



**MAI NHA CHILDREN FOUNDATION  
(VIETNAM)**

**REPORT OF FACTUAL FINDINGS**

**31 DECEMBER 2021**

# Mai Nha Children Foundation (Vietnam)

## Table of content

Report of Factual Findings	1 – 6
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## Table of annexes

Appendix 1	Financial statements for the year ended 31 December 2021	7 – 15
Appendix 2	Summary of corrected adjustments/reclassifications for the year ended 31 December 2021	16

## REPORT OF FACTUAL FINDINGS

**To: The Director of Mai Nha Children Foundation (Vietnam)**

We have performed the procedures agreed with you and enumerated below with respect to the review of the financial statements for the year ended 31 December 2021 of Mai Nha Children Foundation (Vietnam) ("the Foundation") in accordance with the Foundation's accounting policy. Our engagement was undertaken in accordance with the International Standard on Related Services No. 4400 "Engagement to Perform Agreed-upon Procedures Regarding Financial Information" as promulgated by the International Federation of Accountants ("IFAC"). The procedures were performed solely to assist you for internal management use purpose and are summarized as follows:

1. We obtained the trial balance for the financial year from 1 January 2021 to 31 December 2021 for statutory accounts and reconciled with relevant sub-ledgers;
2. We obtained the financial statements for the year ended 31 December 2021 prepared by the Director and checked if the Director:
  1. selected suitable accounting policies and then apply them consistently
  2. made judgments and estimates that are reasonable and prudent ;
  3. stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
  4. prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Foundation will continue its business; and
  5. financial statements are prepared considering the requirements of the Director and based on the Foundation's accounting policies and the format of the financial statements which is created by the Director.
3. We reviewed the balance sheet of the Foundation as at 31 December 2021 with a specific focus on the following:
  - 3.1. Cash and bank:
    - a. Performed bank statement reconciliation with all banks as at 31 December 2021;
    - b. Performed cash on hand reconciliation as at 31 December 2021; and
    - c. Reviewed the appropriateness of valuation of balance in foreign currency following Foundation' accounting policies.
  - 3.2. Other receivables:
    - a. Reviewed subsequent collection and supporting documents of any outstanding balance as at 31 December 2021. The samples were chosen for every significant balance above the threshold stated in section 5 as at 31 December 2021; and
    - b. Reviewed the appropriateness of valuation of balance in foreign currency following the Foundation' accounting policies
  - 3.3. Fixed Assets:
    - a. Reviewed the net book value of fixed assets as at 31 December 2021 and depreciation for the year ending 31 December 2021 following the Foundation's accounting policies; and
    - b. Tested additions and disposals for the year ended 31 December 2021 following the threshold as stated in section 5.

3.4. Other short-term and long-term assets:

- a. Reconciled with relevant documentation for every significant balance above the threshold stated in section 5 as at 31 December 2021.

3.5. Payroll:

- a. Reconciled payable to employee as at 31 December 2021 with payroll sheet and compared to subsequent payments;
- b. Reviewed labour contracts of employee following Labour Law and relevant local regulation as at 31 December 2021 and reconciled with payroll sheet (5-7 samples randomly chosen to verify reliability);
- c. Recalculated the Health, Social and Unemployment Insurance following relevant local regulation as at 31 December 2021 and reconciled with declaration and balance (5-7 samples randomly chosen to verify reliability);
- d. Recalculated Personal Income Tax following relevant local regulation as at 31 December 2021 and reconciled with declaration and balance (5-7 samples randomly chosen to verify reliability); and
- e. Reviewed the payroll policy and recalculated the provisions as at 31 December 2021 following relevant local regulation including:
  - 13<sup>th</sup> month salary;
  - Bonus;
  - Unused annual leave;
  - Severance allowance; and
  - Other allowances.

3.6. Other payables:

- a. Reviewed subsequent payment and supporting documents of any outstanding balance. The samples were chosen for every significant balance above the threshold stated in section 5 as at 31 December 2021; and
- b. Reviewed the appropriateness of valuation of balance in foreign currency following the Foundation's accounting policies.

4. Present a reviewed statement of funds of the Foundation for the year ended 31 December 2021, including detailed testing of the statement of fund accounts of the year with a specific focus on the following:

4.1. Fund receipts:

- a. Reviewed the appropriateness of the cut-off and completeness of fund receipts; and
- b. Reviewed the supporting documents (contracts, invoices or other supporting documents). The samples were chosen following the threshold as stated in section 5.

