

**AUDITED FINANCIAL STATEMENTS**

*for the fiscal year ended on 31 December 2022*

**THIEN CHI CENTER COMMUNITY  
SUPPORT & DEVELOPMENT**

**AMERICAN AUDITING LIMITED (AA)**

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No.: 022/2023/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 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 THIEN CHI CENTER COMMUNITY SUPPORT & DEVELOPMENT 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

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THIEN CHI CENTER

**BALANCE SHEET**

From January 1 to December 31, 2022

<u>Code</u> <u>ITEMS</u>	<u>At 31/12/2022</u>	<u>At 31/12/2021</u>
<b>ASSETS</b>	-	-
<b>Fixed Assets</b>	-	-
010 Intangible assets- shop	-	-
014 Intangible assets- Others	-	-
028 Tangible assets	-	-
028a Depreciable assets	-	-
040 Financial Assets	14,095,900,000	9,939,731,000
<b>044 Total assets (I)</b>	<b>14,095,900,000</b>	<b>9,939,731,000</b>
<b>Current assets (II)</b>	-	-
050 Stock of raw materials	432,259,372	648,833,372
060 Stock of goods	-	-
064 Advances, repayment under orders	-	-
068 Repayment under order	-	-
072 Other payables	2,379,620,310	1,589,143,718
084 Cash in bank	4,610,873,496	6,340,329,261
088 Cash on hand	14,066,021	10,633,134
092 Prepaid expenses	-	-
<b>096 Total (II)</b>	<b>7,436,819,199</b>	<b>8,588,939,485</b>
<b>110 TOTAL (I+II)</b>	<b>21,532,719,199</b>	<b>18,528,670,485</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	9,626,888,093	6,866,719,414
136 Current year result	3,238,972,714	2,760,168,679
140 Regulated provisions	-	-
<b>142 Total ownership (I)</b>	<b>19,109,403,199</b>	<b>15,870,430,485</b>
<b>DEBTS</b>		
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	2,423,316,000	2,658,240,000
174 Prepaid profit	-	-
<b>176 Total (II)</b>	<b>2,423,316,000</b>	<b>2,658,240,000</b>
<b>180 Total (I+II)</b>	<b>21,532,719,199</b>	<b>18,528,670,485</b>

Binh Thuan, Date December 31, 2022

**DIRECTOR**



*Nguyễn Văn Chân*

1/2/2023  
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THIEN CHI CENTER

**OPERATION RESULT**

From January 1 to December 31, 2022

<u>Code</u>	<u>Description</u>	<u>2022</u>	<u>2021</u>
<b>INCOME</b>			
70	<b>Sale of product</b>		
701	Sales of product	362,590,000	494,891,000
703	Sales of assets	362,590,000	494,891,000
71	<b>Sales of services</b>	-	-
72	<b>Difference in re-assessment of assets</b>	-	-
74	<b>Subsidy</b>	10,365,812,917	10,063,211,614
	Subsidy from Sponsor	10,308,820,417	9,933,596,614
	Other subsidy	56,992,500	129,615,000
76	<b>Financial profits</b>	637,829,248	515,391,513
766	Difference of exchange rate	6,983,166	3,937,934
768	Interest from bank	59,640,082	3,638,579
768	Interest fro credit activities	571,206,000	507,815,000
<b>232</b>	<b>Total of income</b>	<b>11,366,232,165</b>	<b>11,073,494,127</b>
<b>EXPENSES</b>			
60	<b>Purchase of material and provision</b>	333,653,282	852,629,213
601	Purchase of material	250,554,798	773,319,567
(*)	Purchase of other material, fuel	50,482,970	47,024,000
606	Purchase of energy	32,615,514	32,285,646
61	<b>External services purchase</b>	5,081,213,764	4,781,795,717
613	Location	149,572,156	193,920,999
615	Reparation expenses	139,970,799	102,203,414
617	The program costs	2,608,133,250	2,264,370,304
617a	Academic Capacity building for teachers & students	223,708,093	94,190,000
617b	Scholarships	1,216,296,000	1,464,270,000
618	Other External services purchase	743,533,466	662,841,000
62	<b>Other moving &amp; services</b>	45,142,096	35,187,956
64	<b>Staff expenses</b>	1,447,024,898	1,657,844,400
64a	Staff salary	1,447,024,898	1,657,844,400
64b	Salary and other allowances to local village workers	-	-
64c	Other management expenses	984,662,000	953,005,000
66	Financial expenses	5,901,445	5,396,324
66a	Assets liquidation expenses	190,968,000	-
69	Exchange rate differences	38,693,966	27,466,838
67	Special expenses	-	-
68	Lost sale assets expenses	-	-
	<b>Total of expenses</b>	<b>8,127,259,451</b>	<b>8,313,325,448</b>
	<b>RESULT OF OPERATION</b>	<b>3,238,972,714</b>	<b>2,760,168,679</b>
	Profit taxes	-	-
	<b>PROFITS/LOSS</b>	<b>3,238,972,714</b>	<b>2,760,168,679</b>

