (Continued) For the Year Ended September 30, 2022

Nonfederal Grantor/Program Title	Country	Award Number	Expenditures
Bilateral Awards:			
Ponlok Chomnes: Data and Dialogue for Development	Cambodia	72580/19	485,440
Adhika Para sa Katarungan	Philippines	72580/11	11,820
ASEAN - Australia Strategic Partnership: ACTIP Implementation	Thailand	72580/13	485,557
Malaysia and Thailand	Programs	72580/31	845,378
Supporting Local Government Units in Preventing Violent Extremism in Mindanao	Philippines	75050	471,867
Strengthening the Australia-ASEAN Partnership: Regional Capacity Building and Policy Dialogues	Thailand	72580/23	563,812
DFAT-TAF Partnership - Responding to Change: Supporting Australian Engagement in the Indo-Pacific	Programs	72281/21 72580	496,279
Public Accountability Through Court Transformation (PACT)	Philippines	75032	229,797
Knowledge for Prevention: Data and Analysis on the State of Violence in Asia	Thailand	72580/24	6,795
Southeast Asia Civil Society Scoping	Vietnam	72580/18	(1,533)
Survey of the Afghan People (SAP)	Afghanistan	72580/29	2,265
Shaping the Future of Mekong Regional Architecture	Thailand	72580/22	77,619
Expand Community-based Leadership & Civilian-Govt Partnership to Prevent Violent Extremism in Sabah	Malaysia	19/23895#7	25,606
Gender-Sensitive Corporate Responsibilities Among Chinese Textile Investors in Cambodia	China	72281 72580/12	18,681
Engagement of a Performance Management Adviser for DFAT's Ending Violence Against Women Program in Afghanistan	Afghanistan	74151	
DFAT-TAF Partnership - Innovations in Development Policy and Practice (the Partnership)	Programs	72281/1 72580/1	
APEC CONNECT - Empowering Local Agricultural Producers with a Global Trading Industry	Vietnam	73994	
Technical Cyber Security and Incident and Network Management Training	Program Specialists - SF	72580/14 72281	
The ASEAN-Australia Cyber Workshop and Training in Bangkok	Thailand	72281 72580/9	
Supporting Democracy Through Engaging Youth Voices: Ulaanbaatar Summit	Mongolia	72580/27	
Cohesion, Advocacy, Resilience and Expansive Engagement (CARE) for Peace in the Philippines 2	Philippines	76206	1,291,101
Reclaiming Civic Space to Promote Democratic Resilience	Indonesia	76581	709,290
Accelerate Women's Entrepreneurship for Peace in Sulu	Philippines	76603	330,921
Sub-National Governance Program Bridging Phase	Nepal	76659	2,170,160
Ponlok Chomnes: Data and Dialogue for Development in Cambodia - Stream 2	Cambodia	72580/34	724,072
Strengthening Public Resilience to Dis/misinformation in Democratic Process Indonesia	Indonesia		2,139
