

AUDITED PROJECT FINANCIAL STATEMENTS

Loan: 2000000433

Grants: 2000000434

Period covered: 1 January to 31 December 2017

Project for Adaption to Climate Change in the Mekong Delta in Ben Tre and Tra Vinh

Prepared by AASC Auditing Firm Company Limited

Received on 29 June 2018

The Audited project financial statements are documents owned by the borrower. The views expressed herein do not necessarily represent those IFAD's Board of Directors, Management or Staff. These documents are made publicly available in accordance with the "IFAD Handbook for Financial Reporting and Auditing of IFAD-Financed Projects (2018)" and as agreed between IFAD and Vietnam.

Programme: Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province

Implementing Organization: The Project Coordination Unit Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province

Loan No.: Financing Agreement, Loan No.: 2000000433 and Grant No. 2000000434

FINANCIAL STATEMENTS

THE FISCAL YEAR ENDED AS AT 31 DECEMBER 2017



AUDITED BY:
AASC AUDITING FIRM COMPANY LIMITED



Head office :
01 Le Phung Hieu,
Hoan Kiem, Hanoi.

Email: aaschn@hn.vnn.vn
Website: www.aasc.com.vn

Branch in Ho Chi Minh City:
9 Nguyen Khoai, Ward 1,
District 4, Ho Chi Minh city.

Email: aaschcm@aasc.com.vn
Website: www.aasc.com.vn

Branch in Quang Ninh:
08 Chu Van An,
Ha Long city, Quang Ninh.

Email: aascqn@aasc.com.vn
Website: www.aasc.com.vn

STATEMENT OF THE PROJECT COORDINATION UNIT

The Project Coordination Unit of Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province (the Project Coordination Unit) presents this report and the Project's financial statements for the year ended as at 31 December 2017.

Members of the Project Coordination Unit during the year 2017 are as follows:

Mr. Huynh Nghia Tho	Director
Mr. Le Phuoc Dung	Vice Director
Ms. Trang Thi Thu Minh	Chief Accountant

Responsibilities of the Project Coordination Unit:

The Project Coordination Unit is responsible for preparing the financial statements including: Statement of Operating performance, Statement of Financial Position, Statement of Comparison of budget and actual amount, Statement of Designated Account, Statement of Withdrawals-IFAD Loan in accordance with the accounting policies stated in enclosed Notes to the Financial Statements. The Project Coordination Unit is required to select suitable accounting policies and then apply them consistently.

In preparing those Financial statements, the Project Coordination Unit is required to:

- Establish and maintain the necessary internal control system to ensure the preparation and presentation of financial statements do not contain any material misstatement caused by fraud or errors;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare and present the financial statements on the basis of compliance with accounting standards and system and other related regulations.

The Project Coordination Unit is responsible for ensuring that proper accounting records are kept, which disclosed, with reasonable accuracy at any time, the financial position of the Project and to ensure that the accounting records comply with the registered accounting system. The Project Coordination Unit is also responsible for safeguarding the assets of the Project and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Project Coordination Unit confirms that the financial statements for the fiscal year ended as at 31 December 2017 prepared by us, give a true and fair view of the financial position at 31 December 2017, its operation in the year 2017 in accordance with the Vietnamese Accounting System and comply with relevant statutory requirements.

ON BEHALF OF THE PROJECT COORDINATION UNIT



Huynh Nghia Tho

Project Director

Tra Vinh, 16 April 2018

INDEPENDENT AUDITOR'S REPORT

To: **The Project Coordination Unit**
Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province

Auditor's opinion

We have audited the accompanying Financial statements for the Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province including: Statement of Operating performance, Statement of Finance position, Statement of Comparison of budget and actual amount, Statement of Designated Account, Statement of Withdrawals-IFAD Loan and Notes to the financial statements which includes summary of significant accounting policies.

In our opinion:

- The Financial Statements of the Project give a true and fair view, of the financial position of the Project as at 31 December 2017 and its performance for the year then ended, in accordance with accounting policies stated in enclosed Notes to the Financial Statements and requirements of Financing Agreement for Loan No. 2000000433 and ASAP Grant No. 2000000434 signed on 28 March 2014;
- The accompanying Statement of designated account gives true and fair view, of the closing balance of designated account as at 31 December 2017 as well as cash receipts and payment through the designated account of the Project for the year then ended in accordance with requirements of Financing Agreement for Loan No. 2000000433 and ASAP Grant No. 2000000434 signed on 28 March 2014;
- Relating to Withdrawal Application Statement, Statement of expenditures and supporting documents have been properly recorded and maintained to support claims for replenishment submitted to the IFAD. Such expenditures are eligible under the Financing Agreement for Loan No. 2000000433 and ASAP Grant No. 2000000434 signed on 28 March 2014.

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 Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of Project Coordination Unit in accordance with the Code of Ethics for Professional Accountants issued by International Ethics Standards Board for 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.

Project Coordination Unit's Responsibility for the Financial Statements

Project Coordination Unit is responsible for the preparation and fair presentation of the financial statements in accordance with the 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, the Project Coordination Unit is responsible for assessing the Project's ability to continue as a going concern, disclosing matters relating to going concern and using the going concern basis of accounting unless the Project Coordination Unit either intends to cease operations or has no realistic alternative but to do so.

Auditor's Responsibility

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 express an opinion in the auditor's report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect an existing material misstatement. 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, misunderstand, or the override of internal control.
- Obtain an understanding of internal control relevant to the Project's preparation and fair presentation of 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 notes made by the Project Coordination Unit.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, conclude 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 notes to financial statements, or if such notes are inadequate, we are required 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 fairly present the transactions and events.

We communicate with Project Coordination Unit about the planned scope and timing of the audit and significant audit findings together with other matters including any significant deficiency in internal control that we identify during our audit.

AASC LIMITED



Do Mạnh Cuong

Deputy General Director

Registered Auditor No: 0744-2018-002-1

Hanoi, 25 May 2018

Nguyen Anh Ngoc

Auditor

Registered Auditor No: 1437-2018-002-1

**ADAPTATION TO CLIMATE CHANGES IN THE MEKONG DELTA PROJECT
IN TRA VINH PROVINCE**

Financing Agreement for Loan No. 2000000433 and Grant No. 2000000434

**FIANACIAL STATEMENTS OF PROJECT COORDINATION UNIT
FOR THE FISCAL YEAR ENDED AS AT 31 DECEMBER 2017**

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STATEMENT OF OPERATING PERFORMANCE

(By category)