4.2. Use of funds:

- a. Reviewed the valuation, appropriateness of the cut off and completeness of expenses;
- b. Randomly selected all transactions above the threshold as stated in section 5 with the maximum of 25 samples and some random samples under this threshold with the maximum of 5 samples from the bank book and cash book of the year to reconcile with the supporting documentation and checked cut-off appropriateness; and
- c. Reviewed the classification of expenses in the following categories: employees expenses, food for children, other children related expenses, building expenses,



transportation expenses, other admin expenses, interest, exchange gain/loss, bank charges.

5. We selected and reviewed (including vouching to the corresponding supporting documents) transactions above VND 2,000,000 ("selected items").
6. We verified invoicing of selected items as well as reconciliation of the values invoiced with those of the accounting and with the original documents (contracts, invoices and/or receipts). In justified exceptional cases, if access to original documents is not given, certified invoice copies can be accepted within the scope of the work.

We report our findings below:

1. With respect to item 1, we obtained the trial balance for the financial year from 1 January 2021 to 31 December 2021 and reconciled with relevant sub-ledgers without significant misstatements found.
2. With respect to item 2, we obtained the financial statements for the year ended 31 December 2021 prepared by the Director and checked that the Director:
  - a. Selected suitable accounting policies and then applied them consistently;
  - b. Made judgments and estimates that were reasonable and prudent;
  - c. Stated whether applicable accounting standards had been followed, subject to any material departures disclosed and explained in the financial statements;
  - d. Prepared the financial statements on a going concern basis unless it is inappropriate to presume that the Foundation will continue its business; and
  - e. Financial statements are prepared considering the requirements of the Director and based on the Foundation's accounting policies and the format of the financial statements which is created by the Director.
3. With respect to item 3.1:
  - a. We performed bank statement reconciliation with all banks as at 31 December 2021 with no exception noted.
  - b. For cash count minutes, we reconciled the actual cash balances as per physical cash counts prepared by the Foundation on 31 December 2021 with booked balances presented on the balance sheet as at 31 December 2021 with no difference noted.
  - c. We reviewed the appropriateness of valuation of the balance in foreign currency following relevant applicable local regulation and noted that the Foundation followed the Circular No. 200/2014/TT-BTC on exchange rate applied for payment transactions in currencies other than Vietnam Dong. However, at closing date, the Foundation has not revaluated the balance of cash at banks in currencies other than VND (e.g: USD) using the buying exchange rate of the commercial bank where the Foundation has the most of its transactions, resulting to the overstatement of cash and understatement of financial expenses amounting of VND94,424,158.  
The adjustment to decrease cash and increase financial losses with amount of VND94,424,158 was corrected by the Director in the accompanied financial statements for the year ended 31 December 2021 (**Appendix 1**).
4. With respect to item 3.2:
  - a. We reviewed subsequent collection and supporting documents every significant balance above the threshold stated in section 5 as at 31 December 2021 with no exception noted.
  - b. We reviewed the appropriateness of valuation of the balance in foreign currencies following relevant applicable local regulation with no exception noted.



5. With respect to item III.3:
  - a. We review the net book value of fixed assets as at 31 December 2021 and depreciation for the year ended 31 December 2021 following the Foundation's accounting policies with no exception noted.
  - b. Test additions and disposals of fixed assets for the year ended 31 December 2021 following the threshold as stated in section 5 with no exception noted.
6. With respect to item 3.4, we reconciled with relevant documentation for every significant balance above the threshold stated in section 5 as at 31 December 2021 for other short-term and long-term assets with no exception noted.
7. With respect to item 3.5:
  - a. We reconciled payables to employees as at 31 December 2021 with payroll sheet and compared to subsequent payments with no exception noted.
  - b. We reviewed the labour contracts of employees following the Labour Law and relevant local regulations as of 31 December 2021 and reconciled with payroll sheet with no exception noted.
  - c. We recalculated the Health, Social and Unemployment Insurance ("SHUI"), Trade Union fee following relevant local regulation as of 31 December 2021 and reconciled with declarations and noted that there was no expenses recorded as well as contribution for Trade Union for the year ended 31 December 2021.  