Increasing the Resilience of Mongolian Women Entrepreneurs to Challenges Posed by the COVID-19 Pandemic	Mongolia	72580/35	218,688
Australia-Thailand Economic Engagement Strategy Scoping Study	Thailand	BKOK-052021	12,271
AG Survey 2021-2025	Afghanistan	76700 CR 31958	17,089
Better Economic Decision-making in Lao PDR - Australia Mekong Partnership Economic Governance	Laos	72580/36	108,515
Australia Thailand Economic Resilience Partnership (ATERP)	Thailand	72580/37	433,303
Mekong Australia Partnership for Infrastructure Development Safeguards	Thailand	72580/38	676,472
COVID-19 Emergency Response for Nepal (Education Support Program)	Nepal	76986	158,568
Australia Korea & U.S. Trilateral Dialogue	Korea, South	AKF2021106	14,083
ALIAS DC - North Cotabato	Philippines	77290	251,678
Supporting Lao PDR Preparations for ASEAN Chair	Laos	77315	165,249
Waypoints: Navigating Civil Maritime Security Reform	Philippines	77289	165,160
Thailand-Australia Critical Infrastructure Dialogue	Thailand		66,348
Adhika Para Sa Katarungan II: Rebuilding Communities through Human Rights Empowerment (Adhika II)	Philippines	77318	99,228
PROTECT: Prevention of Violent Extremism Through Empowered Courts	Philippines	77378	7,806
SNGP II	Nepal	77510	1,442,713
Inside Mediation, Counter Violent Extremism, and Conflict Transformation Building Bridges in Thailand's far South	Thailand	2022-12-TAF-Thailand	73,740
Research project for Vietnam to pursue high-quality FDI	Vietnam		35,452
Prevention of Human Trafficking through Strengthened Legislation	Nepal	77694	33,221
Promoting Civil Society Activism in Countering Mis/Disinformation	Indonesia		38,427
Support to Increase the Resilience of Mongolian Women Entrepreneurs to Challenges Posed by the COVID-19 Pandemic and its Aftermath	Mongolia	72580/40	39,737
Nabilan (Ending Violence Against Women and Children) Phase III	Timor - Leste	77752	936,970
Total Australian Department of Foreign Affairs and Trade (AusDFAT, formerly AusAID)			20,110,033
Austrian High Commissions- The Research Survey Initiative	Bangladesh	77740	35,935
Total Australian High Commissions			35,935
Canadian DFATD- An Effective Basis For Peace Support In Myanmar Peace And Stabilization Operations Program	Program Specialists - TH	PSOP 21-063	12,884
Total Canadian DFATD			12,884
CARDNO- AIPJ 2 - Strengthening Prison Reform in Indonesian (Prison Reform Phase IV)	Indonesia	AC46900/AIPJ2/TAF/GN	563,648
Emerging Leaders for Public Policy in Timor-Leste Project (LEAP Project)	Timor - Leste	ACN 006-170-869	
Implementation of Interim Lederanca Emergente Apoio Politika-2 (LEAP2)	Timor - Leste	TAF_gfd TP-01	317,239

