

No.849

Hochiminh City, March 08<sup>th</sup>, 2010

**AUDITOR'S REPORT  
ON THE FINANCIAL STATEMENTS FROM 01/01/2009 TO 31/12/2009  
TO THE ORGANIZATION VIETNAM PLUS IN VIETNAM**

We have audited the financial statements from 1<sup>st</sup> January 2009 to 31<sup>st</sup> December 2009 on pages from 02 to 09 including Balance Sheet, Report of Result of Operation and Notes to the Financial Statements.

The Organization'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. We checked most of documents related with two programs of Organization: Economic program and Social program. 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 31<sup>st</sup> December 2009. The Report of result of Operations reflected truly real activities of your Organization in Binh thuan province for audited period from 01/01/2009 to 31/12/2009. 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 Organization in Binh Thuan, Hau Giang provinces.

Yours faithfully

**DIRECTOR - CPA**  
  


**PHUNG THI THANH THUY**  
 Registration No. D0126/KTV

**AUDITOR**



**DANG DUC CHUYEN**  
 Registration No. 0345/KTV

**BALANCE SHEET**

From January 01 to December 31, 2009

Unit: VND

<u>Code</u>	<u>ITEMS</u>	<u>31/12/09</u>	<u>31/12/08</u>
	<b>ASSETS</b>		
	<b>Fixed assets (I)</b>		
010	Intangible assets - Shop	-	-
014	Intangible assets - Others	-	-
028	Tangible assets	428.725.900	712.546.300
028a	Depreciation	(128.617.770)	-
040	Financial assets	404.100.000	1.592.333.500
<b>044</b>	<b>Total assets (I)</b>	<b>704.208.130</b>	<b>2.304.879.800</b>
	<b>Current assets (II)</b>		
050	Stock of raw materials	-	-
060	Stock of goods	-	-
064	Advances, repayment under orders	-	-
068	Repayment under order	268.991.700	268.991.700
072	Other payables	3.088.320.711	2.103.320.550
084	Cash in bank	1.458.917.358	3.596.431.383
088	Cash on hand	11.196.153	65.292.482
092	Prepaid expenses	-	-
<b>096</b>	<b>Total assets (II)</b>	<b>4.827.425.922</b>	<b>6.034.036.115</b>
<b>110</b>	<b>TOTAL (I+II)</b>	<b>5.531.634.052</b>	<b>8.338.915.915</b>
	<b>LIABILITIES &amp; EQUITY</b>		
	<b>Ownership (I)</b>		
120	Social or individual capital	-	-
124	Difference from revaluation	-	-
126	Legal provisions	-	-
130	Regulated provisions	-	-
132	Other provisions	-	-
134	Carried to new accounting year	5.964.437.754	4.131.173.233
136	Current year result	(1.062.719.798)	3.521.206.389
140	Regulated provisions	-	-
<b>142</b>	<b>Total ownership (I)</b>	<b>4.901.717.956</b>	<b>7.652.379.622</b>

VNPLUS

## BALANCE SHEET


From January 01 to December 31, 2009

Unit: VND

<u>Code</u>	<u>ITEMS</u>	<u>31/12/09</u>	<u>31/12/08</u>
	<b>Debts (II)</b>		
154	Provision for risks and expenses	-	-
156	Loan and debt	489.636.813	489.636.813
164	Advances and repayment under order in progress	-	-
166	Suppliers and related accounts	-	-
172	Other debts	140.279.283	196.899.480
174	Prepaid profit	-	-
<b>176</b>	<b>Total debts (II)</b>	<b>629.916.096</b>	<b>686.536.293</b>
<b>180</b>	<b>Total (I+II)</b>	<b>5.531.634.052</b>	<b>8.338.915.915</b>

