

**THUY CHUNG AUDITING & ACCOUNTING FINANCIAL
CONSULTATIVE SERVICE COMPANY**

AUDITORS' REPORT

**FINANCIAL STATEMENTS
FROM ESTABLISHED DATE TO 31/12/2006
OF THIEN CHI CENTER FOR COMMUNITY
SUPPORT AND DEVELOPMENT**



No. 600

Hochiminh City, 24 April 2007

**AUDITOR'S REPORT
ON THE FINANCIAL STATEMENTS
FROM ESTABLISHED DATE TO 31/12/2006**

**TO DIRECTOR OF THIEN CHI CENTER FOR COMMUNITY SUPPORT AND
DEVELOPMENT**

We have audited the financial statements from established date to 31st December 2006 on pages from 02 to 07 including Balance Sheet, Report of Result of Operation and Notes to the Financial Statements in Binh Thuan province .

The Center's Director is responsible for the preparation of the financial statements. Our responsibility is to form an independent opinion based on our audit.

Basis of opinion

We conducted our audit in accordance with Vietnamese Standards on Accounting and Auditing as well as with international standards accepted by the Socialist Republic of Vietnam. An audit includes examination, on a test basis, of evidence relevant to the amounts and explanations in the financial statements, in order to make conclusion that the financial statements are free from significant material misstatement. We consider that our audit provides us reasonable basis for our opinion.

Opinion

In our opinion, in the all material respects, the financial statements give a true and fair view of the financial statement as at 31st December 2006. The Balance Sheet, Report of result of Operations reflected truly real activities of your Center in Binh thuan province for audited period from established date to 31/12/2006. The form of Reports have been prepared in accordance with accepted international standards and their contents are in accordance with characteristic and particulars of projects performed by your Center in Binh Thuan province.

Yours faithfully



PHUNG THI THANH THUY
Registration No:0126/KTV

AUDITOR

NGUYEN TAN BINH
RegistrationNo:0843/KTV



THIEN CHI CENTER FOR COMMUNITY SUPPORT & DEVELOPMENT

BALANCE SHEET

From Established date to December 31, 2006


<u>Code</u>	<u>ITEMS</u>	31/12/2006
170	ASSETS	-
	Fixed Assets	-
010	Intangible assets- shop	495.865.995
014	Intangible assets- Others	-
028	Tangible assets	2.450.000
040	Financial Assets	-
044	Total assets (I)	2.450.000
	Current assets (II)	-
050	Stock of raw materials	-
060	Stock of goods	-
064	Advances, repayment under orders	-
068	Repayment under order	-
072	Other payables	14.793.292
084	Cash in bank	477.927.270
088	Cash on hand	695.433
092	Prepaid expenses	-
096	Total II	493.415.995
110	TOTAL (I+II)	495.865.995
	LIABILITIES & EQUITY	-
	Ownership	-
120	Social or individual capital	-
124	Difference from revaluation	-
126	Legal provisions	-
130	Regulated provisions	-
132	Other provisions	-
134	Carried to new accounting year	-
136	Current year result	495.865.995
140	Regulated provisions	-
142	Total ownership (I)	495.865.995
	DEBTS	-
154	Provision for risks and expenses	-

OPERATION RESULT

Code	ITEMS	31/12/2006
156	Loan and dept	-
164	Advances and repayment under order in progres	-
166	Suppliers and related accounts	-
172	Other debts	-
174	Prepaid profit	-
176	Total II	-
180	Total (I+II)	495.865.995

HCMC Date 02/28/ 2007

DIRECTOR

 *Handwritten signature and name 'Van Tiet' in red ink.*

01	Cost of material and provision	205.418.473
02	Cost of material	282.541.967
03	Cost of other material, fuel	8.397.000
04	Cost of energy	1.377.432
05	External services purchase	10.407.000
06	Location	7.543.000
07	Depreciation expense	478.000
08	Traveling, stationary & research expenses	7.890.000
09	Other External services purchase	3.057.000
10	Other moving & services	24.918.695
11	Staff expenses	108.183.000
12	Other management expenses	-
13	Financial expenses	-
14	Special expenses	1.242.320.777
15	Total of expenses	1.748.607.937

