

**American Auditing**

**AUDITED FINANCIAL STATEMENTS**

*for the fiscal year ended on 31 December 2023*

**AA COMPANY**

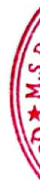
**CÔNG TY TNHH KIỂM TOÁN MỸ (AA)**

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**AUDITED FINANCIAL STATEMENTS**

*for the fiscal year ended on 31 December 2023*

**THIEN CHI CENTER COMMUNITY  
SUPPORT & DEVELOPMENT**



**AMERICAN AUDITING LIMITED (AA)**

A1200T11, Vinhomes Golden River, No.2 Ton Duc Thang street, BenNghe Ward, Dist. 1, HCMC

Tel: 028 3820 3822

Fax: 028 3932 1286

No.: 050/2024/BCKT-AA

**INDEPENDENT AUDITOR'S REPORT**

**To: Board of Directors**

**THIEN CHI CENTER COMMUNITY SUPPORT & DEVELOPMENT**

We have audited the Financial statements of THIEN CHI CENTER COMMUNITY SUPPORT & DEVELOPMENT, including: the Balance sheet statement as at 31 December 2023, the Income statement and notes to the financial statements, for the fiscal year ended on 31 December 2023.

**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 THIEN CHI CENTER COMMUNITY SUPPORT & DEVELOPMENT as at 31 December 2023 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.

*Hồ Chí Minh city, 13 March 2024*

**ON BEHALF OF AMERICAN AUDITING LIMITED**



**NGUYEN HUU TRI**

Director

Practice Registration Certificate

No.: 0476-2023-070-1

**NGUYEN VINH LOI**

Auditor

Practice Registration Certificate

No.: 0883-2023-070-1

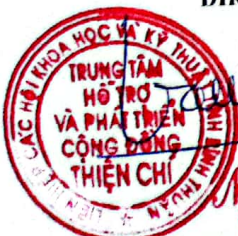
**BALANCE SHEET**

From January 1 to December 31, 2023

<u>Code</u>	<u>ITEMS</u>	<u>At 31/12/2023</u>	<u>At 31/12/2022</u>
	<b>ASSETS</b>		
	<b>Fixed Assets</b>		
010	Intangible assets - Shop	-	-
014	Intangible assets - Others	-	-
028	Tangible assets	86,210,000	-
028a	Depreciable assets	-	-
040	Financial Assets	12,703,500,000	14,095,900,000
<b>044</b>	<b>Total assets (I)</b>	<b>12,789,710,000</b>	<b>14,095,900,000</b>
	<b>Current assets (II)</b>		
050	Stock of raw materials	406,750,372	432,259,372
060	Stock of goods	-	-
064	Advances, repayment under orders	-	-
068	Repayment under order	-	-
072	Other payables	2,494,417,989	2,379,620,310
084	Cash in bank	7,636,681,836	4,610,873,496
088	Cash on hand	7,194,584	14,066,021
092	Prepaid expenses	-	-
096	<b>Total II</b>	<b>10,545,044,781</b>	<b>7,436,819,199</b>
		-	-
<b>110</b>	<b>TOTAL (I+II)</b>	<b>23,334,754,781</b>	<b>21,532,719,199</b>
	<b>LIABILITIES &amp; EQUITY</b>		
	<b>Ownership</b>		
120	Social or individual capital	6,243,542,392	6,243,542,392
124	Difference from revaluation	-	-
126	Legal provisions	-	-
130	Regulated provisions	-	-
132	Other provisions	-	-
134	Carried to new accounting year	12,865,860,807	9,626,888,093
136	Current year result	2,201,736,370	3,238,972,714
140	Regulated provisions	-	-
<b>142</b>	<b>Total ownership (I)</b>	<b>21,311,139,569</b>	<b>19,109,403,199</b>
	<b>DEBTS</b>		
154	Provision for risks and expenses	-	-
156	Loan and dept	-	-
164	Advances and repayment under order in progress	406,015,002	-
166	Suppliers and related accounts	-	-
172	Other debts	1,617,600,210	2,423,316,000
174	Prepaid profit	-	-
<b>176</b>	<b>Total II</b>	<b>2,023,615,212</b>	<b>2,423,316,000</b>
		-	-
<b>180</b>	<b>Total (I+II)</b>	<b>23,334,754,781</b>	<b>21,532,719,199</b>