(\*) Total of code 602;605

Binh Thuan, Date December 31, 2022

DIRECTOR



*Nguyễn Văn Chân*

1/2022



UNION OF SCIENCE & TECHNOLOGY ASSOCIATIONS BINH THUAN PROVINCE (VUSTA)  
**THIEN CHI CENTER**  
**COMMUNITY SUPPORT & DEVELOPMENT (TCC)**  
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## NOTES OF FINANCIAL STATEMENT From 01/01/2022 to 31/12/2022

### 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 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 2021 is 0 VND

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

	Year 2022	Year 2021
Total number of employees	24	22
Total salary	1,447,024,898	1,657,844,400
Monthly average salary per person	4,637,900	5,796,658

The policy of annual wage increases remains unchanged. The total salary cost in 2022 decreased compared to 2021 by 20% because in 2021 Thien Chi Center paid 30% of the last seniority fee to employees. In 2022, Thien Chi 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.

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 2021, 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.

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The credit debt situation is as follows: As of December 31, 2022, Thien Chi Center currently has 3,519 households participating in borrowing capital.

#### 3.4.1 Supplying credit:

At 31/12/2022	Total	Employment loans	Economic program
	VND	VND	VND
<b>Poor families</b>	<b>14,095,900,000</b>	<b>18,200,000</b>	<b>14,077,700,000</b>
+ Duc Linh	5,207,600,000		5,207,600,000
+ Tanh Linh	4,928,100,000	18,200,000	4,909,900,000
+ Ham Thuan Nam	3,960,200,000		3,960,200,000

#### 3.4.2 Income from credit operation in the year 2022:

- Interest from bank deposits and short-term: 59,640,082 VND  
 - Interest from credit operations: 571,206,000 VND

#### 3.4.3 Other income:

- Interest from social insurance funds for loans: 29,925,000 VND  
 - Other income: 27,067,500 VND

#### 3.5 Operating expenses:

In 2022, details of operating expenses are as follows:

Items		Amount (VND)
<b>1. Cost of material:</b>	-	<b>250,554,798</b>
1.1 Cost of handicrafts	234,071,751	-
1.2 Cost of bamboo bike	16,483,047	-
<b>2. Cost of other materials, tools:</b>	-	<b>50,482,970</b>
2.1 Stationery	23,703,970	-
2.2 Equipment and tools	26,779,000	-
2.3 Schools computer expenses	-	-
<b>3. Energy expenses:</b>	-	<b>32,615,514</b>
3.1 Gas, electricity, water	32,615,514	-
<b>4. Location expenses:</b>	-	<b>149,572,156</b>
4.1 Rental, office supplies	149,572,156	-
<b>5. Repairs &amp; petrol expenses:</b>	-	<b>139,970,799</b>
5.1 Repair motorbike, gasoline for staffs in mission	139,970,799	-
<b>6. Training &amp; tools, stationery expenses:</b>	-	<b>4,853,579,743</b>
6.1 Training to poor household groups, new members	74,316,000	-
6.2 Training to local village workers	26,602,000	-
6.3 Training to agricultural and veterinary classes	1,100,000	-
6.4 Training to staffs and village worker of agri' program	-	-
6.5 Cost of visiting agricultural program	2,853,000	-
6.6 Cost of modeling agricultural program	65,534,100	-
6.7 Cost of buying tools, seed agricultural program	5,880,000	-
6.8 Cost of photocopy of training materials	-	-
6.9 Cost of workshop model, competitions	-	-
6.10 Training to handicrafts group	56,264,500	-