Notes	2017	2016	Cumulative to 31/12/2017
	VND	VND	VND
BEGINNING BALANCE	725,705,012	34,222,236,966	
FINANCING			
IFAD Loan	5 57,228,039,957	44,698,827,495	148,071,097,264
ASAP Grant	6 18,161,206,329	13,501,382,627	46,729,064,471
Government Fund	7 13,912,117,542	26,719,958,405	48,058,451,113
Beneficiary's contribution	8 73,924,023,868	8,711,005,822	82,635,029,690
TOTAL FINANCING	163,225,387,696	93,631,174,349	325,493,642,538
PROJECT EXPENDITURES			
IFAD LOAN			
I Construction	17,325,954,184	26,192,301,894	43,518,256,078
II Equipment and material	337,029,818	352,393,818	3,674,302,727
III Consultancies	237,595,000	1,031,818,100	1,461,160,364
IV Training	4,135,667,158	3,256,806,396	10,087,453,222
V Credit, guarantee funds	5,902,000,000	19,254,300,000	33,887,384,000
VI-A Grant and aid A	14,714,534,988	15,768,391,989	30,482,926,977
VI-B Grant and aid B	2,738,976,000	776,460,000	3,515,436,000
VII Operating costs	2,293,698,770	2,550,201,653	8,077,902,632
VIII Salaries and allowances	2,791,682,256	2,431,700,280	8,974,410,849
	50,477,138,174	71,614,374,130	143,679,232,849
ASAP GRANT			
II Equipment and material	288,650,000	-	977,819,090
III Consultancies	3,334,899,453	5,357,865,866	9,624,095,272
IV Training	5,106,950,943	8,669,551,025	17,422,525,689
VI-A Grant and aid A	6,306,225,280	6,757,882,280	13,064,107,560
VII Operating costs	52,133,288	64,572,445	163,736,489
VIII Salaries and allowances	75,373,044	68,465,592	231,032,932
	15,164,232,008	20,918,337,208	41,483,317,032
GOVERNMENT FUND			
I Construction	9,926,426,688	21,676,070,767	31,602,497,455
II Equipment and material	59,673,182	35,239,382	476,773,383
III Consultancies	72,957,602	64,114,075	227,218,224
IV Training	178,615,908	172,389,358	566,629,180
VII Operating costs	189,534,783	174,483,027	1,031,730,384
VIII Salaries and allowances	4,320,104,478	3,761,692,534	14,152,828,324
	14,747,312,641	25,883,989,143	48,057,676,950
BENEFICIARY'S CONTRIBUTION			
I Construction	3,154,703,000	8,711,005,822	11,865,708,822
III Consultancies	647,732,100	-	647,732,100
IV Training	485,679,200	-	485,679,200
VI-A Grant and aid A	53,783,276,568	-	53,783,276,568
VI-B Grant and aid B	15,852,633,000	-	15,852,633,000
	73,924,023,868	8,711,005,822	82,635,029,690
TOTAL PROJECT EXPENDITURES	154,312,706,691	127,127,706,303	315,855,256,521
ENDING BALANCE	9,638,386,017	725,705,012	9,638,386,017



Huynh Nghia Tho

Project Director

Tra Vinh, 16 April 2018

Trang Thi Thu Minh

Chief Accountant

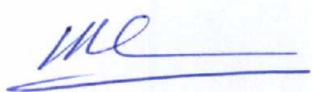
STATEMENT OF OPERATING PERFORMANCE

(By component)

	Notes	2017	2016	Cumulative to 31/12/2017
		VND	VND	VND
BEGINNING BALANCE		725,705,012	34,222,236,966	
FINANCING				
IFAD Loan	5	57,228,039,957	44,698,827,495	148,071,097,264
ASAP Grant	6	18,161,206,329	13,501,382,627	46,729,064,471
Government Fund	7	13,912,117,542	26,719,958,405	48,058,451,113
Beneficiary's contribution	8	73,924,023,868	8,711,005,822	82,635,029,690
TOTAL FINANCING		163,225,387,696	93,631,174,349	325,493,642,538
PROJECT EXPENDITURES				
IFAD LOAN				
2 Investing in Sustainable Livelihoods		44,576,196,879	65,701,687,734	121,948,025,247
2.1 - Improving rural livelihoods and finance		7,398,591,833	21,604,394,573	39,841,789,844
2.2 - Investing in climate change adaptation		37,177,605,046	44,097,293,161	82,106,235,403
3 Project coordination		5,900,941,295	5,912,686,396	21,731,207,602
		50,477,138,174	71,614,374,130	143,679,232,849
ASAP GRANT				
1 Building Adaptive Capacity		8,446,959,598	14,005,850,537	27,560,547,119
1.1 - Climate change knowledge enhancement		6,906,979,128	10,698,289,800	19,830,136,395
1.2 - Climate - informed planning		1,539,980,470	3,307,560,737	7,730,410,724
2 Investing in Sustainable Livelihoods		6,306,225,280	6,757,882,280	13,064,107,560
2.2 - Investing in climate change adaptation		6,306,225,280	6,757,882,280	13,064,107,560
3 Project coordination		411,047,130	154,604,391	858,662,353
		15,164,232,008	20,918,337,208	41,483,317,032
GOVERNMENT FUND				
1 Building Adaptive Capacity		265,060,577	241,098,008	830,936,014
1.1 - Climate change knowledge enhancement		147,706,588	60,032,943	290,585,427
1.2 - Climate - informed planning		117,353,989	181,065,065	540,350,587
2 Investing in Sustainable Livelihoods		10,560,537,807	22,058,822,022	32,980,263,186
2.1 - Improving rural livelihoods and finance		616,355,587	393,558,581	1,354,211,423
2.2 - Investing in climate change adaptation		9,944,182,220	21,665,263,441	31,626,051,763
3 Project coordination		3,921,714,257	3,584,069,113	14,246,477,750
		14,747,312,641	25,883,989,143	48,057,676,950
BENEFICIARY'S CONTRIBUTION				
1 Building Adaptive Capacity		1,133,411,300	-	1,133,411,300
1.1 - Climate change knowledge enhancement		1,133,411,300	-	1,133,411,300
2 Investing in Sustainable Livelihoods		72,790,612,568	8,711,005,822	81,501,618,390
2.2 - Investing in climate change adaptation		72,790,612,568	8,711,005,822	81,501,618,390
		73,924,023,868	8,711,005,822	82,635,029,690
TOTAL PROJECT EXPENDITURES		154,312,706,691	127,127,706,303	315,855,256,521
ENDING BALANCE		9,638,386,017	725,705,012	9,638,386,017



Huynh Nghia Tho
Project Director
Tra Vinh, 16 April 2018


Trang Thi Thu Minh
Chief Accountant

STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

Code	ASSETS	Note	31/12/2017	31/12/2016
			VND	VND
100	A. CURRENT ASSETS		21,008,561,613	19,836,796,715
110	I. Cash	4	13,298,200,974	9,596,099,374
111	1. Cash on hand		-	105,196,350
112	2. Cash at bank, State Treasury		13,298,200,974	9,490,903,024
120	II. Short-term receivables		7,710,360,639	10,240,697,341
122	1. Prepayments to suppliers		5,728,969,352	2,640,149,352
123	2. Short-term inter-project receivables	9	1,975,766,587	2,095,944,264
124	<i>In which: Capital in subsidiaries</i>		1,975,766,587	2,095,944,264
125	3. Other receivables	10	5,624,700	5,504,603,725
200	B. NON-CURRENT ASSETS		317,568,768,501	163,497,398,159
210	I. Fixed assets	11	1,713,511,980	1,954,848,329
211	1. Tangible fixed assets		1,713,511,980	1,954,848,329
212	- Historical cost		5,464,656,275	5,141,456,275
213	- Accumulated depreciation (*)		(3,751,144,295)	(3,186,607,946)
220	II. Construction in progress		315,855,256,521	161,542,549,830
230	TOTAL ASSETS		338,577,330,114	183,334,194,874
	CAPITAL			
300	A. LIABILITIES		11,177,942,011	19,081,137,125
310	I. Current liabilities		11,177,942,011	19,081,137,125
312	1. Trade payables	12	995,876,511	3,367,721,565
317	2. Other short-term payables	13	10,182,065,500	15,713,415,560
400	B. FUND		327,399,388,103	164,253,057,749
412	1. Foreign exchange differences		192,233,585	29,954,578
414	2. Fund		325,493,642,538	162,268,254,842
	- IFAD Loan	5	148,071,097,264	90,843,057,307
	- ASAP Grant	6	46,729,064,471	28,567,858,142
	- Government fund	7	48,058,451,113	34,146,333,571
	- Beneficiary's contribution	8	82,635,029,690	8,711,005,822
415	3. Funds that form fixed assets		1,713,511,980	1,954,848,329
430	TOTAL CAPITAL		338,577,330,114	183,334,194,874



Huynh Nghia Tho

Project Director

Tra Vinh, 16 April 2018

Trang Thi Thu Minh

Chief Accountant

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT

(By category)