Binh Thuan, Date December 31, 2023

DIRECTOR



*Nguyễn Văn Tân*

**OPERATION RESULT**

From January 1 to December 31, 2023

<u>Code</u>	<u>Description</u>	<u>2023</u>	<u>2022</u>
<b>INCOME</b>			
<b>70</b>	<b>Sale of product</b>		
701	Sales of product	548,708,000	362,590,000
703	Sales of assets	548,708,000	362,590,000
71	Sales of services	-	-
72	Difference in re-assessment of assets	-	-
<b>74</b>	<b>Subsidy</b>	<b>9,714,840,815</b>	<b>10,365,812,917</b>
	Subsidy from Sponsor	9,655,750,315	10,308,820,417
	Other subsidy	59,090,500	56,992,500
<b>76</b>	<b>Financial profits</b>	<b>828,126,781</b>	<b>637,829,248</b>
766	Difference of exchange rate	95,115,502	6,983,166
768	Interest from bank	84,303,779	59,640,082
768	Interest fro credit activities	648,707,500	571,206,000
<b>232</b>	<b>Total of income</b>	<b>11,091,675,596</b>	<b>11,366,232,165</b>
<b>EXPENSES</b>			
<b>60</b>	<b>Purchase of material and provision</b>	<b>600,969,314</b>	<b>333,653,282</b>
601	Purchase of material	519,342,465	250,554,798
(*)	Purchase of other material, fuel	49,825,560	50,482,970
606	Purchase of energy	31,801,289	32,615,514
<b>61</b>	<b>External services purchase</b>	<b>5,895,025,719</b>	<b>5,081,213,764</b>
613	Location	223,158,001	149,572,156
615	Reparation expenses	148,078,125	139,970,799
617	The program costs	2,793,289,200	2,608,133,250
617a	Academic Capacity building for teachers & students	163,494,158	223,708,093
617b	Scholarships	1,123,723,500	1,216,296,000
618	Other External services purchase	1,443,282,735	743,533,466
<b>62</b>	<b>Other moving &amp; services</b>	<b>77,435,825</b>	<b>45,142,096</b>
<b>64</b>	<b>Staff expenses</b>	<b>1,275,438,490</b>	<b>1,447,024,898</b>
64a	Staff salary	1,275,438,490	1,447,024,898
64b	Salary and other allowances to local village workers	-	-
<b>64c</b>	<b>Other management expenses</b>	<b>1,028,367,900</b>	<b>984,662,000</b>
<b>66</b>	<b>Financial expenses</b>	<b>12,701,978</b>	<b>5,901,445</b>
<b>66a</b>	<b>Assets liquidation expenses</b>	<b>-</b>	<b>190,968,000</b>
<b>69</b>	<b>Exchange rate differences</b>	<b>-</b>	<b>38,693,966</b>
<b>67</b>	<b>Special expenses</b>	<b>-</b>	<b>-</b>
<b>68</b>	<b>Lost sale assets expenses</b>	<b>-</b>	<b>-</b>
	<b>Total of expenses</b>	<b>8,889,939,226</b>	<b>8,127,259,451</b>
	<b>RESULT OF OPERATION</b>	<b>2,201,736,370</b>	<b>3,238,972,714</b>
	profit taxes	-	-
	<b>PROFITS/LOSS</b>	<b>2,201,736,370</b>	<b>3,238,972,714</b>

(\*) Total of code 602;605

Binh Thuan, Date December 31, 2023

DIRECTOR



*Nguyễn Văn Chân*



UNION OF SCIENCE & TECHNOLOGY ASSOCIATIONS BINH THUAN PROVINCE (VUSTA)  
**THIEN CHI CENTER**  
**COMMUNITY SUPPORT & DEVELOPMENT (TCC)**  
Nga Hai, Phu Sum village, Ham My commune – Phan Thiet district – Viet Nam  
Tel/Fax: (0252) 3899 224 Email: [thienchi.hamthuannam@gmail.com](mailto:thienchi.hamthuannam@gmail.com); [www.thienchi.org](http://www.thienchi.org)

## NOTES OF FINANCIAL STATEMENT From 01/01/2023 to 31/12/2023

### 1. Organization characteristics

**Structure of ownership:** Thien Chi Center for community support and development (Thien Chi Center in short) is a local non-profit organization, directly under The Union of Science and Technology Associations of Binh Thuan province according to decision No.165 QĐ/LHH dated 8 Dec, 2005.

