

Audited Project Financial Statements

Project Number: 50098-002

Loan Number: 3762

Period covered: 1 January 2021 to 31 December 2021

Viet Nam: Northern Mountain Provinces Transport Connectivity Project

Prepared by Project Management Unit 2

For the Asian Development Bank

Date received by ADB: 20 June 2022

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**NORTHERN MOUNTAIN PROVINCES
TRANSPORT CONNECTIVITY PROJECT**

Loan Agreement Number 3762–VIE (COL)

AUDITED FINANCIAL STATEMENTS
For the fiscal year ended 31 December 2021

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REPORT OF THE PROJECT MANAGEMENT UNIT

Northern Mountain Provinces Transport Connectivity Project Management Unit ("The Project Management Unit") presents this report and the Financial Statements of Northern Mountain Provinces Transport Connectivity Project ("the Project") for the fiscal year ended 31 December 2021.

The Project

Northern Mountain Provinces Transport Connectivity Project is implemented under the Loan Agreement Number 3762-VIE (COL) dated 05 March 2019 ("the Agreement") between the Vietnamese Government and the Asian Development Bank ("ADB").

The Project Management Unit

Members of the Project Management Unit in the year and to the reporting date are:

| | |
|------------------------|------------------|
| Mr. Le Thang | Director |
| Mr. Le Minh Nam | Deputy Director |
| Ms. Dang Thi Thu Huong | Chief Accountant |

Auditors

The auditors of AASC Limited have taken the audit of financial statements of the Project.

Responsibilities of the Project Management Unit

The Project Management Unit is responsible for preparing the project financial statements, including Balance Sheet, Statement of Funds Receipts and Disbursements, Statement of Funds and Expenditures, Statement of Budget versus Actual Expenditures, Statement of Withdrawals, which comply with the accounting policies described in the attached Notes to the Financial Statements. The Project Management Unit assures that the accounting policies are appropriately selected and consistently applied.

The Project Management Unit assures that the accounting records were fully maintained to prepare the financial statements in accordance with the applied accounting policies and to disclose, with reasonable accuracy at any time, the financial position of the Project.

The Project Management Unit is responsible for maintaining an effective internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and comply with relevant laws, regulations and other provisions of the agreement, that could have a direct and material financial effect on the Project financial statements ("the Requirements").

In addition, the Project Management Unit is also responsible for complying with the Requirements applicable to the Project, in which:

- ▶ The funds have been used in accordance with the conditions of the Loan Agreement Number 3762-VIE (COL) dated 05 March 2019.
- ▶ Adequate supporting documents, with respect to Statement of Expenditures, have been fully maintained to support to the replenishment requests submitted to the Asian Development Bank. The expenditures are eligible and in right purposes of the Loan Agreement Number 3762-VIE (COL) dated 05 March 2019.

On behalf of the Project Management Unit


Le Minh Nam
Deputy Director

Hanoi, 01 June 2022

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

**To: Project Management Unit 2
Northern Mountain Provinces Transport Connectivity Project**

Opinion

We have audited the accompanying Financial statements of the Northern Mountain Provinces Transport Connectivity Project ("the Project") which comprise Balance Sheet as at 31 December 2021, Statement of Funds Receipts and Disbursements, Statement of Funds and Expenditures, Statement of Budget versus Actual Expenditures, Statement of Withdrawals, and Notes to the Financial for the fiscal year ended 31 December 2021, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Project, including funds received and expenditures incurred, in accordance with the basis of the principal accounting policies described in the Notes to the Financial Statements for the fiscal year ended 31 December 2021 and the provisions of the Loan Agreement Number 3762-VIE (COL) dated 05 March 2019.

Emphasis of Matter

We would like to draw readers' attention that in the period from 04/06/2019 to 31/12/2021, the PMU has not yet made any withdrawal to the advance account, thus Statement of Advance Account is not presented in the financial statements.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of Project Management Unit in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the Financial Statements

The Project Management Unit is responsible for the preparation of the financial statements in accordance with the principal accounting policies described in Notes to the Financial Statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Project's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Project's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Project's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Project to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Project Management Unit regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit (if any).