According to Article 4 and 5 of Decree No.191/2013/ND-CP on Trade Union: *"Subjects of remitting trade-union fee as prescribed at Clause 2 Article 26 of the Law on trade union include agencies, organizations and enterprises, regardless of whether such agencies, organizations and enterprises has been had grassroots trade-union organizations or not and the remittance level shall be 2% of salary fund which are used as the basis for social insurance payment for employees. This salary fund shall be total salaries of employees under objects payable social insurance in accordance with law on social insurance"*

As per above regulation, trade union expenses for the year ended 31 December 2021 and other payables as at 31 December 2021 were both understated by the same amount of VND14,321,098.

The adjustment to increase Project management and implementation costs and other payables with amount of VND14,321,098 was corrected by the Director in the accompanied financial statements for the year ended 31 December 2021 (**Appendix 1**).
  - d. We recalculated the Personal Income Tax ("PIT") following relevant local regulations as of 31 December 2021 and reconciled with declarations and balances with no exception noted.
  - e. We reviewed the payroll policy and recalculated the provisions as at 31 December 2021 following relevant local regulation without significant issues noted including:
    - 13<sup>th</sup> month salary;
    - Bonus;
    - Unused annual leave;
    - Severance allowance; and
    - Other allowances.
8. With respect to item 3.6:
  - a. We reviewed subsequent payment and supporting documents of any outstanding balance. The samples were chosen for every significant balance above the threshold stated in section 5 as at 31 December 2021. We noted that there was an outstanding payables balance amounting of VND2,573,000 related to the rental of English classroom which had been fully paid by 31 December 2021. However, the amount was still recorded in balance of other payables resulting an overstatement of other payables and cash on hand amounting of VND2,573,000.

The adjustment to decrease cash and other payables with amount of VND2,573,000 was corrected by the Director in the accompanied financial statements for the year ended 31 December 2021 (**Appendix 1**).

- b. We reviewed the appropriateness of valuation of balance in foreign currency following the Foundation's accounting policies with no exception noted.

9. With respect to item 4.1:

- a. We reviewed the valuation, appropriateness of the cut-off and completeness of fund receipts and noted that there was a transaction of donation from Comtextile (HK) Limited with original amount of USD8,480 which was recorded on 25 June 2021. However, the actual receipt date of the amount was on 11 August 2021 and the exchange rate used to record the fund receipt was at the wrong date on 25 June 2021 leading to the overstatement of fund receipts and financial expense amounting of VND4,883,600.

The adjustment to decrease fund receipts and financial losses with amount of VND4,883,600 was corrected by the Director in the accompanied financial statements for the year ended 31 December 2021 (**Appendix 1**).

- b. We reviewed the supporting documents (contracts, invoices or other supporting documents) for samples following the threshold as stated in section 5 with no exception noted.

10. With respect to item 4.2:

- a. We reviewed the appropriateness of the cut-off and completeness of expenses with no exception noted.
- b. We randomly selected all transactions above the threshold as stated in section 5 with the maximum of 25 samples and some random samples under this threshold with the maximum of 5 samples from the bank book and cash book of the year to reconcile with the supporting documentation and checked cut-off appropriateness with no exception noted.
- c. We reviewed the classification of expenses in the following categories: employees expenses, food for children, other children related expenses, building expenses, transportation expenses, other admin expenses, interest, exchange gain/loss, bank charges with no exception noted.



Because the above procedures do not constitute an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements, we do not express any assurance on the review of the Foundation's financial statements for the year ended 31 December 2021.

Had we performed additional procedures or had we performed an audit or review of the financial statements in accordance with International Standards on Auditing or International Standards on Review Engagements, or had we performed separate evaluation/valuation engagement, other matters might have come to our attention that would have been reported to you.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information and is not to be used for any other purpose or to be distributed to any other parties. This report relates only to the items specified above and do not extend to any financial statements of the Foundation, taken as a whole.



