

American Auditing

AUDITED FINANCIAL STATEMENTS

for the fiscal year ended on 31 December 2022

AA COMPANY

CÔNG TY TNHH KIỂM TOÁN MỸ (AA)

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AMERICAN AUDITING LIMITED (AA)

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No.: 024/2023/BCKT-AA

INDEPENDENT AUDITOR'S REPORT

To: Board of Directors
ANH DUONG CENTER COMMUNITY SUPPORT & DEVELOPMENT (ADC)

We have audited the Financial statements of ANH DUONG CENTER COMMUNITY SUPPORT & DEVELOPMENT (ADC), including: the Balance sheet statement as at 31 December 2022 the Income statement and notes to the financial statements, for the fiscal year ended on 31 December 2022.

RESPONSIBILITIES OF BOARD OF DIRECTORS ON FINANCIAL STATEMENTS

Board of Directors are responsible for the preparation and presentation of the Financial statements on a true and fair basis in compliance with Vietnamese Accounting Standards, Vietnamese Accounting Regimes and other relevant regulations. The responsibilities of Board of Directors include: designing, implementing and maintaining a sound internal control system related to the preparation and presentation of the Financial statements without material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in specific circumstances.

AUDITORS' RESPONSIBILITIES

Our responsibility is to express an opinion on the Financial statements based on our fieldwork audit performance. We have performed our fieldwork audit in compliance with Vietnamese Standards on Auditing. These standards require us to comply with professional ethical behaviour, make plans and perform fieldwork audit to obtain reasonable assurance that whether the Financial statements are free of material misstatements or not.

Our fieldwork audit performance includes performing audit procedures to obtain audit evidences on the figures and notes to Financial statements. These procedures were selected on the basis of auditors' professional judgement on risks of occurrences of material misstatements in the Financial statements, whether due to frauds or errors. To make risk assessments, auditors have considered the internal control system of the Company, related to preparation and presentation of the Financial statements on a true and fair view, in order to design the audit procedures appropriated to specific circumstances. However, this is not for the purpose of expressing auditors' opinion on the effectiveness of the Company's internal control system. An audit performance also includes making judgement on applied accounting policies and the reasonableness of Board of Directors' important estimates as well as considering overall presentation of the Financial statements.

We believe that the obtained audit evidences are sufficient and appropriate for the basis of our audit opinion.

AUDIT OPINION

In our opinion, the Financial statements give a true and fair view, in all material respects, of financial position of ANH DUONG CENTER COMMUNITY SUPPORT & DEVELOPMENT (ADC) as at 31 December 2022 and of its results of operations and its cash flows for the fiscal year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting system and in compliance with the relevant statutory requirements on preparation and presentation of financial statements.