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THE ASIA FOUNDATION

**Schedule of Expenditures of Nonfederal Bilateral and Multilateral Awards (Continued)
For the Year Ended September 30, 2022**

Nonfederal Grantor/Program Title	Country	Award Number	Expenditures
Bilateral Awards (Continued):			
Implementation of Accelerating Prison Reform Agenda by Promoting Restorative Justice (RJ) and Alternative Sentences to Imprisonment under DFAT – AIPJ2 (abbrev. AIPJ2-Extension) Strengthening Subnational Governance (SSG) Inception Phase	Indonesia Sri Lanka	AC46900/AIPJ2/TAF/GA/89-05-202 AC48800/TAF/1	98,659 33,692
Total CARDNO			132,351
Climate and Land Use Alliance- Promoting Ecological Fiscal Transfer Schemes through Provincial and District Government Associations To promote ecological fiscal transfer and to support implementation of a jurisdictional approach in Jayapura, Papua	Indonesia Indonesia		144,913 292,486
Total Climate and Land Use Alliance			437,399
Conciliation Resources- Implementation Phase of the Smart Peace Project	Myanmar	DFID: 300055-108	(1,528)
Total Conciliation Resources			(1,528)
Cowater International Inc- Improving Legal Aid Services for Women Survivors of GBV (Phase 2) (ACCESS GBV Phase 2)	Cambodia	Cowater Prime	81,171
Total Cowater International Inc			81,171
Cowater Sogema- Australia-Cambodia Cooperation for Equitable Sustainable Services (ACCESS)	Cambodia	1240-ACCESS-PPA-009	2,718
Total Cowater Sogema			2,718
DT Global Australia- DFAT's E-Commerce Aid for Trade Fund	Vietnam	IRF Grant# OTN04	75,184
Total DT Global Australia			75,184
Deutsche Gesellschaft fur Internationale Zusammenarbeit- Reuce, Reuse, Recycle to Protect the Marine Environment and Coral Reefs Monitoring, evaluation and communication I, here: Cofinancing the Flash Survey 2021-2022 Study and Expert Fonds: Reducing COVID Related Stress Factors for Vulnerable Women and Families in the North and East of Sri Lanka (IMPACT -PII)	Cambodia Afghanistan Sri Lanka	81276865 / 81273455 81273134 CR 31958 81260794	153,497 136,954 18,961
Total Deutsche Gesellschaft fur Internationale Zusammenarbeit			309,412
Embassy of Canada- CFLI-2 Building Business Resilience	Timor - Leste	CFLI-2020-JKRTA-TL-0009	20,663
Total Embassy of Canada			20,663
Ernst & Young- South East Asia Infrastructure and Economic Governance Facility (SEAGIF): P4i Mission to Timor Leste Partnerships for Infrastructure (P4i)	Timor - Leste Program Specialists - SF	E&Y Prime Contract#: 76501 E&Y Prime Contract#: 76501	7,005 731,761
Total Ernst & Young			738,766
UK Foreign, Commonwealth and Development Office (UK FCDO)- Accountable and Inclusive States and Regions (AISR) Investing to Community Security; Associated With Framework Agreement Independent Impacts and Recovery Monitoring Project (IRM) - Phase 3 Building Bridges between Thailand's Deep South and the International Community Analysis of Economic Security and Geopolitics in the Mekong Subregion Myanmar Regional Forum Phase 2 Myanmar Eastern Borderlands Research Award Name: Activate Bangsamoro Phase II: Promoting Active Citizen Engagement with the BARMM Parliament Researching Border Conflicts Through Local Networks CSSF Sri Lanka: UK Support for the Implementation of Community Policing Strengthening and Promoting Active Citizenship in Bangladesh (SPACB) Activate Bangsamoro: Promoting Active Citizen Engagement with the BARMM Parliament SETAPAK 3 - Improving Governance and Civil Society Engagement to Prevent Deforestation and Land Degradation in Indonesia Asian Voices on Myanmar's Political and Humanitarian Crisis-Phase one	Myanmar Myanmar Nepal Thailand Thailand Program Specialists - TH Myanmar Philippines Thailand Sri Lanka Bangladesh Philippines Indonesia Program Specialists - TH	203996-107 PO 40117844 CPG/1265/2016 203385-103 300100 CPG/2204/2019 203487-106 95F25DF2-3641-474F-AD00-78D47	(19,181) (1,638) 756,951 19,659 51,976 29,287 65 301,802 1,274,496 245,227 278,947 187,859 1,747,389 108,277
Total UK FCDO			4,981,116

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Schedule of Expenditures of Nonfederal Bilateral and Multilateral Awards (Continued) For the Year Ended September 30, 2022