Bùi Xuân Vinh  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 0842-2023-177-1

Ho Chi Minh City, Vietnam

13 January 2023



## APPENDIX 1: Financial Statements for the year ended 31 December 2021

### Mai Nha Children Foundation (Vietnam)

#### BALANCE SHEET

As at 31 December 2021

VND

ITEMS	Notes	Ending balance	Beginning balance
<b>A. CURRENT ASSETS</b>		<b>7,048,565,314</b>	<b>6,750,191,896</b>
<i>I. Cash</i>	<b>4</b>	<b>7,048,565,314</b>	<b>6,410,124,896</b>
<i>II. Current accounts receivable</i>		-	<b>323,567,000</b>
1. Other short-term receivables		-	323,567,000
<i>III. Other current asset</i>		-	<b>16,500,000</b>
1. Short-term prepaid expenses		-	16,500,000
<b>B. NON-CURRENT ASSETS</b>		<b>3,472,827,671</b>	<b>3,703,730,747</b>
<i>I. Fixed assets</i>		<b>3,458,827,675</b>	<b>3,680,397,415</b>
1. Tangible fixed assets	<b>5</b>	2,876,306,172	3,083,343,156
Cost		4,580,989,476	4,580,989,476
Accumulated depreciation		(1,704,683,304)	(1,497,646,320)
2. Intangible fixed assets	<b>6</b>	582,521,503	597,054,259
Cost		726,638,000	726,638,000
Accumulated amortisation		(144,116,497)	(129,583,741)
<i>II. Other long-term asset</i>		<b>13,999,996</b>	<b>23,333,332</b>
1. Long-term prepaid expenses		13,999,996	23,333,332
<b>TOTAL ASSETS</b>		<b>10,521,392,985</b>	<b>10,453,922,643</b>

The accompanying notes are an integral part of these financial statements

**APPENDIX 1: Financial Statements for the year ended 31 December 2021**

(continued)

**Mai Nha Children Foundation (Vietnam)**

BALANCE SHEET (continued)

As at 31 December 2021

VND

<i>ITEMS</i>	<i>Notes</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b>C. LIABILITIES</b>		<b>431,444,693</b>	<b>453,123,595</b>
<i>I. Current liabilities</i>		<b>323,477,693</b>	<b>309,156,595</b>
1. Short-term accrued expenses	7	80,842,158	80,842,158
2. Other short-term payables	8	242,635,535	228,314,437
<i>II. Non - current liability</i>		<b>107,967,000</b>	<b>143,967,000</b>
1. Other long-term liabilities	8	107,967,000	143,967,000
<b>D. FUNDS</b>		<b>10,089,948,292</b>	<b>10,000,799,048</b>
<i>I. Funds</i>		<b>10,089,948,292</b>	<b>10,000,799,048</b>
1. Funds balance		10,089,948,292	10,000,799,048
<b>TOTAL LIABILITIES AND FUNDS</b>		<b>10,521,392,985</b>	<b>10,453,922,643</b>

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 Marc Witlox  
 Director

Ho Chi Minh City, Vietnam  
 13 January 2023

*The accompanying notes are an integral part of these financial statements*

**APPENDIX 1: Financial Statements for the year ended 31 December 2021**  
(continued)

**Mai Nha Children Foundation (Vietnam)**

**STATEMENT OF FUNDS AND USE OF FUNDS**  
For the year ended 31 December 2021

VND

ITEMS	Notes	Current year	Previous year
<b>FUNDS RECEIPTS</b>	<b>9</b>		
Funds received from Mai Nha alliances		1,203,621,014	1,232,844,615
Funds received from other donors		1,007,722,400	1,842,142,850
<b>Total funds receipts</b>		<b>2,211,343,414</b>	<b>3,074,987,465</b>
<b>USE OF FUNDS</b>			
Project management and implementation costs	10	(2,012,716,613)	(2,514,329,326)
Other losses		-	(423,198)
Financial losses	11	(109,477,557)	(15,992,701)
<b>Total use of funds</b>		<b>(2,122,194,170)</b>	<b>(2,530,745,225)</b>
Net increase of funds during the year		89,149,244	544,242,240
Funds balance, beginning of the year		10,000,799,048	9,456,556,808
<b>Funds balance, end of the year</b>		<b>10,089,948,292</b>	<b>10,000,799,048</b>

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Marc Witlox  
Director

Ho Chi Minh City, Vietnam  
13 January 2023

*The accompanying notes are an integral part of these financial statements*



## **APPENDIX 1: Financial Statements for the year ended 31 December 2021**

(continued)

### **Mai Nha Children Foundation (Vietnam)**

#### **NOTES TO THE FINANCIAL STATEMENTS** as at 31 December 2021 and for the year then ended

##### **1. CORPORATE INFORMATION**

Mai Nha Children Foundation (Vietnam) ("the Foundation") is a non-governmental organisation operating in Vietnam under the Decision No. 1049/QĐ-UBND issued by the People's Committee of Binh Thuan Province on 11 May 2011.