RESULTS OF OPERATION 495.865.995

PROFIT/LOSS 196.285.185

HCMC Date 02/28/2007

DIRECTOR

 *Handwritten signature and name 'Van Tiet' in red ink.*

THIEN CHI CENTER FOR COMMUNITY SUPPORT & DEVELOPMENT

OPERATION RESULT

From Established date to December 31, 2006

<u>Code</u>	<u>Description</u>	<u>Năm 2006</u>
	INCOME	-
70	Sale of product	336.641.080
701	Sales of product	336.641.080
703	Sales of assets	-
71	Sales of services	30.000.000
72	Difference in re-assessment of assets	-
74	Subsidy	1.857.042.892
	Subsidy from Sponsor	1.857.042.892
	Other subsidy	-
76	Financial profits	20.789.960
766	Difference of exchange rate	16.010.829
768	Interest from bank	4.779.131
768	Interest from credit activities	-
232	Total of income	2.244.473.932
	EXPENSES	-
60	Purchase of material and provision	293.618.475
601	Purchase of material	282.644.043
(*)	Purchase of other material, fuel	8.897.000
606	Purchase of energy	2.077.432
61	External services purchase	19.467.000
613	Location	7.544.000
615	Reparation expenses	476.000
617	Training , stationary & research expenses	8.390.000
618	Other External services purchase	3.057.000
62	Other moving & services	24.018.685
64	Staff expenses	169.483.000
65	Other management expenses	-
66	Financial expenses	-
67	Special expenses	1.242.020.777
	Total of expenses	1.748.607.937
	RESULT OF OPERATION	495.865.995
	profit taxes	-
	PROFITS/LOSS	495.865.995

(*) Total of code 602;605

HCMC Date 02/28/2007

DIRECTOR





THE UNION OF SCIENCE AND TECHNOLOGY ASSOCIATIONS BINH THUAN PROVINCE
 Thien Chi Center
 Community support & development
 317. Bùi thị Xuân – Phan Thiết ĐT/Fax:: (062).839147 Email: thichico@vnn.vn www.thienchi.org

NOTES OF FINANCIAL STATEMENT
 From established date to 31/12/2006

1. Organization characteristics

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

Scope of operation: consultancy, training, assistance and development of rural areas

Place of operation: Binh Thuan Province

2. Forms of filling : Using software WBILAN of COTE QUEST-FRANCE accounting software company to check the use of sponsored fund and operations stipulated in the License no 165QĐ/LHH

3. Financial indicators:

These below financial indicators have been performed in Binh Thuan Province.

3.1 Operating assets

Assets include all working equipment with their value is more than 1.000.000 VND. Annual depreciation is not allocated. The reported value is the original value.

	Beginning balance	Increasing	Decreasing	Unit: VND Ending balance
Assets and tools		2.450.000		2.450.000
<i>In Thiện Chí</i>		2.450.000		2.450.000

3.2 Employee status

	Năm 2006
Total of employees (person) :	11
Total of salary (VND):	165.320.000
Average salary of each employee (VND/person/month)	1.252.424

3.3 Operation expenses

In the year 2006, Thien Chi center has performed activities under decision of The Union of Science and Technology Associations

Detail of costs as bellows:

Items		Amount (VND)
1. Cost of material		282,644,043
1.1. Cost of handicrafts	282,644,043	
2. Cost of other material, fuel		8,897,000
2.1 Cost of stationery	6,465,000	
2.2 Cost of equipments and tools for management	2,432,000	
3. Cost of energy		2,077,432
3.1 Cost of gas, electricity, water	2,077,432	
4. Cost of location		7,544,000
4.1 Cost of hiring offices	7,544,000	
5. Cost of reparation, petrol		476,000
5.1 Cost of motorbike for staffs go on mission	476,000	
6. Cost of traing & equipments, stationery		8,390,000
6.1 Partner	2,390,000	
6.2 Cost of training	420,000	
6.3 Cost of auditing	5,500,000	
6.4 Cost of woman training	80,000	
7. Cost of other external services		3,057,000
7.1 Cost of miscelaneous	3,057,000	
8. Cost of moving and other services		24,018,685
8.1 Cost of transports	846,000	
8.2 Cost of going on mission	5,446,000	
8.3 Cost of telephone, fax, sending letters	14,836,886	
8.4 Bank charges 94	26,400	
8.5 Bank charges 95	1,649,866	
8.6 Bank charges 96	1,213,533	
9. Staff expenses		169,483,000
9.1 Cost of salary for staffs	165,320,000	
9.2 Cost of salary for collaborators	3,900,000	
9.3 Cost of accident insurance for staffs	263,000	
10. Sponsor expenses:		1.242.020.777
10.1 Sponsor to Duc Linh	620,000,299	
10.2 Sponsor to Ham Thuan Nam	539,439,318	
10.3 Sponsor to Việt Nam Quilt Duc Linh	82,581,160	
Total		<u>1.748.607.937</u>

4. Sponsorship

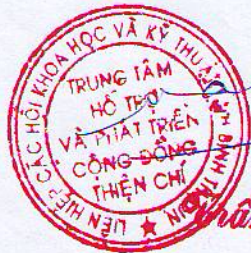
4.1 The sponsored sources received in 2006:

Sources	<u>1.857.042.892</u>
AJWS	160,010,000
Maria Janssens Foundation	299,280,000
Mrs. Lucile de Brabandere	49,880,000
Oxfam Quebec	185,538,478
McKnight Foundation	800,050,000
Bio Lab	48,003,000
Royal Netherlands Embassy	122,174,481
Viet Nam Plus	71.353.914
Terre D'Occreations	118,241,139
Transfer from Thien Chi Company	2.511.880

4.2 The remaining amount at Dec 31, 2006 is 495.865.995 VND

Ho Chi Minh city, date 02/28/07

Directors


Phan Văn Tốt