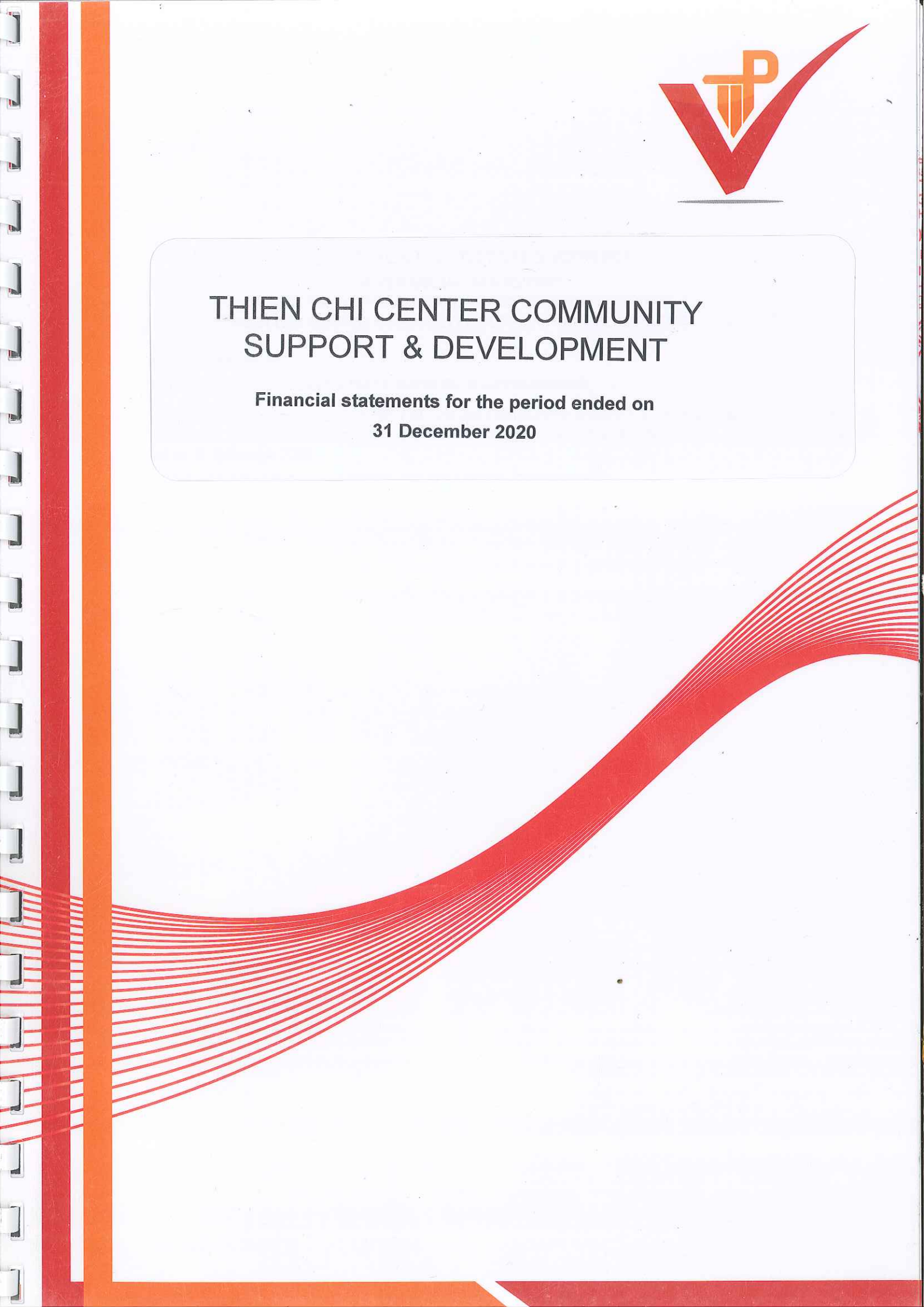




**THIEN CHI CENTER COMMUNITY
SUPPORT & DEVELOPMENT**

**Financial statements for the period ended on
31 December 2020**





No. 20210413003

INDEPENDENT AUDITOR'S REPORT
ON FINANCIAL STATEMENT
FOR THE FISCAL YEAR ENDED ON 31 DECEMBER 2020 OF
THIEN CHI CENTER COMMUNITY SUPPORT & DEVELOPMENT

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 2020, the Income statement and notes to the financial statements, for the fiscal year ended on 31 December 2020.