Ho Chi Minh City, 31<sup>st</sup> December, 2009

**DIRECTOR**



Bernard Kervyn

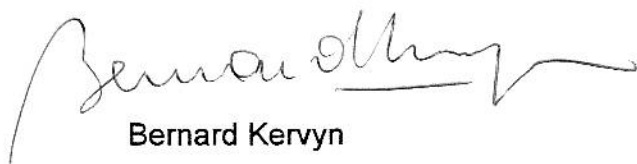


**OPERATION RESULT**

From January 01 to December 31, 2009

		Unit: VND	
<u>Code</u>	<u>Description</u>	<u>Year 2009</u>	<u>Year 2008</u>
	<b>INCOME</b>		
<b>70</b>	<b>Sale of product</b>	<b>1.535.395.170</b>	<b>2.035.365.466</b>
701	Sales of product	1.535.395.170	2.011.984.466
703	Sales of assets	-	23.381.000
<b>71</b>	<b>Sales of services</b>	-	<b>2.000.000</b>
<b>72</b>	<b>Difference in re-assessment of assets</b>	-	-
<b>74</b>	<b>Subsidy</b>	<b>6.997.754.846</b>	<b>8.977.367.353</b>
741	Subsidy from Sponsor	6.993.010.846	8.971.388.353
778	Other subsidy	4.744.000	5.979.000
<b>76</b>	<b>Financial profits</b>	<b>272.896.680</b>	<b>193.028.647</b>
766	Difference of exchange rate	253.275.649	160.037.581
768	Interest from bank	19.401.031	32.991.066
766a	Interest from credit activities	220.000	-
	<b>Total of income</b>	<b>8.806.046.696</b>	<b>11.207.761.466</b>
	<b>EXPENSES</b>		
<b>60</b>	<b>Purchase of material and provision</b>	<b>618.355.072</b>	<b>925.161.489</b>
601	Purchase of material	562.681.403	833.156.934
601a	Purchase of other material, fuel (*)	46.594.800	72.417.600
606	Purchase of energy	9.078.869	19.586.955
<b>61</b>	<b>External services purchase</b>	<b>8.107.310.757</b>	<b>3.893.070.372</b>
613	Location	5.284.000	52.387.500
615	Reparation expenses	129.841.450	216.384.500
617	Training, stationary & research expenses	7.871.553.707	3.441.272.622
618	Other external services purchase	100.631.600	183.025.750
<b>62</b>	<b>Other moving &amp; services</b>	<b>75.643.284</b>	<b>153.784.576</b>
<b>64</b>	<b>Staff expenses</b>	<b>854.701.285</b>	<b>1.275.238.640</b>
<b>65</b>	<b>Other management expenses</b>	<b>5.793.500</b>	-
<b>66a</b>	<b>Financial expenses</b>	-	-
<b>69</b>	<b>Difference of exchange rate expenses</b>	<b>23.164.826</b>	-
<b>66b</b>	<b>Liquidation of Fixed Assets</b>	-	-
<b>68a</b>	<b>Depreciations</b>	<b>128.617.770</b>	-
<b>67</b>	<b>Special expenses</b>	<b>55.180.000</b>	<b>1.439.300.000</b>
	<b>Total of expenses</b>	<b>9.868.766.494</b>	<b>7.686.555.077</b>
	<b>RESULT OF OPERATION</b>	<b>(1.062.719.798)</b>	<b>3.521.206.389</b>
	Profit taxes	-	-
	<b>PROFITS / LOSS</b>	<b>(1.062.719.798)</b>	<b>3.521.206.389</b>

(\*) Total of code 602, 605

Ho Chi Minh City, 31<sup>st</sup> December, 2009**DIRECTOR**


Bernard Kervyn



**Viet Nam plus**  
développement  
communautaire

## NOTES TO FINANCIAL STATEMENTS For Fiscal year 2009

### 1- Organization characteristics

Structure of ownership: Vietnam Plus is a French non-profit organization operating under the License No. AU084/UB-HD of the Committee for Foreign Non-Government Organization Affairs to date 20/04/2009.

**Scope of operation:** The principal activities are in the sectors of Health, Education and Community development as:

- Saving – Credit
- Support to poor families
- Agriculture – Veterinary
- Job creation
- Theatre education
- Health education
- Computer program
- Hygiene Environment

**Place of operation:**

- At Binh Thuan province : Duc Linh district (since 3/2001), Tanh Linh district (since 2003) and Ham Thuan Nam (since 3/2006)
- At Hau Giang province : Long My & Phung Hiep districts (since 2004)
- Liaison office: At HochiMinh City.