Ho Chi Minh city, 16 March 2023

ON BEHALF OF AMERICAN AUDITING LIMITED



NGUYEN HUU TRI

Director

Practice Registration Certificate

No.: 0476-2023-070-1

TRAN NGOC HUNG

Auditor

Practice Registration Certificate

No.: 1084-2023-070-1



ANH DUONG CENTER
CMT8, LONG MY, HAU GIANG

BALANCE SHEET

As at 31 December, 2022

Code	ITEMS	At 31/12/2022	At 31/12/2021
	ASSETS	-	-
	Fixed Assets	-	-
010	Intangible assets - shop	-	-
014	Intangible assets - Others	-	-
028	Tangible assets	-	-
028a	Depreciable assets	-	-
040	Financial Assets	6,530,050,000	4,404,325,000
044	Total assets (I)	6,530,050,000	4,404,325,000
	Current assets (II)	-	-
050	Stock of raw materials	-	-
060	Stock of goods	-	-
064	Advances, repayment under orders	-	-
068	Repayment under order	-	-
072	Other payables	2,251,883,245	1,134,319,170
084	Cash in bank	1,054,062,540	2,813,465,588
088	Cash on hand	1,944,618	1,104,470
092	Prepaid expenses	-	-
096	Total (II)	3,307,890,403	3,948,889,228
110	TOTAL (I+II)	9,837,940,403	8,353,214,228
	LIABILITIES & EQUITY	-	-
	Ownership	-	-
120	Social or individual capital	1,538,825,068	1,538,825,068
124	Difference from revaluation	-	-
126	Legal provisions	-	-
130	Regulated provisions	-	-
132	Other provisions	-	-
134	Carried to new accounting year	4,156,149,160	2,991,068,246
136	Current year result	1,484,726,175	1,165,080,914
140	Regulated provisions	-	-
142	Total ownership (I)	7,179,700,403	5,694,974,228
	DEBTS	-	-
154	Provision for risks and expenses	-	-
156	Loan and dept	-	-
164	Advances and repayment under order in progress	-	-
166	Suppliers and related accounts	-	-
172	Other debts	2,658,240,000	2,658,240,000
174	Prepaid profit	-	-
176	Total (II)	2,658,240,000	2,658,240,000
180	Total (I+II)	9,837,940,403	8,353,214,228

Hau Giang, December 31, 2022

DIRECTOR



Hồ Thị Kim Chúc



ANH DUONG CENTER
CMT8, LONG MY, HAU GIANG

OPERATION RESULT

From 01 January to 31 December, 2022

Code	Description	2022	2021
	INCOME	-	-
70	Sale of product	279,558,100	4,287,443
701	Sales of product	279,558,100	4,287,443
703	Sales of assets	-	-
71	Sales of services	-	-
72	Difference in re-assessment of assets	-	-
74	Subsidy	8,321,335,272	5,575,968,371
	Subsidy from Sponsor	8,303,517,772	5,558,938,871
	Other subsidy	17,817,500	17,029,500
76	Financial profits	159,954,500	141,165,700
766	Difference of exchange rate	-	-
768	Interest from bank	17,804,500	1,723,200
768	Interest fro credit activities	142,150,000	139,442,500
232	Total of income	8,760,847,872	5,721,421,514
	EXPENSES	-	-
60	Purchase of material and provision	330,623,613	50,586,735
601	Purchase of material	279,558,100	4,287,443
(*)	Purchase of other material, fuel	32,131,995	33,525,600
606	Purchase of energy	18,933,518	12,773,692
61	External services purchase	5,534,742,728	2,916,601,094
613	Location	68,437,800	57,662,000
615	Reparation expenses	168,195,870	96,858,720
617	The program costs	1,895,685,343	1,590,625,500
617a	Academic Capacity building for teachers & students	825,393,730	523,114,600
617b	Scholarships	2,240,457,905	206,280,000
618	Other External services purchase	336,572,080	442,060,274
62	Other moving & services	28,252,356	22,107,525
64	Staff expenses	1,009,302,000	1,201,847,746
64a	Staff salary	1,009,302,000	1,201,847,746
64b	Salary anh other allowances to local village workers	-	-
65	Other managerment expenses	372,838,000	364,377,000
66	Financial expenses	363,000	820,500
69	Exchange rate differenceec	-	-
67	Special expenses	-	-
68	Depreciation expenses	-	-
	Total of expenses	7,276,121,697	4,556,340,600
	RESULT OF OPERATION	1,484,726,175	1,165,080,914
	Profit taxes	-	-
	PROFITS/LOSS	1,484,726,175	1,165,080,914

(*) Total of code 602;605

Hau Giang, December 31, 2022

DIRECTOR



Hồ Thị Kim Chúc



UNION OF SCIENCE & TECHNOLOGY ASSOCIATIONS HAU GIANG PROVINCE (VUSTA)

ANH DUONG CENTER COMMUNITY SUPPORT & DEVELOPMENT (ADC)

CMT8-Long My ĐT/Fax: (0711 3871869 Email: anhduong.longmy@gmail.com

NOTES OF FINANCIAL STATEMENT From 01/01/2022 to 31/12/2022

1. Organization characteristics

Structure of ownership: Anh Duong Center for community support and development (Anh Duong Center in short) is a local non-profit organization, directly under The Union of Science and Technology Associations of Hau Giang province according to decision No.16 QĐ/LHH dated 30/09/2008.