The Foundation's current principal activities are to adopt, take care of, nurture, and educate orphans and abandoned children.

The foundation operates as a self-financing organisation. The operating funds include the funds in cash and equipment from the other Mai Nha alliances, consisting of Mai Nha France, Mai Nha Netherlands and Mai Nha United State of America, and from other donors.

The Foundation's office is located in Thien Hoa Village, Thien Nghiep Commune, Phan Thiet City, Binh Thuan Province, Vietnam

##### **2. BASIS OF PREPARATION**

The financial statements have been prepared on a modified cash-basis method of accounting. Funds are recognised upon actual receipts of cash and equipment. Expenditures for management and implementation of projects are recorded upon occurrence.

###### **2.1 Accounting standards and system**

The financial statements are prepared considering the requirements of the Director and based on:

- The financial statements which are prepared in accordance with the Foundation's accounting policy as presented in *Note 3*; and
- The format of the financial statements which is created by the Director.

###### **2.2 Applied accounting documentation system**

The Foundation's applied accounting documentation system is the General Journal system.

###### **2.3 Fiscal year**

The Foundation's fiscal year applicable for the preparation of its financial statements starts on 1 January and ends on 31 December.

###### **2.4 Accounting currency**

The Foundation's accounting currency is VND because majority of the Foundation's transactions are VND-based.

## **APPENDIX 1: Financial Statements for the year ended 31 December 2021**

(continued)

### **Mai Nha Children Foundation (Vietnam)**

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

#### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **3.1 *Changes in accounting policies and disclosures***

The accounting policies adopted by the Foundation in preparation of the financial statements are consistent with those followed in the preparation of the Foundation's financial statements for the year ended 31 December 2020.

##### **3.2 *Cash***

Cash comprises cash on hand and cash in banks.

##### **3.3 *Tangible fixed assets***

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the statement of funds and use of funds as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the statement of funds and use of funds.

##### **3.4 *Intangible fixed assets***

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the statement of funds and use of funds as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the statement of funds and use of funds.

##### ***Land use rights***

The advance payment for land rental, of which the Land use right certificate is issued, are recorded as intangible fixed assets.

## APPENDIX 1: Financial Statements for the year ended 31 December 2021 (continued)

### Mai Nha Children Foundation (Vietnam)

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

##### 3.5 Depreciation and amortisation

Depreciation of tangible fixed assets and amortisation of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Land use right	50 years
Buildings and structures	25 years
Machinery and equipment	3 - 7 years

##### 3.6 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

The following types of expenses are recorded as prepaid expenses and are amortised to the income statement within 3 years:

- Tools and supplies

##### 3.7 Payables and accruals

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Foundation.

##### 3.8 Recognition of funds

Funds are recognised upon actual receipts of cash and equipment.

##### 3.9 Project management and implementation costs

Expenditures for management and implementation of projects are recorded on accrual basis, upon occurrence.

#### 4. CASH

	VND	
	Ending balance	Beginning balance
Cash on hand	25,482,000	46,716,000
Cash at banks	7,023,083,314	6,363,408,896
<b>TOTAL</b>	<b>7,048,565,314</b>	<b>6,410,124,896</b>



# **APPENDIX 1: Financial Statements for the year ended 31 December 2021** (continued)

## **Mai Nha Children Foundation (Vietnam)**

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

### **5. TANGIBLE FIXED ASSETS**

				VND
	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Others</i>	<i>Total</i>
<b>Cost:</b>				
Beginning balance and ending balance	<u>4,227,507,767</u>	<u>323,556,709</u>	<u>29,925,000</u>	<u>4,580,989,476</u>
<b>Accumulated depreciation:</b>				
Beginning balance	1,243,748,397	223,972,923	29,925,000	1,497,646,320
- Depreciation for the year	<u>169,100,316</u>	<u>37,936,668</u>	<u>-</u>	<u>207,036,984</u>
Ending balance	<u>1,412,848,713</u>	<u>261,909,591</u>	<u>29,925,000</u>	<u>1,704,683,304</u>
<b>Net carrying amount:</b>				
Beginning balance	<u>2,983,759,370</u>	<u>99,583,786</u>	<u>-</u>	<u>3,083,343,156</u>
Ending balance	<u>2,814,659,054</u>	<u>61,647,118</u>	<u>-</u>	<u>2,876,306,172</u>