Đo Mạnh Cường
Deputy General Director
CPA Registered No.:
0744-2018-002-1

Nguyen Pham Hung
Auditor in-charge
CPA Registered No.:
2893-2020-002-1

Hanoi, 01 June 2022

BALANCE SHEET

As at 31 December 2021

| | Note | 31/12/2021 VND | 31/12/2020 VND |
|-------------------------------------|------|-----------------------|-----------------------|
| ASSETS | | | |
| Curent assets | | 2,348,952,628 | 11,241,228,311 |
| Cash at bank | 04 | 555,741,224 | - |
| Advances to contractors | 05 | 1,793,211,404 | 11,241,228,311 |
| Non-current assets | | 43,631,021,557 | 4,413,681,000 |
| Project Implementation Expenditures | 08 | 43,631,021,557 | 4,413,681,000 |
| TOTAL ASSETS | | 45,979,974,185 | 15,654,909,311 |
| RESOURCES | | | |
| Current liabilities | | 5,871,148,556 | 326,501,700 |
| Payables to contractors | 06 | 5,315,407,332 | 326,501,700 |
| Other payables | 07 | 555,741,224 | - |
| Funds | | 40,108,825,629 | 15,328,407,611 |
| Project Implementation Funds | | 40,108,825,629 | 15,328,407,611 |
| - The Asian Development Bank | 03 | 351,052,200 | - |
| - Counterpart funds | | 39,757,773,429 | 15,328,407,611 |
| TOTAL RESOURCES | | 45,979,974,185 | 15,654,909,311 |

STATEMENT OF FUNDS RECEIPTS AND DISBURSEMENTS

For the fiscal year ended 31 December 2021

| | Note | Accumulated to 31/12/2020 (Represented) VND | Year ended 31/12/2021 VND | Accumulated to 31/12/2021 VND |
|--|------|--|---------------------------------|-------------------------------------|
| I. RECEIPTS | | | | |
| 1 Funds received from the Asian Development Bank | 03 | - | 351,052,200 | 351,052,200 |
| 2 Counterpart funds | | 15,328,407,611 | 24,429,365,818 | 39,757,773,429 |
| | | 15,328,407,611 | 24,780,418,018 | 40,108,825,629 |
| II. DISBURSEMENTS | | | | |
| 1 Consulting Services | | 4,523,206,300 | 8,481,305,876 | 13,004,512,176 |
| 2 Operational cost | | 3,000,000,000 | 10,000,000,000 | 13,000,000,000 |
| 3 Other expenses | | 7,805,201,311 | 5,743,370,918 | 13,548,572,229 |
| | 09 | 15,328,407,611 | 24,224,676,794 | 39,553,084,405 |
| III. FOREIGN EXCHANGE RATE DIFFERENCES | | - | - | - |
| IV. FUND BALANCES | | - | 555,741,224 | 555,741,224 |
| <i>Represented by:</i> | | | | |
| Cash at bank | 04 | - | | 555,741,224 |
| | | | | 555,741,224 |

STATEMENT OF FUNDS AND EXPENDITURES

For the fiscal year ended 31 December 2021

| | Note | Accumulated to 31/12/2020 (Represented) VND | Year ended 31/12/2021 VND | Accumulated to 31/12/2021 VND |
|---|------|--|---------------------------------|-------------------------------------|
| I. FUNDS | | | | |
| 1 Funds received from the Asian Development Bank | 03 | - | 351,052,200 | 351,052,200 |
| 2 Counterpart funds | | 15,328,407,611 | 24,429,365,818 | 39,757,773,429 |
| | | 15,328,407,611 | 24,780,418,018 | 40,108,825,629 |
| II. EXPENDITURES | | | | |
| 1 Consulting Services | | 1,207,977,000 | 11,704,147,586 | 12,912,124,586 |
| 2 Compensation, support expenditures and resettlement | | - | - | - |
| 3 Operational cost | | 3,000,000,000 | 10,000,000,000 | 13,000,000,000 |
| 4 Other expenses | | 205,704,000 | 17,513,192,971 | 17,718,896,971 |
| | 08 | 4,413,681,000 | 39,217,340,557 | 43,631,021,557 |
| III. FOREIGN EXCHANGE RATE DIFFERENCES | | - | - | - |
| IV. SURPLUS/(DEFICIT) | | 10,914,726,611 | (14,436,922,539) | (3,522,195,928) |
| <i>Represented by:</i> | | | | |
| Cash at bank | 04 | - | | 555,741,224 |
| Advances to contractors | 05 | 11,241,228,311 | | 1,793,211,404 |
| Payable to contractors | 06 | (326,501,700) | | (5,315,407,332) |
| Other payables | 07 | - | | (555,741,224) |
| | | 10,914,726,611 | | (3,522,195,928) |