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 2020 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, 31 March 2021



Nguyễn Đức Thịnh
Branch Manager
Practicing Auditor Registration Certificate
No. 3158-2020-133-01

Le Thi Kim Ngan
Auditor
Practicing Auditor Registration Certificate
No. 3131-2020-133-02



BALANCE SHEET

From January 1 to December 31, 2020

<u>Code</u>	<u>ITEMS</u>	<u>31/12/2020</u>	<u>31/12/2019</u>
	ASSETS		
	Fixed Assets		
010	Intangible assets- shop	-	-
014	Intangible assets- Others	-	41,338,000
028	Tangible assets	-	-
028a	Depreciable assets	-	-
040	Financial Assets	8,952,900,000	10,649,450,000
044	Total assets (I)	8,952,900,000	10,690,788,000
	Current assets (II)		
050	Stock of raw materials	805,984,839	1,221,334,458
060	Stock of goods	-	-
064	Advances, repayment under orders	-	-
068	Repayment under order	-	-
072	Other payables	2,693,163,140	1,501,953,542
084	Cash in bank	2,644,478,940	3,257,610,967
088	Cash on hand	7,414,887	9,468,340
092	Prepaid expenses	-	-
096	Total II	6,151,041,806	5,990,367,307
110	TOTAL (I+II)	15,103,941,806	16,681,155,307
	LIABILITIES & EQUITY		
	Ownership		
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	9,108,492,915	11,586,912,636
136	Current year result	(2,241,773,501)	(2,478,419,721)
140	Regulated provisions	-	-
142	Total ownership (I)	13,110,261,806	15,352,035,307
	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	1,993,680,000	1,329,120,000
174	Prepaid profit	-	-
176	Total II	1,993,680,000	1,329,120,000
180	Total (I+II)	15,103,941,806	16,681,155,307

Bình Thuận, Date December 31, 2020

DIRECTOR



Nguyễn Văn Chân

THIEN CHI CENTER

OPERATION RESULT
From January 1 to December 31, 2020



Code	ITEMS	2020	2019
	INCOME		
70	Sale of product	960,377,000	1,752,904,300
701	Sales of product	960,377,000	1,752,904,300
703	Sales of assets	-	-
71	Sales of services	-	-
72	Difference in re-assessment of assets	-	-
74	Subsidy	4,150,931,215	6,773,584,816
	Subsidy from Sponsor	4,024,170,015	6,576,134,907
	Other subsidy	126,761,200	197,449,909
76	Financial profits	631,349,365	548,967,565
766	Difference of exchange rate	41,893,176	-
768	Interest from bank	5,160,189	7,190,065
768	Interest fro credit activities	584,296,000	541,777,500
232	Total of income	5,742,657,580	9,075,456,681
	EXPENSES		
60	Purchase of material and provision	1,188,602,384	1,687,574,857
601	Purchase of material	1,128,606,319	1,605,129,340
(*)	Purchase of other material, fuel	27,532,585	38,383,760
606	Purchase of energy	32,463,480	44,061,757
61	External services purchase	2,297,017,865	3,476,835,090
613	Location	174,362,200	161,304,805
615	Reparation expenses	92,771,795	164,624,312
617	The program costs	451,305,770	1,032,057,800
617a	Academic Capacity building for teachers & students	29,165,000	423,317,610
617b	Scholarships	1,150,165,200	1,123,032,000
618	Other External services purchase	399,247,900	572,498,563
62	Other moving & services	49,998,486	72,210,796
64	Staff expenses	3,382,546,036	4,847,423,048
64a	Staff salary	2,826,077,036	4,023,747,548
64b	Salary and other allowances to local village workers	556,469,000	823,675,500
65	Other management expenses	1,062,097,636	1,456,065,667
66	Financial expenses	3,697,825	13,766,944
66a	Assets liquidation expenses	-	-
69	Exchange rate differences	470,849	-
67	Special expenses	-	-
68	Lost sale assets expenses	-	-
	Total of expenses	7,984,431,081	11,553,876,402
	RESULT OF OPERATION	(2,241,773,501)	(2,478,419,721)
	Profit taxes	-	-
	PROFITS/LOSS	(2,241,773,501)	(2,478,419,721)

(*) Total of code 602;605



Bình Thuận, Date December 31, 2020

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; www.thienchi.org

NOTES OF FINANCIAL STATEMENT

From 01/01/2020 to 31/12/2020

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 depreclation in 2020 is 0 VND

3.3 Employee status (Unit: VND)

	Year 2020	Year 2019
Total number of employees	25	31
Total salary	2.826.077.036	4,023,747,548
Monthly average salary per person	8.695.621	9.984.485

+ The policy of annual salary increase remains unchanged. However, the average income in 2020 decreased by 13% compared to 2019. Due to the influence of the Covid-19 epidemic all employees will receive a 25% reduction in salary from March to May 2020. Also in 2020, all employees will receive 33% of seniority from before 2016 and 9% of social insurance.

+ Thien Chi has a policy to allow employees to borrow money from social insurance fund (not exceeding 70% of their social insurance), monthly paid by installments. The total advance of employees as of 31/12/2020 is 395.621.853 VND.

+ In 2008, Thien Chi Center has registered the social insurance to all employees.

3.4 Credit operation

The credit loan granted to economic support has increased up to 10,000,000 VND without interest. Besides, in job creation program, the project continues to lend money to individuals up to 20,000,000 VND to support them to pay salary to the poor workers or purchase materials with the



monthly interest 0,5%. In 2020, the project concentrates on the credit loan program without interest supporting the poor households and has also granted loan with 0,5% monthly interest to the poor households which have borrowed money at the 3th revolution in raising livestocks, cultivation or small trading.