	Budget	Actual	Variance
	VND	VND	VND
FINANCING			
IFAD Loan	57,882,632,000	57,228,039,957	(654,592,043)
ASAP Grant	27,412,181,000	18,161,206,329	(9,250,974,671)
Government Fund	16,459,695,000	13,912,117,542	(2,547,577,458)
Beneficiary's contribution	28,758,169,000	73,924,023,868	45,165,854,868
TOTAL FINANCING	130,512,677,000	163,225,387,696	32,712,710,696
PROJECT EXPENDITURES:			
Cat IFAD LOAN			
I Construction	19,382,000,000	17,325,954,184	(2,056,045,816)
II Equipment and material	362,182,000	337,029,818	(25,152,182)
III Consultancies	380,000,000	237,595,000	(142,405,000)
IV Training, study	4,730,850,000	4,135,667,158	(595,182,842)
V Credit, guarantee funds	5,800,000,000	5,902,000,000	102,000,000
VI-A Grant and aid A	16,100,000,000	14,714,534,988	(1,385,465,012)
VI-B Grant and aid B	5,100,000,000	2,738,976,000	(2,361,024,000)
VII Operating costs	2,880,000,000	2,293,698,770	(586,301,230)
VIII Salaries and allowances	3,147,600,000	2,791,682,256	(355,917,744)
	57,882,632,000	50,477,138,174	(7,405,493,826)
ASAP GRANT			
II Equipment and material	5,646,000,000	288,650,000	(5,357,350,000)
III Consultancies	8,807,000,000	3,334,899,453	(5,472,100,547)
IV Training, study	5,868,900,000	5,106,950,943	(761,949,057)
VI-A Grant and aid A	6,900,000,000	6,306,225,280	(593,774,720)
VII Operating costs	89,416,000	52,133,288	(37,282,712)
VIII Salaries and allowances	100,865,000	75,373,044	(25,491,956)
	27,412,181,000	15,164,232,008	(12,247,948,992)
GOVERNMENT FUND			
I Construction	10,205,025,000	9,926,426,688	(278,598,312)
II Equipment and material	32,818,000	59,673,182	26,855,182
III Consultancies	168,000,000	72,957,602	(95,042,398)
IV Training, study	404,500,000	178,615,908	(225,884,092)
VII Operating costs	457,584,000	189,534,783	(268,049,217)
VIII Salaries and allowances	5,191,768,000	4,320,104,478	(871,663,522)
	16,459,695,000	14,747,312,641	(1,712,382,359)
BENEFICIARY'S CONTRIBUTION			
I Construction	3,158,169,000	3,154,703,000	(3,466,000)
III Consultancies (*)	-	647,732,100	647,732,100
IV Training, study (*)	-	485,679,200	485,679,200
VI-A Grant and aid A (*)	23,000,000,000	53,783,276,568	30,783,276,568
VI-B Grant and aid B (*)	2,600,000,000	15,852,633,000	13,252,633,000
	28,758,169,000	73,924,023,868	45,165,854,868
TOTAL PROJECT EXPENDITURES	130,512,677,000	154,312,706,691	23,800,029,691
Surplus/ Deficit in the year	-	8,912,681,005	

(*) : Beneficiary's contribution to the pilot models not included in the budget plan.



Huỳnh Nghĩa Thọ

Project Director

Tra Vinh, 16 April 2018

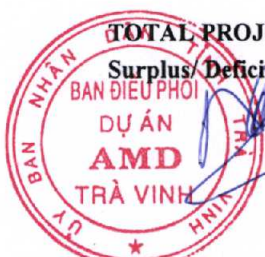
Trang Thị Thu Minh

Chief Accountant


STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT

(By component)

	Budget	Actual	Variance
	VND	VND	VND
FINANCING			
IFAD Loan	57,882,632,000	57,228,039,957	(654,592,043)
ASAP Grant	27,412,181,000	18,161,206,329	(9,250,974,671)
Government Fund	16,459,695,000	13,912,117,542	(2,547,577,458)
Beneficiary's contribution	28,758,169,000	73,924,023,868	45,165,854,868
TOTAL FINANCING	130,512,677,000	163,225,387,696	32,712,710,696
PROJECT EXPENDITURES:			
Cat IFAD LOAN			
2 Investing in Sustainable Livelihoods	50,906,950,000	44,576,196,879	(6,330,753,121)
2.1 - Improving rural livelihoods and finance	7,547,950,000	7,398,591,833	(149,358,167)
2.2 - Investing in climate change adaptation	43,359,000,000	37,177,605,046	(6,181,394,954)
3 Project coordination	6,975,682,000	5,900,941,295	(1,074,740,705)
	57,882,632,000	50,477,138,174	(7,405,493,826)
ASAP GRANT			
1 Building Adaptive Capacity	19,944,181,000	8,446,959,598	(11,497,221,402)
1.1 - Climate change knowledge enhancement	17,557,500,000	6,906,979,128	(10,650,520,872)
1.2 - Climate-informed planning	2,386,681,000	1,539,980,470	(846,700,530)
2 Investing in Sustainable Livelihoods	6,900,000,000	6,306,225,280	(593,774,720)
2.2 - Investing in climate change adaptation	6,900,000,000	6,306,225,280	(593,774,720)
3 Project coordination	568,000,000	411,047,130	(156,952,870)
	27,412,181,000	15,164,232,008	(12,247,948,992)
GOVERNMENT FUND			
1 Building Adaptive Capacity	464,952,000	265,060,577	(199,891,423)
1.1 - Climate change knowledge enhancement	251,100,000	147,706,588	(103,393,412)
1.2 - Climate-informed planning	213,852,000	117,353,989	(96,498,011)
2 Investing in Sustainable Livelihoods	10,980,925,000	10,560,537,807	(420,387,193)
2.1 - Improving rural livelihoods and finance	716,900,000	616,355,587	(100,544,413)
2.2 - Investing in climate change	10,264,025,000	9,944,182,220	(319,842,780)
3 Project coordination	5,013,818,000	3,921,714,257	(1,092,103,743)
	16,459,695,000	14,747,312,641	(1,712,382,359)
BENEFICIARY'S CONTRIBUTION			
1 Building Adaptive Capacity	-	1,133,411,300	1,133,411,300
1.1 - Climate change knowledge enhancement	-	1,133,411,300	1,133,411,300
2 Investing in Sustainable Livelihoods	28,758,169,000	72,790,612,568	44,032,443,568
2.2 - Investing in climate change adaptation	28,758,169,000	72,790,612,568	44,032,443,568
	28,758,169,000	73,924,023,868	45,165,854,868
TOTAL PROJECT EXPENDITURES	130,512,677,000	154,312,706,691	23,800,029,691
Surplus/ Deficit in the year	-	8,912,681,005	



Huynh Nghia Tho
Project Director
Tra Vinh, 16 April 2018


Trang Thi Thu Minh
Chief Accountant

STATEMENT OF DESIGNATED ACCOUNT - IFAD LOAN

Account No: [REDACTED]
 Currency: USD
 Account holder: Ministry of Finance
 Bank: [REDACTED]
 Address: [REDACTED]

		USD	Converted to VND
Opening Balance		397.55	8,865,365
Add			
IFAD Replenishments/ Disbursement:			
Date	WA No		
06/01/2017	12 L TV	569,343.10	
05/05/2017	13 L TV	1,095,603.94	
19/09/2017	14 L TV	114,634.53	
15/11/2017	15 L TV	623,146.94	
09/11/2017	16 L TV	124,036.59	
		<u>2,526,765.10</u>	
		2,526,765.10	57,228,039,957
Bank charges		20.00	453,700
		<u>2,526,785.10</u>	<u>57,228,493,657</u>
Deduct:			
Transfers to Operating Accounts:			
Date			
02/03/2017		410,600.00	
02/06/2017		994,300.00	
19/07/2017		260,000.00	
31/10/2017		114,700.00	
14/12/2017		747,000.00	
		<u>2,526,600.00</u>	
		(2,526,600.00)	(57,331,966,500)
Bank Charges		(466.61)	(10,582,714)
Exchange Rate Difference			107,820,819
		<u>(2,527,066.61)</u>	<u>(57,234,728,395)</u>
Closing Balance as at 31/12/2017		116.04	2,630,627