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

**Place of operation:** Binh Thuan 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.165QĐ/LHH dated 08/12/2005.

### 3. Financial indicators:

The below financial indicators have been performed in Binh Thuan province:

#### 3.1 Operating assets

Assets include all working tools with a value greater than 30,000,000 VND. From 2016 to 2022, Thien Chi Center decided to liquidate all fixed assets at the agency with a value below 30,000,000 VND. Furthermore, it plans to liquidate all assets at computer centers, as the center will transfer these assets to the managing schools.

In December 2023, Thien Chi Center acquired assembly houses for children's learning in Duc Linh, totaling 86,210,000 VND. The depreciation will be over 5 years, starting from 2024."

#### 3.2 Depreciation

The total amount of deprecation in 2023 is 0 VND

#### 3.3 Employee status (Unit: VND)

	Year 2023	Year 2022
Total number of employees	23	24
Total salary	1.275.438.490	1.447.024.898
Monthly average salary per person	4.621.154	4.637.900

The annual wage increase policy remains unchanged. The total salary cost in 2023 decreased by 12% compared to 2022 due to personnel adjustments, including a reduction of one staff member at Thien Chi Center. However, the salary structures remain intact to maintain motivation among employees. Therefore, the salary expenses in 2023 are lower than those in 2022."

Since 2008, Thien Chi Center has joined the social insurance regime for all employees.

#### 3.4 Credit operation

The credit operation are still well implemented, the capital support for the economy is raised to a maximum of 10,000,000 VND without interest. In addition, to create jobs for people, the project also continues to support individuals who can borrow up to a maximum of VND 20,000,000. In 2023, Thien

Chi Center focuses on a program of difficult households lending capital without fees and having a management fee of 0.5% from the 3rd round or more for households who are relatively well-off and need to borrow capital for breeding, farming or small trade.

The credit debt situation is as follows: As of December 31, 2023, Thien Chi Center currently has 2.981 households participating in borrowing capital.

### 3.4.1 Supplying credit:

At 31/12/2023	Total VND	Employment loans VND	Economic program VND
	<b>12,703,500,000</b>	<b>371,300,000</b>	<b>12,332,200,000</b>
Hàm Thuận Nam	4,066,100,000	11,000,000	4,055,100,000
Tanh Linh	5,198,500,000	360,300,000	4,838,200,000
Đức Linh	3,438,900,000		3,438,900,000

### 3.4.2 Income from credit operation in the year 2023:

- Interest from bank deposits and short-term: 84.303.779 VND
- Interest from credit operations: 648.707.500 VND

### 3.4.3 Other income:

- Interest from social insurance funds for loans: 34.480.500 VND
- Other income: 24.610.000 VND

### 3.5 Operating expenses:

In 2023, details of operating expenses are as follows:

Items		Amount( VND)
<b>1. Cost of material:</b>	-	<b>519,342,465</b>
1.1 Cost of handicrafts	497,063,958	-
1.2 Cost of bamboo bike	22,278,507	-
<b>2. Cost of other materials, tools:</b>	-	<b>49,825,560</b>
2.1 Stationery	15,687,860	-
2.2 Equipment and tools	34,137,700	-
2.3 Schools computer expenses	-	-
<b>3. Energy expenses:</b>	-	<b>31,801,289</b>
3.1 Gas, electricity, water	31,801,289	-
<b>4. Location expenses:</b>	-	<b>223,158,001</b>
4.1 Rental, office supplies	223,158,001	-
<b>5. Repairs &amp; petrol expenses:</b>	-	<b>148,078,125</b>
5.1 Repair motorbike, gasoline for staffs in mission	148,078,125	-
<b>6. Training &amp; tools, stationery expenses:</b>	-	<b>5,452,042,193</b>
6.1 Training to poor household groups, new members	41,723,700	-
6.2 Training to local village workers	16,758,000	-
6.3 Training to agricultural and veterinary classes	4,692,000	-
6.4 Training to staffs and village worker of agri' program	-	-
6.5 Cost of visiting agricultural program	430,000	-
6.6 Cost of modeling agricultural program	281,608,000	-
6.7 Cost of buying tools, seed agricultural program		