### **6. INTANGIBLE FIXED ASSETS**

	VND
	<i>Land use right</i>
<b>Cost:</b>	
Beginning balance and ending balance	<u>726,638,000</u>
<b>Accumulated amortization:</b>	
Beginning balance	129,583,741
- Amortisation for the year	<u>14,532,756</u>
Ending balance	<u>144,116,497</u>
<b>Net carrying amount:</b>	
Beginning balance	<u>597,054,259</u>
Ending balance	<u>582,521,503</u>

# APPENDIX 1: Financial Statements for the year ended 31 December 2021 (continued)

## Mai Nha Children Foundation (Vietnam)

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

### 7. SHORT-TERM ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Accrued personal income tax for expats	17,092,158	17,092,158
Others	63,750,000	63,750,000
<b>TOTAL</b>	<b>80,842,158</b>	<b>80,842,158</b>

### 8. OTHER LIABILITIES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Social, Health, Unemployment Insurance	127,492,750	127,492,750
Personal income tax	16,800,000	16,800,000
Trade Union Fee	98,342,785	84,021,687
	242,635,535	228,314,437
Long-term		
Provision for pension (*)	107,967,000	143,967,000
<b>TOTAL</b>	<b>350,602,535</b>	<b>372,281,437</b>

(\*) This is provision for the pension promised to Ms. Nguyen Thi Kieu. The promised pension will be paid monthly from the date she retired from her position as mother in the Foundation till her death.

### 9. FUNDS RECEIPTS

	VND	
	<i>Current year</i>	<i>Previous year</i>
Funds from Mai Nha affiliates	1,203,621,014	1,232,844,615
Donation from other donors	1,007,722,400	1,842,142,850
<b>TOTAL</b>	<b>2,211,343,414</b>	<b>3,074,987,465</b>

## APPENDIX 1: Financial Statements for the year ended 31 December 2021 (continued)

### Mai Nha Children Foundation (Vietnam)

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at 31 December 2021 and for the year then ended

#### 10. PROJECT MANAGEMENT AND IMPLEMENTATION COSTS

	VND	
	<i>Current year</i>	<i>Previous year</i>
Wages and salaries	1,093,446,671	1,376,680,525
Children related cost	578,373,500	558,394,000
Building related cost	298,306,076	414,459,125
Scholarships	-	66,901,000
Others	42,590,366	97,894,676
<b>TOTAL</b>	<b><u>2,012,716,613</u></b>	<b><u>2,514,329,326</u></b>

#### 11. FINANCIAL LOSSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Unrealised foreign exchange losses	<u>109,477,557</u>	<u>15,992,701</u>

#### 12. EVENTS AFTER THE BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the financial statements of the Foundation.

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Marc Witlox  
Director

Ho Chi Minh City, Vietnam  
13 January 2023



## APPENDIX 2: Summary of corrected adjustments/reclassifications for the year ended 31 December 2021

### Mai Nha Children Foundation (Vietnam)

No.	Description	Dr.	Cr.	Amount
<b>Unadjusted profit after tax</b>				
<i>1 To propose adjustment payment for English class not yet recorded</i>				
1	Dr. Other short-term payables	2,573,000		2,573,000
1	Cr. Cash		2,573,000	(2,573,000)
<i>2 To propose adjustment for understatement of trade union expenses</i>				
2	Dr. Project management and implementation costs	14,321,098		14,321,098
2	Cr. Other short-term payables		14,321,098	(14,321,098)
<i>3 To propose revaluation adjustment of cash in bank balance</i>				
3	Dr. Financial losses	94,424,158		94,424,158
3	Cr. Cash		94,424,158	(94,424,158)
<i>4 To propose adjustment for overstatement of fund receipts due to using the wrong exchange rate</i>				
4	Dr. Fund receipts	4,833,600		4,833,600
4	Cr. Financial losses		4,833,600	(4,833,600)