STATEMENT OF BUDGET VERSUS ACTUAL EXPENDITURES

For the fiscal year ended 31 December 2021

| Categories | Budget Expenditures (*) | | | | Actual Expenditures | | | | Variance | | | | Rate | Note |
|------------------------|-------------------------------|---------------------------------|-----------------------|------------------------|-------------------------------|---------------------------------|-----------------------|-----------------------|-------------------------------|---------------------------------|-----------------------|--------------------------|---------------|------|
| | Loan Number 3762-VIE (COL) | The Aus4Transport Program | Counterpart funds | Total | Loan Number 3762-VIE (COL) | The Aus4Transport Program | Counterpart funds | Total | Loan Number 3762-VIE (COL) | The Aus4Transport Program | Counterpart funds | Total | | |
| | VND | VND | VND | VND | VND | VND | VND | VND | VND | VND | VND | VND | | |
| Civil Works | 319,791,000,000 | - | - | 319,791,000,000 | - | - | - | - | (319,791,000,000) | - | - | (319,791,000,000) | 0.00% | |
| Consulting Services | 16,639,000,000 | - | 2,366,000,000 | 19,005,000,000 | 351,052,200 | - | 11,353,095,386 | 11,704,147,586 | (16,287,947,800) | - | 8,987,095,386 | (7,300,852,414) | 61.58% | |
| Operational cost | - | - | 10,000,000,000 | 10,000,000,000 | - | - | 10,000,000,000 | 10,000,000,000 | - | - | - | - | 100.00% | |
| Other expenses | - | - | 12,996,000,000 | 12,996,000,000 | - | - | 17,513,192,971 | 17,513,192,971 | - | - | 4,517,192,971 | 4,517,192,971 | 134.76% | |
| | <u>336,430,000,000</u> | <u>-</u> | <u>25,362,000,000</u> | <u>361,792,000,000</u> | <u>351,052,200</u> | <u>-</u> | <u>38,866,288,357</u> | <u>39,217,340,557</u> | <u>(336,078,947,800)</u> | <u>-</u> | <u>13,504,288,357</u> | <u>(322,574,659,443)</u> | <u>10.84%</u> | |

(*) The Budget was prepared on the Decision No. 2542/QD-BGTVT dated 31/12/2020, and its amendments of the Ministry of Transport, the Project Management Unit's estimate and the Project's status.

STATEMENT OF WITHDRAWALS

For the fiscal year ended 31 December 2021

| Withdrawal applications | | | Amount claimed | | Received | | Variance | Note |
|-----------------------------|------------|----------|---------------------|--------------------|------------|--------------------|----------|------|
| No. | Date | Currency | Consulting Services | Total | Date | Amount | | |
| | | | | | | (b) | (b)-(a) | |
| Loan No. 3762-VIE | | | | | | | | |
| Direct payment | | | | | | | | |
| 001DP | 10/09/2021 | VND | 351,052,200 | 351,052,200 | 23/09/2021 | 351,052,200 | - | |
| Total amounts in VND | | | 351,052,200 | 351,052,200 | | 351,052,200 | - | |

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2021

1. Background

The Northern Mountain Provinces Transport Connectivity Project implemented under the Loan Agreement Number 3762-VIE (COL) dated 05 March 2019 between the Vietnamese Government and the Asian Development Bank ("ADB").

The objective of the Project is to improve road connectivity to Greater Mekong Subregion corridors in the northwestern provinces.

The Project shall comprise:

- ▶ Improving the geometry of the project roads to national highways Class III – IV Mountainous roads, except for those under Hoang Lien – Van Ban Nature Reserve, which will remain national highway Class V Mountainous roads;
- ▶ Introducing sound slope protection measures in areas of land and rock slides;
- ▶ Raising/ Reconstructing of highway embankments and bridges along road sections prone to dangerous flooding;
- ▶ Increasing cross drainage capacity; and
- ▶ Installing cost – effective road safety devices and pavement markings.

Total budget of the ADB Loan is USD 188,360,000 and the Loan has a principal repayment period of 20 years, the grant fund of the Australian Government is USD 4,481,000 and counterpart funds of the Vietnamese Government is USD 43,563,000.