Huynh Nghia Tho
 Project Director
 Tra Vinh, 16 April 2018

Trang Thi Thu Minh
 Chief Accountant

STATEMENT OF DESIGNATED ACCOUNT RECONCILIATION - IFAD LOAN

Account No: [REDACTED]

Currency: USD

Bank: [REDACTED]

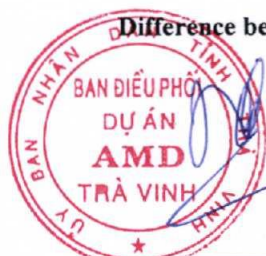
Address: [REDACTED]

	USD	Converted to VND
1 Amount advanced to designated account	1,500,000.00	34,014,195,166
2 Less amount(s) recovered:	-	-
3 Outstanding Amount advanced to designated account	1,500,000.00	34,014,195,166
4 Represented by:		
- Designated Account Balance as at 31/12/2017	116.04	2,630,627
- Operating account balance as at 31/12/2017	560,894.55	12,715,479,661
- Cash at State Treasury of Implementation Unit as at 31/12/2017	45,840.12	1,039,195,460
- Payables to Women's Union fund as at 31/12/2017	(456,809.14)	(10,182,065,500)
	150,041.57	3,575,240,248
5 Add amount not yet prepared WA as at 31/12/2017		
Activities financed by Loan	1,349,491.82	30,536,193,023
	1,349,491.82	30,536,193,023
6 Adjustments:		
Exchange rate differences		(107,820,819)
Bank Charges	466.61	10,582,714
	466.61	(97,238,105)
7 Total amount advance to Designated Account (From Line (4) to Line (6))	1,500,000.00	34,014,195,166

Difference between the totals appearing on Line (3) and Line (7)

-

-



Huynh Nghia Tho

Project Director

Tra Vinh, 16 April 2018

Trang Thi Thu Minh

Chief Accountant

STATEMENT OF DESIGNATED ACCOUNT - IFAD GRANT

Account No: [REDACTED]

Currency: USD

Account holder: Ministry of Finance

Bank: [REDACTED]

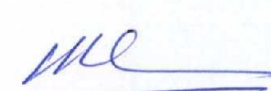
[REDACTED]

[REDACTED]

		USD	Converted to VND
Opening Balance		271,216.19	6,048,121,037
Add:			
IFAD Replenishments/ Disbursement:			
Date	WA No		
05/05/2017	11 G TV	483,184.67	
19/09/2017	12 G TV	58,781.14	
07/11/2017	13 G TV	258,451.89	
		<u>800,417.70</u>	
		800,417.70	18,160,185,354
		<u>800,417.70</u>	<u>18,160,185,354</u>
Deduct:			
Transfers to Operating Accounts:			
Date			
06/01/2017		270,000.00	
02/06/2017		484,000.00	
31/10/2017		59,000.00	
14/12/2017		258,300.00	
		<u>1,071,300.00</u>	
		(1,071,300.00)	(24,254,739,000)
Bank Charges		(259.23)	(5,879,337)
Exchange Rate Difference			54,004,488
		<u>(1,071,559.23)</u>	<u>(24,206,613,849)</u>
Closing Balance as at 31/12/2017		74.66	1,692,542



Huynh Nghia Tho
Project Director
Tra Vinh, 16 April 2018


Trang Thi Thu Minh
Chief Accountant

STATEMENT OF DESIGNATED ACCOUNT RECONCILIATION - IFAD GRANT

Account No:			
Currency:	USD		
Bank:			
Address:			
		USD	Converted to VND
1 Amount advanced to designated account	500,000.00	11,283,844,425	
2 Less amount(s) recovered:	-	-	
3 Outstanding Amount advanced to designated account	500,000.00	11,283,844,425	
4 Represented by:			
- Designated Account Balance as at 31/12/2017	74.66	1,692,542	
- Operating account balance as at 31/12/2017	25,513.82	578,398,144	
- Cash at State Treasury of Implementation Units as at 31/12/2017	41,313.24	936,571,127	
- Receivable from IFAD as transfer less money than credited mount at 31/12/2017	229.36	5,199,500	
	67,131.08	1,521,861,313	
5 Plus amount not yet claimed as at as at 31/12/2017			
WA not yet prepared:			
Activities financed by ASAP Grant	432,609.69	9,810,108,263	
	432,609.69	9,810,108,263	
6 Adjustments:			
Exchange rate differences	-	(54,004,488)	
Bank Charges	259.23	5,879,337	
	259.23	(48,125,151)	
7 Total amount advanced to Designated Account (From Line (4) to Line (6))	500,000.00	11,283,844,425	
Difference between totals appearing on Line (3) and Line (7)	-	-	



Huynh Nghia Tho
Project Director
Tra Vinh, 16 April 2018

Trang Thi Thu Minh
Chief Accountant

WITHDRAWAL APPLICATION STATEMENTS - IFAD LOAN (VND)

Disbursement method	Construction	Equipment and material	Consultancies	Training, study	Credit, guarantee funds	Grant and aid A	Grant and aid B	Operating costs	Salaries and allowances	Total	USD equivalent	Rejected by IFAD	Net Reimbursed
Cat No	I	II	III	IV	V	VI-A	VI-B	VII	VIII	VND	USD	USD	USD
Beginning balance	11,254,182,541	3,337,272,909	687,607,264	4,907,583,471	17,838,532,000	7,831,268,834	843,860,000	4,942,451,571	5,555,865,992	90,296,125,482	4,080,067.55	-	4,080,067.55
WA No:													
12 L TV 30/11/2016 Reimbursement	640,196,456	-	155,500,000	460,918,586	10,146,852,000	714,721,000	141,775,000	197,787,522	219,125,729	12,676,876,293	569,343.10	-	569,343.10
13 L TV 23/03/2017 Reimbursement	14,291,194,388	-	398,158,100	634,384,007	-	7,222,402,155	996,475,000	643,964,769	407,736,872	24,594,315,291	1,095,603.94	-	1,095,603.94
14 L TV 26/07/2017 Reimbursement	-	244,598,000	31,300,000	742,638,462	-	-	-	626,337,778	957,329,806	2,602,204,046	114,634.53	-	114,634.53
15 L TV 25/09/2017 Reimbursement	5,593,998,240	-	119,070,000	1,351,706,772	-	4,416,857,520	1,186,032,000	708,751,315	792,558,938	14,168,974,785	623,146.94	-	623,146.94
16 L TV 09/10/2017 Reimbursement	650,073,084	-	-	265,201,825	-	1,514,217,600	270,750,000	86,508,603	25,158,162	2,811,909,274	124,036.59	-	124,036.59
Total amount claimed and credited in this year	21,175,462,168	244,598,000	704,028,100	3,454,849,652	10,146,852,000	13,868,198,275	2,595,032,000	2,263,349,987	2,401,909,507	56,854,279,689	2,526,765.10	-	2,526,765.10
Total	21,175,462,168	244,598,000	704,028,100	3,454,849,652	10,146,852,000	13,868,198,275	2,595,032,000	2,263,349,987	2,401,909,507	56,854,279,689	2,526,765.10	-	2,526,765.10
Closing balance	32,429,644,709	3,581,870,909	1,391,635,364	8,362,433,123	27,985,384,000	21,699,467,109	3,438,892,000	7,205,801,558	7,957,775,499	147,150,405,171	6,606,832.65	-	6,606,832.65