### 2- Forms of filing

Using accounting software of WBILAN of COTE QUEST-FRANCE to record all accounting transactions and check the use of funds received from donors as stipulated in the License No. AU084/UB-HD.

### 3- Financial indicators

The below financial indicators have been performed at the liaison office in HCM City, Duc Linh, Tanh Linh, Ham Thuan Nam districts of Binh Thuan province; Long My and Phung Hiep districts of Hau Giang province.

#### 3.1 Operating assets

Assets include all working equipments whose values are over 1.000.000 VND. Certain obsolete and useless assets are liquidated this year and others are allocated to depreciation.

The total value of fixed assets in 2009 is as below:

	<b>Beginning balance</b>	<b>Increasing</b>	<b>Decreasing</b>	<b>Unit: VND Ending balance</b>
<b>Total value assets &amp; tools</b>	<b>712.546.300</b>	<b>122.998.400</b>	<b>406.818.800</b>	<b>428.725.900</b>
At Duc Linh	150.032.300	31.208.400	121.638.800	59.601.900
At Tanh Linh	24.633.000	-	24.633.000	-
At Long My	43.760.000	-	43.760.000	-
At Ham Thuan Nam	122.684.000	5.800.000	-	128.484.000
At computer center schools	371.437.000	85.990.000	216.787.000	240.640.000

### 3.2 Depreciation

In the past, no depreciation was applied on the fixed assets and tools. Therefore, their values are the original values and the capital remains unchanged. In fact, the capital value should be decreased correlative to the amortization of fixed assets and tools. To reflect the real value of assets, with the agreement of the Executive committee, Vietnam Plus decides to apply 50% of depreciation on the value of the fixed assets. The total amount of depreciation is 128.617.770 VND.

### 3.3 Employee status

	<b>Year 2009</b>	<b>Year 2008</b>
Total number of employees	18	36
Total salary (VND)	712.196.000	915.350.000
Monthly average salary per person	3.297.203	2.142.183

The total average salary income of the employees in year 2009 increase 53% in comparison with year 2008. The policy of annual salary has been changed since 2008. Vietnam Plus uses the method of evaluation to each employee basing on the following criteria: capacity, performance, responsibility, inflation, etc...

The bad debt of Pham Hong Hanh as of 31/12/2009 already prosecuted by the Court is 268.991.700 VND. In next year, if Pham Hong Hanh cannot reimburse this debt amount, Vietnam Plus will make a provision of 50% on this amount to the account "Reserve for bad debt".

From 1/1/2009 Vietnam Plus has transferred all of its employees at Long My to Anh Duong Centre together with the Social insurance fund amounting 97.220.880 VND.

### 3.4 Credit operation

Groups carry out loan operations. The loan granted to economic support has increased up to 4.000.000 VND without interest. Besides, in the job creation program, the project continues to lend money to individuals up to 15.000.000 VND to support them to pay salary to the poor workers or purchase materials with the monthly interest rate 1%. In 2009, the project focuses on the poor households program by lending money without interest to the poor families to raise livestocks, cultivation or small trading. From 10/2009, the project has also granted loan with 1% monthly interest to the poor households which have borrowed money at the 7th revolution.

### 3.4.1. Supplying credit (in VND)

	Total	Economic program	Social program
As at 31/12/2009	404.100.000	404.100.000	
Poor households at H.Thuan Nam	404.100.000	404.100.000	-

### 3.4.2. Income from credit operation in 2009: 220.000 VND

### 3.5 Operating expenses

The operating expenses in year 2009 have increased in comparison with year 2008. Besides the main activities that have been performed, new activities are set up; investment to the programs is increased including the eyes examination program.