Nonfederal Grantor/Program Title	Country	Award Number	Expenditures
Bilateral Awards (Continued):			
Global Affairs Canada-			
Women's Voice and Leadership - Afghanistan	Afghanistan	PO 7400726; Prj Num: P002744	322,941
Women's Voice and Leadership - Sri Lanka	Sri Lanka	PO 7398950 Proj Num P002677	348,254
Women's Economic Empowerment	Mongolia	P006469 PO 7418774	557,746
Strengthening Social Cohesion in Sri Lanka	Sri Lanka	20-051	679,799
Total Global Affairs Canada			1,908,740
Abt JTA			
Organisational Assessment and Process Mapping for the Philippine Judicial Integrity Board	Philippines	PALMSS / 2501 - 2022	54,454
Governance Helpdesk	Program Specialists - SF	Abt Prime: CA_TH-GHD-462	3,807
Total Abt JTA			58,261
International Development Enterprises-			
Women's Economic Empowerment Through Strengthening Market Systems	Bangladesh	SIDA ID 52170023	89,448
Total International Development Enterprises			89,448
Korea International Development Corporation Centre-			
ODA Project Implementing Organization Youth Internship	Korea, South		13,030
Total Korea International Development Corporation Centre			13,030
Minister Foreign Trade Development-			
Supporting Economic Participation and Entrepreneurship for Women with Disabilities in China	China	4000005698	49,446
Total Minister Foreign Trade Development			49,446
Ministry of Gender Equality-			
Prevention of Violence Against Women (VAW) in Mongolia	Korea, South		114,844
2021 Prevention of Violence Against Women (VAW) in Mongolia	Korea, South		22,439
Total Ministry of Gender Equality			137,283
Multiple Funders-			
Institutionalizing the Survey of the Afghan People 2016-2021	Afghanistan	31959 31960 31961	(91,797)
Agile Research Facility	Myanmar	DAI/FCDO & SDC	507,699
Total Multiple Funders			415,902
Netherlands Embassy in Jakarta-			
Enhancing Religious Freedom Protection and Human Rights	Indonesia	4000002072	162,094
Total Netherlands Embassy in Jakarta			162,094
New Zealand Embassy-			
Timor-Leste Community Policing Support Programme (CPSP)	Timor - Leste	CT File: GRA-560-5	27,532
Timor-Leste Tourism Development Activity Phase 2 (2019-2024)	Timor - Leste	File Ref: WPG-0101849	777,764
Promoting the Transparent and Accountable Management of Local Fund in Cambodia	Cambodia	WPG-0102266; DOC-4062782	203,453
LAO: Legislative Development Support to the Institute of Legislative Studies	Laos	WFG-0102243; DOC-4062530	295,651
Human rights promotion and advocacy support in the Philippines (HR-PAS)	Philippines	WPG-0102435	113,228
Timor-Leste Flood Response (Flood Relief)	Timor - Leste	ACT-0102521, WPG-0102864	499
Total New Zealand Embassy			1,418,127
New Zealand Ministry of Foreign Affairs-			
BERDAYA: Improving Access to Legal and Social Services for Women in Papua	Indonesia	ACT-0102414; WPG-0103286-DOC-4	492,106
Technical Cyber Security and Incident and Network Management Training	Program Specialists - SF	under NZ APEC 2018 Fund	21,243
PASK - Programa Apoio Seguransa Komunitade	Timor - Leste	Ref WPG-0103027-DOC-4093073	1,151,821
Total New Zealand Ministry of Foreign Affairs			1,665,170

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THE ASIA FOUNDATION

Schedule of Expenditures of Nonfederal Bilateral and Multilateral Awards (Continued) For the Year Ended September 30, 2022

Nonfederal Grantor/Program Title	Country	Award Number	Expenditures
Bilateral Awards (Continued):			
Palladium Group- Financial Inclusion and Economic Empowerment for the Low-Income Population and Women in Vietnam Phase II	Vietnam	Service order 1 Deed 65670	<u>26,236</u>
Total Palladium Group			26,236
Pure Earth- Sustainable Manufacturing and Environmental Pollution (SMEP) Intervention, Stage 1 (MEP)	Bangladesh	FCDO Funded; PE (Prime)	<u>678</u>
Total Pure Earth			678
Royal Netherlands Embassy- Engaging Employers to Address Domestic Violence in China	China	400001426	<u>130,405</u>
Total Royal Netherlands Embassy			130,405
State Secretariat for Economic Affairs- Validation Study Swiss Urban Development Program Vietnam	Vietnam	945004424; 947003388	<u>23,054</u>
Total State Secretariat for Eco			23,054
Swiss Agency for Development and Cooperation- Urban Governance Project Exit Phase SDC-SNP 2022	Mongolia Nepal	81062600 81074411	851,218 <u>61,857</u>
Total Swiss Agency for Development and Cooperation			913,075
Australian Water Partnership- Thinking and Working Politically Workshops Political Economy of Water Management and Community Perceptions in the Pacific Islands Thinking and Working Politically Workshop	Program Specialists - TH Pacific Islands Program Specialists - TH	662097.45 662039.87 662097.45	2,304 47,992 <u>9,653</u>
Total The Australian Water Part			<u>59,949</u>
Total Bilateral Awards			<u>34,887,889</u>
Total Multilateral and Bilateral Awards			<u>\$ 37,282,443</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. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of operations to amounts reported as expenditures in prior years.

Funds from certain nonfederal grantors are classified as bilateral awards, as the funding received originated from other governments as reflected in the award agreements with the Foundation.