Huynh Nghia Tho
Project Director
Tra Vinh, 16 April 2018

Trang Thi Thu Minh
Chief Accountant

WITHDRAWAL APPLICATION STATEMENTS - IFAD LOAN (USD)

Disbursement method	Construction	Equipment and material	Consultancies	Training, study	Credit, guarantee funds	Grant and aid A	Grant and aid B	Operating costs	Salaries and allowances	Total	SDR equivalent	Rejected by IFAD	Net Reimbursed
Cat No	I	II	III	IV	V	VI-A	VI-B	VII	VIII	USD	SDR	USD	USD
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Beginning balance	502,195.64	155,041.39	31,215.71	224,273.25	796,800.89	348,460.90	37,509.89	227,701.19	256,868.69	4,080,067.55	2,935,643.22	-	4,080,067.55
12 L TV 30/11/2016 Reimbursement	28,747.03	-	6,982.49	20,696.84	455,736.27	32,093.44	6,366.19	8,881.34	9,839.50	569,343.10	421,838.75	-	569,343.10
13 L TV 23/03/2017 Reimbursement	633,190.18	-	17,860.94	28,471.14	-	324,129.66	44,743.47	28,901.14	18,307.41	1,095,603.94	800,242.45	-	1,095,603.94
14 L TV 26/07/2017 Reimbursement	-	10,775.24	1,378.85	32,715.35	-	-	-	27,591.97	42,173.12	114,634.53	80,542.50	-	114,634.53
15 L TV 25/09/2017 Reimbursement	245,933.23	-	5,231.55	59,454.77	-	194,208.47	52,248.11	31,201.94	34,868.87	623,146.94	441,028.59	-	623,146.94
16 L TV 09/10/2017 Reimbursement	28,675.48	-	-	11,698.36	-	66,793.90	11,943.10	3,815.99	1,109.76	124,036.59	88,373.47	-	124,036.59
Total amount claimed and credited in this year	936,545.92	10,775.24	31,453.83	153,036.46	455,736.27	617,225.47	115,300.87	100,392.38	106,298.66	2,526,765.10	1,832,025.76	-	2,526,765.10
Total	936,545.92	10,775.24	31,453.83	153,036.46	455,736.27	617,225.47	115,300.87	100,392.38	106,298.66	2,526,765.10	1,832,025.76	-	2,526,765.10
Closing balance	1,438,741.56	165,816.63	62,669.54	377,309.71	1,252,537.16	965,686.37	152,810.76	328,093.57	363,167.35	6,606,832.65	4,767,668.98	-	6,606,832.65



Huynh Nghia Tho
Project Director
Tra Vinh, 16 April 2018

Trang Thi Thu Minh
Chief Accountant

WITHDRAWAL APPLICATION STATEMENTS - IFAD LOAN (SDR)

Disbursement method	Construction	Equipment and material	Consultancies	Training, study	Credit, guarantee funds	Grant and aid A	Grant and aid B	Operating costs	Salaries and allowances	Total	USD equivalent	Rejected by IFAD	Net Reimbursed
Cat No	I	II	III	IV	V	VI-A	VI-B	VII	VIII	SDR	USD	SDR	SDR
Beginning balance	371,100.47	110,615.54	22,474.66	161,473.12	573,351.17	255,017.23	27,528.11	163,320.64	184,013.62	2,935,643.22	4,080,067.55	-	2,935,643.22
12 L TV 30/11/2016 Reimbursement	21,299.30	-	5,173.48	15,334.74	337,664.97	23,778.73	4,716.85	6,580.38	7,290.30	421,838.75	569,343.10	-	421,838.75
13 L TV 23/03/2017 Reimbursement	462,489.81	-	13,045.85	20,795.67	-	236,748.25	32,681.17	21,109.74	13,371.96	800,242.45	1,095,603.94	-	800,242.45
14 L TV 26/07/2017 Reimbursement	-	7,570.71	968.78	22,985.88	-	-	-	19,386.19	29,630.94	80,542.50	114,634.53	-	80,542.50
15 L TV 25/09/2017 Reimbursement	174,057.80	-	3,702.60	42,078.76	-	137,449.90	36,978.29	22,082.99	24,678.25	441,028.59	623,146.94	-	441,028.59
16 L TV 09/10/2017 Reimbursement	20,430.68	-	-	8,334.84	-	47,589.25	8,509.21	2,718.81	790.68	88,373.47	124,036.59	-	88,373.47
Total amount claimed and credited in this year	678,277.59	7,570.71	22,890.71	109,529.89	337,664.97	445,566.13	82,885.52	71,878.11	75,762.13	1,832,025.76	2,526,765.10	-	1,832,025.76
Total	678,277.59	7,570.71	22,890.71	109,529.89	337,664.97	445,566.13	82,885.52	71,878.11	75,762.13	1,832,025.76	2,526,765.10	-	1,832,025.76
Closing balance	1,049,378.06	118,186.25	45,365.37	271,003.01	911,016.14	700,583.36	110,413.63	235,198.75	259,775.75	4,767,668.98	6,606,832.65	-	4,767,668.98



Huynh Nghia Tho
Project Director
Tra Vinh, 16 April 2018

Trang Thi Thu Minh
Chief Accountant

WITHDRAWAL APPLICATION STATEMENTS - IFAD GRANT (VND)

Note	Disbursement method	Equipment and material	Consultancies	Training, study	Grant and aid A	Operating costs	Salaries and allowances	Total	USD equivalent	Rejected by IFAD	Net Reimbursed
Cat No		II	III	IV	VI-A	VII	VIII				
		VND	VND	VND	VND	VND	VND	VND	USD	USD	USD
	Beginning balance	689,169,090	3,974,476,518	8,856,741,719	3,662,567,071	74,788,964	138,140,056	28,236,394,663	1,294,906.19	190.00	1,294,716.19
(*)	11 G TV 04/03/2017 Reimbursement	288,650,000	3,719,778,653	3,678,370,747	3,095,315,209	36,814,237	17,519,832	10,836,448,678	483,199.67	15.00	483,184.67
(*)	12 G TV 21/07/2017 Reimbursement	-	24,200,000	1,306,702,120	-	-	-	1,330,902,120	58,796.14	15.00	58,781.14
(*)	13 G TV 25/09/2017 Reimbursement	-	2,542,180,400	1,424,325,133	1,892,938,937	-	-	5,859,444,470	258,466.89	15.00	258,451.89
	Total amount claimed and credited in this year	288,650,000	6,286,159,053	6,409,398,000	4,988,254,146	36,814,237	17,519,832	18,026,795,268	800,462.70	45.00	800,417.70
	Total	288,650,000	6,286,159,053	6,409,398,000	4,988,254,146	36,814,237	17,519,832	18,026,795,268	800,462.70	45.00	800,417.70
	Closing balance	977,819,090	10,260,635,571	15,266,139,719	8,650,821,217	111,603,201	155,659,888	46,263,189,931	2,095,368.89	235.00	2,095,133.89

(*) The amount is not fully reimbursed under WA by IFAD



Huynh Nghia Tho
Project Director
Tra Vinh, 16 April 2018

Trang Thi Thu Minh
Chief Accountant

WITHDRAWAL APPLICATION STATEMENTS - IFAD GRANT (USD)