Scope of operation: consultancy, training, support and community development in rural areas.

Place of operation: Hau Giang province.

2. Forms of filling:

Using accounting software of WBILAN of COTE QUESTE-FRANCE to record all accounting transactions and check the use of funds received from donors as stipulated in the Decision No.16 QĐ/LHH dated 30/09/2008.

3. Financial indicators:

The below financial indicators have been performed in Hau Giang province:

3.1 Operating assets

Assets include all working equipments whose values are over 30,000,000 VND. Certain obsolete and useless assets are liquidated this year and others are allocated to depreciation.

3.2. Depreciation

The total amount of depreciation in 2022 is 0 VND

3.3 Employee statu

	Year 2022	Year 2021
Total number of employees:	18	18
Total salary:	1,009,302,000	1,201,847,746
Monthly average salary per person (VND):	4,313,256	5,136,101

The policy of annual wage increases remains unchanged. The total salary cost in 2022 decreased compared to 2021 by 16% because in 2021 Anh Duong Center paid 30% of the last seniority fee to employees. In 2022, Anh Duong Center adjusts the costs paid to local direct employees into the costs of implementing project programs. Therefore, salary costs in 2022 are lower than in 2021.

In 2021, Anh Duong Center has transferred 30% of the final seniority regime to employees.

3.4 Credit operation

The credit loan granted to economic support has increased up to 8,000,000 VND without interest. Besides, in job creation program, the project continues to lend money to individuals up to 20,000,000 VND with the monthly interest 0,5%. In 2021, the project focuses on the credit loan program without interest supporting the poor households and granted loan with 0,5% monthly

interest which have borrowed money at the 3th revolution for in raising livestock, cultivation or small trading.

The credit status is as follows: As of December 31, 2021 Anh Duong center has **2,477** households participating in borrowing.

3.4.1 Supplying credit (Unit: VND):

	Total	Economic program
	VND	VND
At 31/12/2022	6,530,050,000	6,530,050,000
a) Special loan	42,500,000	42,500,000
<i>Job creation</i>	<i>42,500,000</i>	<i>42,500,000</i>
b) Poor households	6,487,550,000	6,487,550,000

3.4.2 Income from credit operation in the year 2022:

- Interest banking: 17,804,500 VND
- Interest from the microcredit fund: 142,150,000 VND

3.4.3 Other income

- Interest from social insurance funds for loans: 16,927,500 VND
- Other income: 890,000 VND

3.5 Operating expenses:

In 2022, Anh Duong performed all the activities of the project with the following expenses:

Items		Amount (VND)
1. Cost of material:	-	279,558,100
1.1 Cost of handicrafts	279,558,100	-
1.2 Cost of bamboo bike	-	-
2. Cost of other materials, tools:	-	32,131,995
2.1 Stationery	10,566,995	-
2.2 Equipment and tools	21,565,000	-
2.3 Schools computer expenses	-	-
3. Energy expenses:	-	18,933,518
3.1 Gas, electricity, water	18,933,518	-
4. Location expenses:	-	68,437,800
4.1 Rental, office supplies	68,437,800	-
5. Repairs & petrol expenses:	-	168,195,870
5.1 Repair motorbike, gasoline for staffs in mission	168,195,870	-
6. Training & tools, stationery expenses:	-	5,212,030,058
6.1 Training to poor household groups, new members	75,419,000	-
6.2 Training to local village workers	6,750,000	-
6.3 Training to agricultural and veterinary classes	655,000	-
6.4 Training to staffs and village worker of agri' program	-	-
6.5 Cost of visiting agricultural program	-	-
6.6 Cost of modeling agricultural program	10,500,000	-
6.7 Cost of buying tools, seed agricultural program	-	-
6.8 Cost of photocopy of training materials	210,000	-