	10,205,000	-
6.8 Cost of photocopy of training materials	2,691,500	-
6.9 Cost of workshop model, competitions	700,000	-
6.10 Training to handicrafts group	56,649,000	-
6.11 Support for volunteer	12,920,600	-
6.12 Cost of education materials	43,535,158	-
6.13 Cost of training in health education	38,236,000	-
6.14 Purchase of equipment for schools	81,123,000	-
6.15 Medicines and vermifuges for schools	-	-
6.16 Scholarships	1,123,723,500	-
6.17 Donation for Computer Center	600,000	-
6.18 Counterparts	40,578,100	-
6.19 Staffs training	16,404,800	-
6.20 Training for women's right for employments	-	-
6.21 Cost for training play team	-	-
6.22 Purchase of medicines for mosquitoes impregnation	-	-
6.23 Cost of project's staffs	1,375,519,000	-
6.24 Cost of village worker	834,898,000	-
6.25 Purchase of net protect from mosquito	-	-
6.26 Cost of community latrines	5,600,000	-
6.27 Waste recycling expenses	-	-
6.28 Audit's fees	21,579,500	-
6.29 Project expansion assessing fee	-	-
6.30 Training to women's group	15,110,000	-
6.31 Non smoking day	17,422,000	-
6.32 Cost for road and bridges project	37,800,000	-
6.33 Poor households expenses	753,654,835	-
6.34 Support for the rist of agriculture & livestock	30,087,500	-
6.35 Support for charity house	587,793,000	-
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	-	-
<b>7. Other expenses:</b>	-	<b>71,747,400</b>
7.1 Miscellaneous	71,747,400	-
<b>8. Cost of moving and other services:</b>	-	<b>77,435,825</b>
8.1 Transportation charges	1,659,920	-
8.2 Staff mission expenses	56,961,055	-
8.3 Post & telecommunication charges	18,814,850	-
<b>9. Staff expenses:</b>	-	<b>2,303,806,390</b>
9.1 Staff salary	1,077,078,750	-
9.2 Salary and other allowances to local village workers	-	-
9.3 Accident insurance to staffs	5,844,000	-



9.4 Social insurance to staffs	192,515,740	-
9.5 Project management cost	1,028,367,900	-
<b>10. Financial expenses:</b>	-	<b>12,701,978</b>
10.1 Financial expenses	12,701,978	-
10.2 Exchange rate differences	-	-
<b>11. Other :</b>	-	-
11.1 Other	-	-
<b>Total</b>		<b>8,889,939,226</b>

#### 4. Liability sources:

From 2018 to 2022, the Thien Chi Center borrowed funds from the Mekong Plus France organization in the total amount of 3,322,800,000 VND without interest to sustain the center's activities. This amount will be repaid to the Mekong Plus France organization over 5 years, starting from 2022 to 2026, with an annual repayment of 664,560,000 VND. The Mekong Plus France organization has decided to cancel the debt owed by the Thien Chi Center by converting the annual repayment amount into sponsorship funds for the Thien Chi Center.

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

#### 5. Source

Name of supporter	VND
Dr.Eric Barthelme, via Mekong Plus	537,500,000
Nhận tài trợ từ BENINA, qua Mekong Plus	575,000,000
Amanjaya, via Mekong Plus	54,541,667
Next, via Mekong Plus	4,409,333,333
APABNBT organization, via Mekong Plus	250,000,000
Mekong Plus organization	664,560,000
Paris Bamboo organization, via Mekong Plus	165,625,000
Nickedo, via Mekong Plus	125,000,000
Private Donations	462,945,007
Fund from Friend of Mekong Quilts	155,221,290
Paris Bamboo organization	267,772,900
Fund from MoMo	453,654,280
Fund from Give Asia	628,096,838
Selavip, via Mekong Plus	800,000,000
Viet Quang Group	106,500,000
<b>Total</b>	<b>9,655,750,315</b>

Binh Thuan, December 31, 2023

Director,



Nguyen Van Than

# ideas Solutions Results

*American Auditing is the leading professional services firm that delivers the value clients care about.*

*We bring our clients the ideas they need to make the most informed decisions.*

*We explore alternatives and identify the best solutions.*

*We help our clients achieve results that make them more competitive, improve their profitability, and increase stakeholder value.*

## OFFICES IN VIETNAM

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### *The Centre Area*

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## FURTHER INFORMATION

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- *Websie* : [www.aa.com.vn](http://www.aa.com.vn)

American Auditing (AA) was established at Vietnam in year 2001 and approved to audit securities - issuing organizations, securities-listing organizations, securities-trading organizations, valuation of businesses, the general State-owned company and foreign group company according to Decision No.1938/QD-BTC of Ministry of Finance, Vietnam, Decision No. 140/QD-UBCK of the state securities commission, Vietnam and Decision No. 16702/VACPA of Vietnam Association of Certified Public Accountants.