The Project is further financed by the Aus4Transport Program ("Program") – The Transport Technical Assistance Program funded by grants from the Australian Government. The objective of the Program is the contribution to economic growth and poverty reduction in Vietnam by improving the quality of transport infrastructure.

The Project officially came into operation on 04 June 2019 and is expected to be closed on 30 June 2025.

The Project is managed by Northern Mountain Provinces Transport Connectivity Project Management Unit, and its office is located at No. 18 Pham Hung, Mai Dich Ward, Cau Giay District, Hanoi City.

In addition, these are sub-projects for land acquisition as follow:

| <i>Sub-project in Lai Chau province</i> | <i>Sub-project in Yen Bai province</i> | <i>Sub-project in Lao Cai province</i> |
|---|--|--|
| Lai Chau City Lan Uyen District Tam Duong District Tan Uyen District | Van Chan District Van Yen District | Van Ban District |

2. Principal Accounting Policies

a. Basis of accounting

The annual accounting period commenced from 1st January to 31st December.

The financial statements are prepared under the requirements of the Asian Development Bank and in accordance with Vietnamese Accounting Standards and Circular No. 79/2019/TT-BTC dated 14/11/2019.

The financial statements are presented in Vietnam Dong (VND). Statement of Funds and Expenditures and Balance Sheet are prepared on the accrual basis. Statement of Funds Receipts and Disbursements is prepared on the cash basis.

The financial statements represent only the financial figures of the Project at the Project Management Unit 2. The financial figures of the sub-projects for land acquisition (Note 01) are presented in Appendix 01 and may only be included in the financial statements when the sub-projects complete the finalization approval under the guidance of Circular 107/2007/TT-BTC dated 7 September 2007.

The principal accounting policies are summarized as below:

b. Funds and Expenditures

Funds:

- ▶ Funds received from the Asian Development Bank are recorded when direct payments made to contractors/suppliers.
- ▶ Counterpart funds are recognized when payments are made directly from State Budget to contractors/suppliers of the Project or funds are withdrawn to the PMU for settlement of the Project's activities.

Expenditures:

- ▶ Expenditures (including tax) are recorded when they are actually occurred.

3. Funds received from the Asian Development Bank

| | Year ended 31/12/2021 | | Accumulated to 31/12/2021 | |
|------------------------------------|-----------------------|----------------------|---------------------------|----------------------|
| | Original currency | Equivalent to VND | Original currency | Equivalent to VND |
| Loan Agreement No. 3762-VIE | | | | |
| Direct payments | 351,052,200 | 351,052,200 | 351,052,200 | 351,052,200 |
| - VND | 351,052,200 | 351,052,200 | 351,052,200 | 351,052,200 |
| | | 351,052,200 | | 351,052,200 |

4. Cash at bank

| | 31/12/2021 VND | 31/12/2020 VND |
|--|--------------------|-------------------|
| Deposit Account (VND) (see more information in Note 07) | 555,741,224 | - |
| | 555,741,224 | - |

5. Advances to contractors

| | 31/12/2021 | 31/12/2020 |
|---|----------------------|-----------------------|
| | VND | VND |
| Defense Economic Technical Industry Corporation | 728,124,984 | 3,128,493,984 |
| Viet Xanh Consultant and Development JSC | 509,000,000 | 1,018,000,000 |
| Institute of Environment | 257,000,000 | - |
| Institute of Construction Economics | 205,090,495 | 205,090,495 |
| VNC Construction JSC | 93,995,925 | 720,160,000 |
| Transport Engineering Consultant No.4 Company | - | 1,275,000,000 |
| VEC Consultant JSC | - | 217,776,505 |
| Lung Lo Construction Corporation | - | 1,559,833,095 |
| Truong Son Construction Corporation | - | 3,116,874,232 |
| | 1,793,211,404 | 11,241,228,311 |

6. Payable to contractors

| | 31/12/2021 | 31/12/2020 |
|---|----------------------|--------------------|
| | VND | VND |
| Bao Minh Trang An Company | 1,564,000,000 | - |
| Truong Son Construction Corporation | 1,231,072,672 | - |
| Defense Economic Technical Industry Corporation | 960,148,563 | - |
| Transport Engineering Consultants No.4 Company | 722,233,200 | 120,797,700 |
| Lung Lo Construction Corporation | 587,487,267 | - |
| VNC Construction JSC | 250,465,630 | - |
| 49 Limited Company | - | 205,704,000 |
| | 5,315,407,332 | 326,501,700 |