The credit status is as follows: As of December 31, 2020 Thien Chi center has 2,593 households participating in borrowing.

3.4.1 Supplying credit:

At 31/12/2020	Total	Economic program
	VND	VND
Poor families	8,952,900,000	8,952,900,000
+ Duc Linh	4,079,500,000	4,079,500,000
+ Tanh Linh	3,370,800,000	3,370,800,000
+ Ham Thuan Nam	1,502,600,000	1,502,600,000

3.4.2 Income from credit operation in the year 2020:

- Interest from bank deposits and short-term: 5,160,189 VND
- Interest from credit operations: 584,296,000 VND

3.4.3 Other income:

- Interest from social insurance funds for loans: 15,207,000 VND
- Other income: 111,354,200 VND

3.5 Operating expenses:

In 2020, details of operating expenses are as follows:

Items		Amount(VND)
1. Cost of material:	-	1,128,606,319
1.1 Cost of handicrafts	782,576,400	-
1.2 Cost of bamboo bike	346,029,919	-
2. Cost of other materials, tools:	-	27,532,585
2.1 Stationery	15,202,000	-
2.2 Equipment and tools	12,330,585	-
2.3 Schools computer expenses	-	-
3. Energy expenses:	-	32,463,480
3.1 Gas, electricity, water	32,463,480	-
4. Location expenses:	-	174,362,200
4.1 Rental, office supplies	174,362,200	-
5. Repairs & petrol expenses:	-	92,771,795
5.1 Repair motorbike, gasoline for staffs in mission	92,771,795	-

6. Training & tools, stationery expenses:	-	1,962,663,970
6.1 Non smoking day	7,000,000	-
6.2 Training to saving credit groups	31,568,500	-
6.3 Training to local village workers	9,034,000	-
6.4 Training to agricultural and veterinary classes	3,066,400	-
6.5 Cost of education materials	-	-
6.6 Cost of visiting agricultural program	-	-
6.7 Cost of modeling agricultural program	110,790,000	-
6.8 Cost of buying tools, seed agricultural program	1,322,000	-
6.9 Cost of photocopy of training materials	80,000	-
6.10 Cost of workshop model, competitions	-	-
6.11 Cost of education materials	6,112,750	-
6.12 Cost of training in health education	29,165,000	-
6.13 Purchase of equipment for schools	7,280,000	-
6.14 Medicines and vermifuges for schools	-	-
6.15 Scholarships	1,150,165,200	-
6.16 Counterparts	44,052,500	-
6.17 Staffs training	16,568,187	-
6.18 Training for women's right for employments	-	-
6.19 Cost for training play team	-	-
6.20 Purchase of medicines for mosquitoes impregnation	1,200,000	-
6.21 Purchase of net protect from mosquito	-	-
6.22 Cost of community latrines	12,500,000	-
6.23 Waste recycling expenses	-	-
6.24 Audit's fees	27,311,833	-
6.25 Project expansion assessing fee	-	-
6.26 Training to women's group	52,975,000	-
6.27 Support to Poor households	179,528,000	-
6.28 Support for the rist of agriculture & livestock	3,500,000	-
6.29 Support for charity house	149,000,000	-
6.30 Cost for road and bridges prject	15,200,000	-
6.31 Cost of nylon bag collection	-	-
6.32 Training to handicrafts group	91,574,900	-
6.33 Support for volunteer	13,669,700	-
6.34 Support to Computer centers	-	-
6.35 Donation for Computer Center	-	-
6.36 Loss on liquidation of assets	-	-
6.37 Depreciation expenses	-	-
6.38 Credit risk expenses	-	-
7. Other expenses:	-	67,219,900
7.1 Miscellaneous	67,219,900	-
8. Cost of moving and other services:	-	49,998,486
8.1 Transportation charges	2,455,000	-
8.2 Staff mission expenses	21,228,833	-
8.3 Post & telecommunication charges	26,314,653	-

HỢP CHỨC HỒI KINH

9. Staff expenses:	-	4,444,643,672
9.1 Staff salary	2,455,728,166	-
9.2 Salary and other allowances to local village workers	556,469,000	-
9.3 Accident insurance to staffs	4,515,000	-
9.4 Social insurance to staffs	365,833,870	-
9.5 Project management cost	1,062,097,636	-
10. Financial expenses:	-	4,168,674
10.1 Financial expenses	3,697,825	-
10.2 Exchange rate differences	470,849	-
11. Other :	-	-
11.1 Other	-	-
Total		7,984,431,081

4. Borrow money

In 2020, 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

5. Source

No	Name of supporter	VND
1	NEXT, via Mekong Plus	2,896,000,000
2	SELAVIP, via Mekong Plus	579,000,000
3	APABNBT organization, via Mekong Plus	144,770,000
4	American Embassy	91,427,105
5	Private Donations	137,651,000
6	Paris Bamboo organization	171,797,655
7	Fund from Give Asia	3,524,255
	ToTal	4,024,170,015

Binh Thuan, December 31, 2020

Director,



Nguyen Van Than