Note	Disbursement method	Equipment and material	Consultancies	Training, study	Grant and aid A	Operating costs	Salaries and allowances	Total	SDR equivalent	Rejected by IFAD	Net Reimbursed
Cat No		II USD	III USD	IV USD	VI-A USD	VII USD	VIII USD	USD	SDR	USD	USD
	Beginning balance	31,948.17	182,181.17	404,943.79	166,002.19	3,453.59	6,377.28	1,294,906.19	930,251.55	190.00	1,294,716.19
(*)	11 G TV 04/03/2017 Reimbursement	12,943.95	166,806.22	163,713.51	137,325.43	1,633.28	777.28	483,199.67	352,934.92	15.00	483,184.67
(*)	12 G TV 21/07/2017 Reimbursement	-	1,067.49	57,728.65	-	-	-	58,796.14	41,310.31	15.00	58,781.14
(*)	13 G TV 25/09/2017 Reimbursement	-	112,138.53	62,828.63	83,499.73	-	-	258,466.89	184,586.25	15.00	258,451.89
	Total amount claimed and credited in this year	12,943.95	280,012.23	284,270.80	220,825.16	1,633.28	777.28	800,462.70	578,831.48	45.00	800,417.70
	Total	12,943.95	280,012.23	284,270.80	220,825.16	1,633.28	777.28	800,462.70	578,831.48	45.00	800,417.70
	Closing balance	44,892.12	462,193.40	689,214.59	386,827.35	5,086.87	7,154.56	2,095,368.89	1,509,083.03	235.00	2,095,133.89

(*) The amount is not fully reimbursed under WA by IFAD



Huynh Nghia Tho
Project Director
Tra Vinh, 16 April 2018

Trang Thi Thu Minh
Chief Accountant

WITHDRAWAL APPLICATION STATEMENTS - IFAD GRANT (SDR)

Note	Disbursement method	Equipment and material	Consultancies	Training, study	Grant and aid A	Operating costs	Salaries and allowances	Total	USD equivalent	Rejected by IFAD	Net Reimbursed
Cat No		II	III	IV	VI-A	VII	VIII				
		SDR	SDR	SDR	SDR	SDR	SDR	SDR	USD	SDR	SDR
	Beginning balance	22,825.64	132,401.34	294,948.97	122,408.19	2,488.02	4,601.40	930,251.55	1,294,906.19	96.56	930,154.99
(*)	11 G TV 04/03/2017 Reimbursement	9,454.42	121,837.29	119,578.34	100,304.17	1,192.97	567.73	352,934.92	483,199.67	10.96	352,923.96
(*)	12 G TV 21/07/2017 Reimbursement	-	750.02	40,560.29	-	-	-	41,310.31	58,796.14	10.54	41,299.77
(*)	13 G TV 25/09/2017 Reimbursement	-	80,084.65	44,869.58	59,632.02	-	-	184,586.25	258,466.89	10.71	184,575.54
	Total amount claimed and credited in this year	9,454.42	202,671.96	205,008.21	159,936.19	1,192.97	567.73	578,831.48	800,462.70	32.21	578,799.27
	Total	9,454.42	202,671.96	205,008.21	159,936.19	1,192.97	567.73	578,831.48	800,462.70	32.21	578,799.27
	Closing balance	32,280.06	335,073.30	499,957.18	282,344.38	3,680.99	5,169.13	1,509,083.03	2,095,368.89	128.76	1,508,954.27

(*) The amount is not fully reimbursed under WA by IFAD



Huỳnh Nghĩa Thọ
Project Director
Tra Vinh, 16 April 2018

Trang Thi Thu Minh
Chief Accountant

NOTES TO THE FINANCIAL STATEMENTS

1 . OVERVIEW

Adaptation to Climate Changes in the Mekong Delta Project in Tra Vinh Province, abbreviated as: Tra Vinh AMD Project (the "Project"), a part of Adaptation to Climate Changes in the Mekong Delta Project in Ben Tre Province and Tra Vinh Province, operates under the Financing Agreement for Loan No.2000000433 and Grant No.2000000434 which was signed as at 28 March 2014 between the Government of the Socialist Republic of Vietnam and International Fund for Agricultural Development (IFAD).

The Project Coordination Unit (CPU) was established under the Decision No.2482/QĐ-UBND dated 31 December 2013 issued by Tra Vinh Provincial People's Committee to conduct the Project's operations from 2014 to 2020 at 7 Districts, 30 Communes in Tra Vinh Province.

The Goal of the project is sustainably improve livelihoods for the poor rural households in a changing environment. The Objective of the project is to strengthen the adaptive capacity of target communities and institutions to better contend with climate change.

Total project's budget is USD 24.672 million and allocated based on the annual work plan and budget.

To ensure the autonomy of the unit as well as to facilitate the coordination and institutional development, and maintain sustainability of activities after the project ended, the Department of Planning and Investment, Department of Agriculture and Rural Development, Department of Natural Resources and Environment, the provincial Women's Union and Tra Vinh University participated in the implementation of the project activities.

2 . PRINCIPAL ACCOUNTING POLICIES

a . Accounting system, accounting period and accounting monetary unit

The Project applies Administrative Accounting system issued under the Decision No.19/2006/QĐ- BTC dated 30 March 2016 and was amended and supplemented under the Circular No.185/2010/TT-BTC dated 15 November 2010 by Ministry of Finance.

Annual accounting period commences from 01 January and ends on 31 December.

The Project Coordinator Unit maintains its accounting records in VND.

b . Basis for preparation of Financial Statement

The Financial Statements are prepared in accordance with requirements of IFAD according to Programme Financing Agreement for Loan No.2000000433 and Grant No.2000000434 based on financial and accounting information, transaction incurred, recognized and presented under applicable Accounting system. Expenditures and fund recognized under applicable Accounting system are categorized and presented in conformity with sources of funds, categories of expenditure and operations stated in Financing Agreement.

The Financial Statements are prepared in VND based on historical cost principle, except Statement of Designated Account and Withdrawal Application Statement-IFAD Loan are prepared in US dollar. Statement of operating performance is prepared on the accrual basis to present received fund and incurred expenditure in the period and accumulated from the project's starting date.

c . Withdrawal Application Statement

Withdrawal Application Statement are prepared based on actual expenditures funded by IFAD. The expenditures incurred in VND are converted into foreign currency at actual exchange rate of fund transfer transaction from the Designated Account to Operating account.

d . Foreign currency transactions

Funds of IFAD transferred to Designated Account are converted into Vietnam dong at the exchange rate announced by Ho Chi Minh City Development Joint Stock Commercial Bank- Hoan Kiem Branch at the date of the transaction. Funds transferred from Designated Account to Operating Account of the Project at Tra Vinh State Treasury are converted into Vietnam dong at the bid rate of Ho Chi Minh City Development Joint Stock Commercial Bank- Hoan Kiem Branch at the date of funds transfer.

Funds transferred from Designated Account to Operating Account of Tra Vinh Women's Development Support Fund are converted into Vietnam dong at the bid rate of Ho Chi Minh City Development Joint Stock Commercial Bank- Hoan Kiem Branch at the date of funds transfer.

e . Fund and Expenditures

- Project's Fund:

- Fund received from IFAD will be recognized when there is actual payment from fund transfer to Designated Account of Account holder - Ministry of Finance or according to Historic Transaction report of IFAD.
- Counterpart fund of Vietnamese government are recorded when there is actual payment from the Vietnamese Government to the service providers of the Project or fund transfer to Operating Account of PCU and Implementation Units at Tra Vinh State Treasury for settlement of project's activities.

- Expenditures are recognized on accrual basis, in which:

- Expenditures on construction, vehicles, equipments and material are recognized based on Acceptance Minute for completed work done, Minute of hand over and payment acceptance approved by related parties.
- Expenditures on training and workshops are recognized based on eligible vouchers.
- Other expenditures for project's activities are recognized when there is actual payment with legal and eligible vouchers which do not exceed the approved budget.

f . Fixed Assets

Fixed asset is recognized at historical cost, accumulated depreciation/ amortization. The accumulated depreciation/ amortization is determined in accordance with the Circular No.162/2014/TT-BTC dated 06 November 2014 of the Ministry of Finance on issuing the regime for management and depreciation/ amortization of fixed assets in the state agencies, units and other public organizations that use the state budget. According to the applicable accounting policy, the expenditures for the project that formed PCU's fixed asset are recorded simultaneously in both of Project expenditure and Fixed asset; and Fund invested in fixed asset in order to monitor asset's depreciation/ amortization during the operation of project.

g . Designated Account

Designated Account is the account receiving IFAD loans and grants in USD which is opened at Ho Chi Minh City Development Joint Stock Commercial Bank- Hoan Kiem Branch for operations of the Project and controlled by Ministry of Finance. Designated Account is used to pay for expenditures with legal and eligible vouchers in accordance with the provisions of Financing Agreement for Loan No. 2000000433 and Grant No. 2000000434.

Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province

Financing Agreement for Loan No. 2000000433

Financial Statements

and Grant No. 2000000434

For the fiscal year ended as at 31 December 2017

3 . BUDGET PLAN

Unit: '000 VND

Catelogry	IFAD Loan	ASAP Grant	Provincial budget	Beneficiary's contribution	Total
Construction	19,382,000	-	10,205,025	3,158,169	32,745,194
Equipment and material	362,182	5,646,000	32,818	-	6,041,000
Consultancies	380,000	8,807,000	168,000	-	9,355,000
Training, study	4,730,850	5,868,900	404,500	-	11,004,250
Credit, guarantee funds	5,800,000	-	-	-	5,800,000
Grant and aid A	16,100,000	6,900,000	-	23,000,000	46,000,000
Grant and aid B	5,100,000	-	-	2,600,000	7,700,000
Operating costs	2,880,000	89,416	457,584	-	3,427,000
Salaries and allowances	3,147,600	100,865	5,191,768	-	8,440,233
Total	57,882,632	27,412,181	16,459,695	28,758,169	130,512,677

The budget plan was approved under the Decision No. 368/QD-UBND/KTTH dated 06 February 2017, and amended under the Decision No. 3633/UBND-KT dated 29 September 2017 of the Project Coordination Unit of Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province.

4 . CASH

	31/12/2017 VND	31/12/2016 VND
Cash on hand	-	105,196,350
Cash at bank	13,298,200,974	9,490,903,024
	13,298,200,974	9,596,099,374

4a . DETAILS

	31/12/2017 VND	31/12/2016 VND
Cash on hand	-	105,196,350
+ Cash on hand of IFAD Loan at PCU	-	29,202,569
+ Cash on hand of IFAD Grant at PCU	-	75,993,781
Designated Account and Interest of Designated Account	4,323,169	6,056,986,402
+ Designated Account of IFAD Loan	2,630,627	8,865,365
+ Designated Account of IFAD Grant	1,692,542	6,048,121,037
Operating Account	13,293,877,805	3,433,916,622
+ Operating Account of IFAD Loan (1)	12,715,479,661	3,357,940,989
+ Operating Account of IFAD Grant (2)	578,398,144	75,975,633
	13,298,200,974	9,596,099,374

(1) Movements of Operating Account - IFAD Loan during the year

	Year 2017 VND	VND
Beginning balance		3,357,940,989
Transferred from Designated Account		57,331,966,500
Less: project expenditures	53,337,039,951	
Net disbursement from Operating Account		(53,337,039,951)
Decrease in cash on hand		29,202,569
Decrease in funds allocated to subordinates		(166,590,446)
Increase in receivables due to providing loans		5,500,000,000
Ending balance		12,715,479,661

Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province

Financing Agreement for Loan No. 2000000433

Financial Statements

and Grant No. 2000000434

For the fiscal year ended as at 31 December 2017

4 CASH (Continued)

(2) Movements of Operating Account - IFAD Grant during the year

	Year 2017	
	VND	VND
Beginning balance		75,975,633
Transferred from Designated Account		24,254,739,000
Less: project expenditures	17,774,598,653	
Net disbursement from Operating Account		(17,774,598,653)
Increase in cash on hand		75,993,781
Decrease in funds allocated to subordinates		(553,286,417)
Decrease in receivables due to providing loans		(425,200)
Increase in payables due to borrowing funds		(5,500,000,000)
Ending balance		578,398,144

5 IFAD LOAN

	Year 2017	
	USD	VND
Beginning balance	4,080,067.55	90,843,057,307
Received during the year	2,526,765.10	57,228,039,957
WA number Date		
12 L TV 06/01/2017	569,343.10	12,821,606,612
13 L TV 05/05/2017	1,095,603.94	24,859,253,399
14 L TV 19/09/2017	114,634.53	2,601,057,486
15 L TV 15/11/2017	623,146.94	14,132,972,599
16 L TV 09/11/2017	124,036.59	2,813,149,861
Ending balance	6,606,832.65	148,071,097,264

6 ASAP GRANT

	Year 2017	
	USD	VND
Beginning balance	1,294,906.19	28,567,858,142
Received amount during the year	800,417.70	18,160,185,354
WA number Date		
11 G TV 05/05/2017	483,184.67	10,963,460,162
12 G TV 19/09/2017	58,781.14	1,333,744,067
13 G TV 07/11/2017	258,451.89	5,862,981,125
Receivable from ASAP Grant due to transfer less than amount credited	45.00	1,020,975
Ending balance	2,095,368.89	46,729,064,471

7 GOVERNMENT COUNTERPART FUND

	2017	2016
	VND	VND
Beginning balance	34,146,333,571	7,426,375,166
Received during the year	13,912,117,542	26,719,958,405
+ Disbursed to PCU	4,048,812,218	3,551,600,288
+ Disbursed to Implementation Units	9,863,305,324	23,168,358,117
Ending balance	48,058,451,113	34,146,333,571

Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province

Financing Agreement for Loan No. 2000000433

Financial Statements

and Grant No. 2000000434

For the fiscal year ended as at 31 December 2017

8 . BENEFICIARY'S CONTRIBUTION

	31/12/2017 VND	31/12/2016 VND
Beneficiary's contribution	82,635,029,690	8,711,005,822
	82,635,029,690	8,711,005,822

Beneficiary's contribution is the value of contribution in the form of working days, land use rights, trees under the construction of concrete roads, bridges and markets in the project communes. In the form of money and material for sponsorship activities of the Project (CCA).

9 . INTER-PROJECT RECEIVABLES

	31/12/2017 VND	31/12/2016 VND
Cash at State Treasury	1,975,766,587	2,095,944,264
+ Government Counterpart Fund	-	840,054,540
+ IFAD Loan	1,039,195,460	872,605,014
+ ASAP Grant	936,571,127	383,284,710
	1,975,766,587	2,095,944,264

10 . OTHER RECEIVABLES

	31/12/2017 VND	31/12/2016 VND
Receivables from ASAP Grant	-	5,500,000,000
Other receivables from IFAD Loan	425,200	-
Receivables from IFAD due to transfer less of ASAP Grant	5,199,500	4,603,725
	5,624,700	5,504,603,725

11 . FIXED ASSETS

See Annex 01 for more details.