7. Other payables

| | 31/12/2021 | 31/12/2020 |
|---|--------------------|------------|
| | VND | VND |
| Contract warranty amount | 555,741,224 | - |
| Lung Lo Construction Corporation | 117,497,216 | - |
| Truong Son Construction Corporation | 246,214,534 | - |
| Defense Economic Technical Industry Corporation | 192,029,474 | - |
| | 555,741,224 | - |

8. Project Implementation Expenditures by categories

| Year ended 31/12/2021 | | | | |
|-----------------------|--------------------|---------------|-----------------------|-----------------------|
| Categories | Loan Number | The | Counterpart | Total |
| | 3762-VIE (COL) | Aus4Transport | fund | |
| | VND | Program | VND | VND |
| Consulting Services | 351,052,200 | - | 11,353,095,386 | 11,704,147,586 |
| Operational cost | - | - | 10,000,000,000 | 10,000,000,000 |
| Other expenses | - | - | 17,513,192,971 | 17,513,192,971 |
| | 351,052,200 | - | 38,866,288,357 | 39,217,340,557 |

| Categories | Accumulated to 31/12/2021 | | | |
|---------------------|---------------------------|---------------|-----------------------|-----------------------|
| | Loan Number | The | Counterpart | Total |
| | 3762-VIE (COL) | Aus4Transport | fund | |
| | VND | Program | VND | VND |
| Consulting Services | 351,052,200 | - | 12,561,072,386 | 12,912,124,586 |
| Operational cost | - | - | 13,000,000,000 | 13,000,000,000 |
| Other expenses | - | - | 17,718,896,971 | 17,718,896,971 |
| | 351,052,200 | - | 43,279,969,357 | 43,631,021,557 |

9. Disbursements

a. Disbursements by categories

| Categories | Year ended 31/12/2021 | | | |
|---------------------|-----------------------|---------------|-----------------------|-----------------------|
| | Loan Number | The | Counterpart | Total |
| | 3762-VIE (COL) | Aus4Transport | fund | |
| | VND | Program | VND | VND |
| Consulting Services | 351,052,200 | - | 8,130,253,676 | 8,481,305,876 |
| Operational cost | - | - | 10,000,000,000 | 10,000,000,000 |
| Other expenses | - | - | 5,743,370,918 | 5,743,370,918 |
| | 351,052,200 | - | 23,873,624,594 | 24,224,676,794 |

| Categories | Accumulated to 31/12/2021 | | | |
|---------------------|---------------------------|---------------|-----------------------|-----------------------|
| | Loan Number | The | Counterpart | Total |
| | 3762-VIE (COL) | Aus4Transport | fund | |
| | VND | Program | VND | VND |
| Consulting Services | 351,052,200 | - | 12,653,459,976 | 13,004,512,176 |
| Operational cost | - | - | 13,000,000,000 | 13,000,000,000 |
| Other expenses | - | - | 13,548,572,229 | 13,548,572,229 |
| | 351,052,200 | - | 39,202,032,205 | 39,553,084,405 |

Eligible project disbursements (excluding tax) are funded as follows:

| | Funded rate | |
|-----------------------|----------------------------|---------------------------|
| | Loan Number 3762-VIE (COL) | The Aus4Transport Program |
| Civil Works | 100% | |
| Consulting Services | 100% | 100% |
| Unallocated ADB funds | 100% | |
| Provision expenses | | 100% |

b. Reconciliation between Project Implementation Expenditures on Balance Sheet and Disbursement on Statement of Funds Receipts and Disbursements as at 31/12/2021

| | VND |
|---|-----------------------|
| Project implementation expenditures | 43,631,021,557 |
| Add: Advances to contractors | 1,793,211,404 |
| Deduct: Payables to contractors | (5,315,407,332) |
| Other payables | (555,741,224) |
| Disbursements accumulated to closing | 39,553,084,405 |

10. Subsequent events

There have been no significant events occurring after the reporting date, which would require adjustments or disclosures to be made in the financial statements.