Details of operating expenses are as follows:

Items	Amount (VND)
<b>TOTAL EXPENSES</b>	<b>9.868.766.494</b>
<b>1. Cost of material :</b>	<b>562.681.403</b>
1.1 Cost of handicrafts	562.681.403
<b>2. Cost of other materials, tools</b>	<b>46.594.800</b>
2.1 Stationery	10.879.600
2.2 Equipments and tools	24.826.200
2.3 Repair and maintenance of school computers	10.889.000
<b>3. Energy expenses :</b>	<b>9.078.869</b>
3.1 Gas, electricity, water	9.078.869
<b>4. Location expenses:</b>	<b>5.284.000</b>
4.1 Rental, office supplies	5.284.000
<b>5. Repairs &amp; petrol expenses:</b>	<b>129.841.450</b>
5.1 Repair motorbike, gasoline for staffs in mission	129.841.450
<b>6. Training &amp; tools, stationery expenses :</b>	<b>8.169.704.803</b>
6.1 Non smoking day 31/05	22.775.000
6.2 Training to saving credit groups	4.208.000
6.3 Training to local village workers	10.742.600
6.4 Training to agricultural and veterinary classes	45.120.500
6.7 Cost of education materials	81.018.000
6.8 Training cost on health education	48.822.000
6.9 Purchase of equipment for schools	54.965.000
6.10 Medicines and vermifuges for schools	15.070.000
6.11 Scholarships	290.000.000
6.12 Computer training to teachers	223.500
6.13 Counterparts	24.882.394
6.14 Staffs training	137.136.793
6.15 Theatre shows expenses	43.686.000
6.16 Training to theatre groups	1.895.000
6.19 Cost of community latrines	67.900.000
6.20 Waste recycling expenses	52.110.000

Items	Amount (VND)
6.21 Audit fees	494.200
6.22 Evaluation fees to extend the project	97.510.000
6.23 Funds sponsored to Thien Chi and Anh Duong projects	6.852.779.120
6.24 Training cost to women group	20.215.600
6.25 Poor households expenses	85.395.000
6.26 Cost of planting trees, bridge & road construction	54.840.000
6.27 Collection of plastic bags expenses	340.000
6.28 Risk expenses on saving credit	5.793.500
6.29 Depreciation expenses	128.617.770
6.30 Difference on exchange rate	23.164.826
<b>7. Other expenses :</b>	<b>15.236.600</b>
7.1 Miscellaneous expenses	15.236.600
<b>8. Cost of moving and other services :</b>	<b>75.643.284</b>
8.1 Transportation charges	21.660.000
8.2 Staff mission expenses	10.692.000
8.3 Post & telecommunication charges	39.552.145
8.4 Bank charges 21	105.392
8.5 Bank charges 22	1.721.885
8.6 Bank charges 23	1.338.400
8.7 Bank charges 25	573.462
<b>9. Staff expenses :</b>	<b>854.701.285</b>
9.1 Staff salary	712.196.000
9.3 Salary and allowances to village workers	86.845.000
9.4 Accident insurance to staffs	7.532.000
9.5 Social insurance to staffs	48.128.285

#### 4. Funding sources

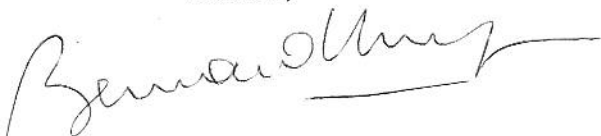
##### 4.1 Funds received from donors in 2009:

Name of funders	Amount in VND
1-MeKong Plus	1.281.600.000
2- Private donations	32.095.000
3- Aide Au Vietnam ASBL	1.047.331.976
4- 36/ Swiss Philanthropy found OBC \$ 43.04	1.013.083.870
5- B/O PrefigurationRUGGIERI(Juniclair)	1.794.240.000
6- Lucile & Guy de Brabandere	516.260.000
7- Asso VN Plus Soutien Humanitaire	1.308.400.000
<b>Total :</b>	<b>6.993.010.846</b>

#### 4.2. Loans:

Organisation name	Begin. bal 2009	Increasing	Decreasing	Ending balance 2009
Deposit of credit receiver	1.350.000			1.350.000
S. Bouriez	47.478.388			47.478.388
Franternite Saint Paul	165.057.378			165.057.378
Loan from UP	261.743.262			261.743.262
Loan from Kiva	14.007.785			14.007.785
Total:	489.636.813			489.636.813

HCM City, December 31, 2009  
Director,



BERNARD KERVYN