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6.11 Support for volunteer	2,379,000	-
6.12 Cost of education materials	56,549,820	-
6.13 Cost of training in health education	79,529,600	-
6.14 Purchase of equipment for schools	38,940,000	-
6.15 Medicines and vermifuges for schools	188,673	-
6.16 Scholarships	1,216,296,000	-
6.17 Donation for Computer Center	48,500,000	-
6.18 Counterparts	65,524,500	-
6.19 Staffs training	50,803,800	-
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	1,215,072,350	-
6.24 Cost of village worker	829,751,000	-
6.25 Purchase of net protect from mosquito	-	-
6.26 Cost of community latrines	16,400,000	-
6.27 Waste recycling expenses	-	-
6.28 Audit's fees	21,288,000	-
6.29 Project expansion assessing fee	-	-
6.30 Training to women's group	84,285,000	-
6.31 Non smoking day	23,800,000	-
6.32 Cost for road and bridges project	66,280,000	-
6.33 Poor households expenses	89,104,400	-
6.34 Support for the rist of agriculture & livestock	30,870,000	-
6.35 Support for charity house	494,500,000	-
6.36 Cost of nylon bag collection	-	-
6.37 Computer center training fees	-	-
6.38 Loss on liquidation of assets	190,968,000	-
6.39 Depreciation expenses	-	-
6.40 Credit risk expenses	-	-
<b>7. Other expenses:</b>	-	<b>129,059,066</b>
7.1 Miscellaneous	129,059,066	-
<b>8. Cost of moving and other services:</b>	-	<b>45,142,096</b>
8.1 Transportation charges	1,208,000	-
8.2 Staff mission expenses	21,614,000	-
8.3 Post & telecommunication charges	22,320,096	-
<b>9. Staff expenses:</b>	-	<b>2,431,686,898</b>
9.1 Staff salary	1,038,315,900	-
9.2 Salary and other allowances to local village workers	-	-
9.3 Accident insurance to staffs	5,586,000	-
9.4 Social insurance to staffs	403,122,998	-
9.5 Project management cost	984,662,000	-

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<b>10. Financial expenses:</b>	-	<b>44,595,411</b>
10.1 Financial expenses	5,901,445	-
10.2 Exchange rate differences	38,693,966	-
<b>11. Other:</b>	-	-
11.1 Other	-	-
<b>Total</b>		<b>8,127,259,451</b>

#### 4. Liability sources:

##### 4.1 Borrowed money

In 2022, Thien Chi Center borrowed capital from Mekong Plus France without calculating 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 Thien Chi Center after 05 years of lending capital, by converting the annual loan amount into a sponsore one for 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
Private Donations	142,917,000
Fund from Friend of Mekong Quilts	200,096,242
Paris Bamboo organization	168,787,570
Fund from Embassy Australia	155,531,740
Fund from MoMo	496,860,242
Fund from Give Asia	20,627,623
Mekong Plus organization	1,479,231,613
Future 21, via Mekong Plus	1,338,140,710
Scouts, via Mekong Plus	436,831,058
Next, via Mekong Plus	2,303,961,278
Dr.Eric Barthelme, via Mekong Plus	414,713,030
Private Donations, via Mekong Plus	419,545,819
Benina, via Mekong Plus	1,105,901,413
Selavip, via Mekong Plus	519,773,664
Juniclair, via Mekong Plus	1,105,901,413
<b>Total</b>	<b>10,308,820,417</b>

Binh Thuan, December 31, 2022  
Director,



Nguyen Van Than