11. Corresponding figures

The corresponding figures are the financial statements for the fiscal year ended as at 31 December 2020 that have been audited by AASC Limited. In which, Statement of Funds Receipts and Disbursements, Statement of Funds and Expenditures are represented as follows:

| Items | Presented VND | Represented VND | Variances VND |
|-------|------------------|--------------------|------------------|
|-------|------------------|--------------------|------------------|

STATEMENT OF FUNDS RECEIPTS AND DISBURSEMENTS

II. DISBURSEMENT

| | | | |
|------------------------|----------------|---------------|-----------------|
| 1. Consulting Services | - | 4,523,206,300 | 4,523,206,300 |
| 3. Other expenses | 12,328,407,611 | 7,805,201,311 | (4,523,206,300) |

STATEMENT OF FUNDS AND EXPENDITURES

II. EXPENDITURES

| | | | |
|------------------------|---------------|---------------|-----------------|
| 1. Consulting Services | - | 1,207,977,000 | 1,207,977,000 |
| 3. Other expenses | 1,413,681,000 | 205,704,000 | (1,207,977,000) |

12. Approval of the Financial Statements

The financial statements were approved by Project Management Unit for issuance on 01 June 2022.



Le Minh Nam
Deputy Director

Hanoi, 01 June 2022

Dang Thi Thu Huong
Chief Accountant

Appendix 01: Data of Sub-projects for land acquisition at provincial level

a) Balance sheet as at 31/12/2021

| | Total VND | Lai Chau VND | Than Uyen VND | Tam Duong VND | Tan Uyen VND | Van Ban VND | Van Chan VND | Van Yen VND |
|-------------------------------------|------------------------|-----------------------|----------------------|-----------------------|----------------------|----------------------|-----------------------|-----------------------|
| ASSETS | | | | | | | | |
| Curent assets | 42,773,030,976 | 4,267,567,303 | - | 12,419,879,888 | - | 1,137,831,092 | 423,623,993 | 24,524,128,700 |
| Cash on hand | 12,249,008,588 | - | - | 1,539,879,888 | - | - | 100,000,000 | 10,609,128,700 |
| Cash at bank, treasury | 856,776,337 | 123,613,745 | - | - | - | 733,162,592 | - | - |
| Advances to contractors | 29,667,246,051 | 4,143,953,558 | - | 10,880,000,000 | - | 404,668,500 | 323,623,993 | 13,915,000,000 |
| Non-current assets | 127,099,063,774 | 12,732,432,697 | 1,409,769,507 | 18,804,161,140 | 3,301,585,313 | 2,222,721,816 | 21,076,517,901 | 67,551,875,400 |
| Project Implementation Expenditures | 127,099,063,774 | 12,732,432,697 | 1,409,769,507 | 18,804,161,140 | 3,301,585,313 | 2,222,721,816 | 21,076,517,901 | 67,551,875,400 |
| TOTAL ASSETS | 169,872,094,750 | 17,000,000,000 | 1,409,769,507 | 31,224,041,028 | 3,301,585,313 | 3,360,552,908 | 21,500,141,894 | 92,076,004,100 |
| RESOURCES | | | | | | | | |
| Current liabilities | 20,328,153,661 | 1,438,418,357 | 1,409,769,507 | 543,822,147 | 3,301,585,313 | 760,552,908 | 10,438,500,729 | 2,435,504,700 |
| Payables to contractors | 20,328,153,661 | 1,438,418,357 | 1,409,769,507 | 543,822,147 | 3,301,585,313 | 760,552,908 | 10,438,500,729 | 2,435,504,700 |
| Funds | 149,543,941,089 | 15,561,581,643 | - | 30,680,218,881 | - | 2,600,000,000 | 11,061,641,165 | 89,640,499,400 |
| Project Implementation Funds | 149,543,941,089 | 15,561,581,643 | - | 30,680,218,881 | - | 2,600,000,000 | 11,061,641,165 | 89,640,499,400 |
| - Counterpart funds | 149,543,941,089 | 15,561,581,643 | - | 30,680,218,881 | - | 2,600,000,000 | 11,061,641,165 | 89,640,499,400 |
| TOTAL RESOURCES | 169,872,094,750 | 17,000,000,000 | 1,409,769,507 | 31,224,041,028 | 3,301,585,313 | 3,360,552,908 | 21,500,141,894 | 92,076,004,100 |