6.9 Cost of workshop model, competitions	5,095,000	-
6.10 Training to handicrafts group	74,292,177	-
6.11 Support for volunteer	27,773,000	-
6.12 Cost of education materials	13,766,900	-
6.13 Cost of training in health education	680,326,830	-
6.14 Purchase of equipment for schools	40,000,000	-
6.15 Medicines and vermifuges for schools	-	-
6.16 Scholarships	2,240,457,905	-
6.17 Donation for Computer Center	91,300,000	-
6.18 Counterparts	36,347,684	-
6.19 Staffs training	27,942,000	-
6.20 Training for women's right for employments	-	-
6.21 Cost for training play team	-	-
6.22 Purchase of medicines for mosquitoes impregnation	2,250,000	-
6.23 Cost of project's staffs	906,792,000	-
6.24 Cost of village worker	546,215,000	-
6.25 Purchase of net protect from mosquito	-	-
6.26 Cost of community latrines	1,800,000	-
6.27 Waste recycling expenses	83,622,482	-
6.28 Audit's fees	26,152,000	-
6.29 Project expansion assessing fee	-	-
6.30 Training to women's group	630,000	-
6.31 Non smoking day	48,240,000	-
6.32 Cost for road and bridges project	15,000,000	-
6.33 Poor households expenses	116,493,080	-
6.34 Support for the risk of agriculture & livestock	-	-
6.35 Support for charity house	134,000,000	-
6.36 Cost of nylon bag collection	-	-
6.37 Computer center training fees	-	-
6.38 Loss on liquidation of assets	-	-
6.39 Depreciation expenses	-	-
6.40 Credit risk expenses	-	-
7. Other expenses:	-	86,079,000
7.1 Miscellaneous	86,079,000	-
8. Cost of moving and other services:	-	28,252,356
8.1 Transportation charges	5,020,000	-
8.2 Staff mission expenses	9,235,000	-
8.3 Post & telecommunication charges	13,997,356	-
9. Staff expenses:	-	1,382,140,000
9.1 Staff salary	759,696,000	-
9.2 Salary and other allowances to local village workers	-	-
9.3 Accident insurance to staffs	3,188,000	-

9.4 Social insurance to staffs	246,418,000	-
9.5 Project management cost	372,838,000	-
10. Financial expenses:	-	363,000
10.1 Financial expenses:	363,000	-
10.2 Exchange rate differences	-	-
11. Other:	-	-
11.1 Other	-	-
Total		7,276,121,697

4. Liability sources:

4.1 Borrowed money

In 2022, Anh Duong Center borrowed capital from Mekong Plus France without interest rates to maintain the Center's activities.

No.	Name	VND
1	Mekong Plus France Organization	664.560.000

4.2 Removal of borrowed money

In 2022, Mekong Plus France decided to write off the debt for Anh Duong Center after 05 years of lending capital, by converting the annual loan amount into a sponsore one for Anh Duong Center.

No.	Mekong Plus delete debt	VND
1	Mekong Plus France Organization sponsore for Anh Duong	664,560,000

5. Funding sources:

Funds received from donors in 2022:

No.	Name of supporter	VND
1	Private Donations	1,255,598,260
2	Partage organization	134,165,598
3	Foundation D'entreprise Tryba	945,065,380
4	Room to Read	48,466,300
5	Momo donation	209,521,652
6	Mekong Plus organization	511,277,908
7	Future 21, via Mekong Plus	915,448,358
8	Scouts, via Mekong Plus	361,602,102
9	Next, via Mekong Plus	1,907,184,080
10	Benina VN, via Mekong Plus	915,448,358
11	Selavip, via Mekong Plus	396,093,693
12	Air liquid Donation	189,607,500
13	Give Asia Donation	18,978,264
14	Paris Bamboo Donation	168,891,600
15	Green Donation	60,000,000
16	Embassy Ha Lan	266,168,718
	Total	8,303,517,772

Hau Giang, December 31, 2022
Director



Hồ Thị Kim Chúc