Appendix 01: Data of Sub-projects for land acquisition at provincial level (Continued)

b) Statement of Funds Receipt and Disbursements accumulated to 31/12/2021

| | Total VND | Lai Chau VND | Than Uyen VND | Tam Duong VND | Tan Uyen VND | Van Ban VND | Van Chan VND | Van Yen VND |
|---|------------------------|-----------------------|------------------|-----------------------|-----------------|----------------------|-----------------------|-----------------------|
| I. RECEIPTS | | | | | | | | |
| 1 Counterpart funds | 149,543,941,089 | 15,561,581,643 | - | 30,680,218,881 | - | 2,600,000,000 | 11,061,641,165 | 89,640,499,400 |
| | 149,543,941,089 | 15,561,581,643 | - | 30,680,218,881 | - | 2,600,000,000 | 11,061,641,165 | 89,640,499,400 |
| II. DISBURSEMENTS | | | | | | | | |
| 1 Compensation, support expenditures and resettlement | 136,438,156,164 | 15,437,967,898 | - | 29,140,338,993 | - | 1,866,837,408 | 10,961,641,165 | 79,031,370,700 |
| | 136,438,156,164 | 15,437,967,898 | - | 29,140,338,993 | - | 1,866,837,408 | 10,961,641,165 | 79,031,370,700 |
| IV. FUND BALANCES | 13,105,784,925 | 123,613,745 | - | 1,539,879,888 | - | 733,162,592 | 100,000,000 | 10,609,128,700 |
| <i>Represented by:</i> | | | | | | | | |
| Cash on hand | 12,249,008,588 | - | - | 1,539,879,888 | - | - | 100,000,000 | 10,609,128,700 |
| Cash at bank, treasury | 856,776,337 | 123,613,745 | - | - | - | 733,162,592 | - | - |
| | 13,105,784,925 | 123,613,745 | - | 1,539,879,888 | - | 733,162,592 | 100,000,000 | 10,609,128,700 |

c) Statement of Funds and Expenditures accumulated to 31/12/2021

| | Total VND | Lai Chau VND | Than Uyen VND | Tam Duong VND | Tan Uyen VND | Van Ban VND | Van Chan VND | Van Yen VND |
|---|------------------------|-----------------------|------------------------|-----------------------|------------------------|----------------------|-------------------------|-----------------------|
| I. FUNDS | | | | | | | | |
| 1 Counterpart funds | 149,543,941,089 | 15,561,581,643 | - | 30,680,218,881 | - | 2,600,000,000 | 11,061,641,165 | 89,640,499,400 |
| | 149,543,941,089 | 15,561,581,643 | - | 30,680,218,881 | - | 2,600,000,000 | 11,061,641,165 | 89,640,499,400 |
| II. EXPENDITURES | | | | | | | | |
| 1 Compensation, support expenditures and resettlement | 127,099,063,774 | 12,732,432,697 | 1,409,769,507 | 18,804,161,140 | 3,301,585,313 | 2,222,721,816 | 21,076,517,901 | 67,551,875,400 |
| | 127,099,063,774 | 12,732,432,697 | 1,409,769,507 | 18,804,161,140 | 3,301,585,313 | 2,222,721,816 | 21,076,517,901 | 67,551,875,400 |
| IV. SURPLUS/(DEFICIT) | 22,444,877,315 | 2,829,148,946 | (1,409,769,507) | 11,876,057,741 | (3,301,585,313) | 377,278,184 | (10,014,876,736) | 22,088,624,000 |
| <i>Represented by:</i> | | | | | | | | |
| Cash in hand | 12,249,008,588 | - | - | 1,539,879,888 | - | - | 100,000,000 | 10,609,128,700 |
| Cash at bank, treasury | 856,776,337 | 123,613,745 | - | - | - | 733,162,592 | - | - |
| Advances to contractors | 29,667,246,051 | 4,143,953,558 | - | 10,880,000,000 | - | 404,668,500 | 323,623,993 | 13,915,000,000 |
| Payable to contractors | (20,328,153,661) | (1,438,418,357) | (1,409,769,507) | (543,822,147) | (3,301,585,313) | (760,552,908) | (10,438,500,729) | (2,435,504,700) |
| | 22,444,877,315 | 2,829,148,946 | (1,409,769,507) | 11,876,057,741 | (3,301,585,313) | 377,278,184 | (10,014,876,736) | 22,088,624,000 |