12 . TRADE PAYABLES

	31/12/2017 VND	31/12/2016 VND
Trade payables using IFAD Loan	662,647,693	3,364,228,320
Trade payables using ASAP Grant	333,228,818	-
Trade payables using Government Counterpart Fund	-	3,493,245
	995,876,511	3,367,721,565

13 . OTHER SHORT-TERM PAYABLES

	31/12/2017 VND	31/12/2016 VND
Payables to Women development support fund	10,182,065,500	10,182,065,500
Payables to IFAD Loan due to borrowing fund	-	5,500,000,000
Other payables under IFAD Loan	-	31,348,482
Other payables under IFAD Grant	-	1,578
	10,182,065,500	15,713,415,560

Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province

Financing Agreement for Loan No. 2000000433

Financial Statements

and Grant No. 2000000434

For the fiscal year ended as at 31 December 2017

14 . ALLOCATION AND USE OF THE LOAN

14a . IFAD LOAN

Category	Allocated ⁽¹⁾		Disbursed ⁽²⁾		Available balance	
	SDR	USD	SDR	USD	SDR	USD
Advance to Designated Account			1,066,748.66	1,500,000.00		
I	1,340,000.00	2,033,000.00	1,049,378.06	1,438,741.56	290,621.94	594,258.44
II	260,000.00	394,000.00	118,186.25	165,816.63	141,813.75	228,183.37
III	430,000.00	652,000.00	45,365.37	62,669.54	384,634.63	589,330.46
IV	870,000.00	1,320,000.00	271,003.01	377,309.71	598,996.99	942,690.29
V	1,050,000.00	1,593,000.00	911,016.14	1,252,537.16	138,983.86	340,462.84
VI-A	1,020,000.00	1,548,000.00	700,583.36	965,686.37	319,416.64	582,313.63
VI-B	590,000.00	895,000.00	110,413.63	152,810.76	479,586.37	742,189.24
VII	350,000.00	531,000.00	235,198.75	328,093.57	114,801.25	202,906.43
VIII	640,000.00	971,000.00	259,775.75	363,167.35	380,224.25	607,832.65
Unallocated	700,000.00	1,063,000.00	-	-	700,000.00	1,063,000.00
	7,250,000.00	11,000,000.00	4,767,668.98	6,606,832.65	2,482,331.02	4,393,167.35

(1): SDR/USD Exchange rate is exchange rate under PIM

(2): SDR/USD Exchange rate is actual exchange rate in Historic

14b . GRANT FUND

Category	Allocated ⁽¹⁾		Disbursed ⁽²⁾		Available balance	
	SDR	USD	SDR	USD	SDR	USD
Advance to Designated Account			350,577.99	500,000.00		
II	300,000.00	458,000.00	32,280.06	44,892.12	267,719.94	413,107.88
III	1,010,000.00	1,542,000.00	335,073.30	462,193.40	674,926.70	1,079,806.60
IV	1,610,000.00	2,458,000.00	499,957.18	689,214.59	1,110,042.82	1,768,785.41
VI-A	440,000.00	672,000.00	282,344.38	386,827.35	157,655.62	285,172.65
VII	140,000.00	214,000.00	3,680.99	5,086.87	136,319.01	208,913.13
VIII	30,000.00	46,000.00	5,169.13	7,154.56	24,830.87	38,845.44
Unallocated	400,000.00	610,000.00	-	-	400,000.00	610,000.00
Receivables from IFAD	-	-	(128.76)	(235.00)	128.76	235.00
	3,930,000.00	6,000,000.00	1,508,954.27	2,095,133.89	2,420,916.97	3,904,631.11

(1): SDR/USD Exchange rate is exchange rate under PIM

(2): SDR/USD Exchange rate is actual exchange rate in Historic

15 . OPERATING PERFORMANCE OF WOMEN'S DEVELOPMENT ASSISTANCE FUND IN TRA VINH PROVINCE

See Annex 02 for more details.

16 . COMPARATIVE FIGURES

The comparative figures are those taken from the financial statements for the fiscal year ended as at 31/12/2016, which were audited by AASC Limited.



Huynh Nghia Tho

Project Director

Tra Vinh, 16 April 2018

Trang Thi Thu Minh

Chief Accountant

Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province

Financing Agreement for Loan No. 2000000433 and Grant No. 2000000434

Financial Statements

For the fiscal year ended as at 31 December 2017

ANNEX 01: FIXED ASSETS

Items	Machinery, equipment	Transportation equipment	Management equipment	Total
	VND	VND	VND	VND
Historical cost				
Opening balance	2,494,942,800	2,586,763,475	59,750,000	5,141,456,275
Increase	323,200,000	-	-	323,200,000
- <i>Purchase in the year</i>	323,200,000	-	-	323,200,000
Decrease	-	-	-	-
Closing balance	2,818,142,800	2,586,763,475	59,750,000	5,464,656,275
Accumulated depreciation				
Opening balance	1,304,890,210	1,828,919,125	52,798,611	3,186,607,946
Increase	502,505,810	58,329,150	3,701,389	564,536,349
- <i>Depreciation in the year</i>	502,505,810	58,329,150	3,701,389	564,536,349
Decrease	-	-	-	-
Closing balance	1,807,396,020	1,887,248,275	56,500,000	3,751,144,295
Carrying amount				
Opening balance	1,190,052,590	757,844,350	6,951,389	1,954,848,329
Closing balance	1,010,746,780	699,515,200	3,250,000	1,713,511,980



ANNEX 02: OPERATING PERFORMANCE OF WOMEN' S DEVELOPMENT ASSISTANCE FUND
IN TRA VINH PROVINCE

	2017 VND
A. SOURCES OF FUNDS AND CREDIT OPERATION	
I. SOURCES OF FUNDS	
Opening balance of funds received from the Project	22,938,768,219
Funds received from the Project in the year	12,902,000,000
<i>Funds received from the Tra Vinh AMD Project</i>	<i>5,902,000,000</i>
<i>Funds handed over from the IMPP Tra Vinh Project</i>	<i>7,000,000,000</i>
Closing balance of funds received from the Project	35,840,768,219
II. CREDIT OPERATION	
Opening balance of outstanding loan	18,701,910,000
Disbursement of loan in the year	56,276,505,000
Loan recovery in the year	(37,652,860,750)
Closing balance of outstanding loan	37,325,554,250
Lending revenue accumulated to the beginning of the year	34,867,968,000
Lending revenue accumulated to the end of the year	91,144,473,000
Difference between funds received and lending principal	(1,484,786,031)
B. VOLUNTARY SAVINGS OF SAVINGS AND CREDIT GROUPS' MEMBERS	
Opening balance of savings account	2,502,450,000
Savings received in the year	3,003,545,000
Savings paid in the year	(719,260,000)
Closing balance of savings account	4,786,735,000
C. DEVELOPMENT AND RISK PROVISION FUND	
Opening balance of fund	113,527,520
Appropriation to Development and Risk provision fund in the year	184,631,619
Reversal of provision during the year	(58,474,701)
Closing balance of fund	239,684,438
D. OPERATING RESULTS	
I. INCOME	
Interests received in the year	3,628,887,250
Funding from Tra Vinh AMD Project	1,857,728,419
Other income	85,665,716
Total income	5,572,281,385
II. EXPENDITURES	
Risk provisioning for the year	(184,631,619)
Operating expenditures	(3,456,682,877)
Loan interest	(178,786,625)
Borrowing costs	(158,231,175)
Total expenditures	(3,978,332,296)
Opening balance of profit	1,055,537,655
Profit for the year	1,593,949,089
Closing balance of profit	2,649,486,744

No: 250518.009/BCTC.KT6

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL

To: **The Project Coordination Unit**

Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province

We have audited, in accordance with International Standards on Auditing, the financial statements of the Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province ("the Project") for the fiscal year ended as at 31 December 2017 and issued the auditors' report thereon dated 25 May 2018 expressing an opinion on those financial statements.

In connection with our audit of the financial statements, we also examined the effectiveness of internal control over compliance with requirements that could have a direct and material effect on the financial statements as well as the internal control over financial reporting for the year ended as at 31 December 2017.

Responsibilities of the Project Coordination Unit

The Project Coordination Unit is responsible for maintaining an effective internal control over compliance with requirements that could have a direct and material financial effect on the financial statements as well as the internal control over financial reporting.

Auditor's Responsibility

Our responsibility is to express an opinion on the effectiveness of internal control based on our audit.

Our examination was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised). That standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the Project has maintained an effective internal control over compliance with requirements that could have a direct and material financial effect on the financial statements as well as internal control over financial reporting.

Our examination included obtaining an understanding, testing, and evaluating the design and operating effectiveness of the internal control, and performing other procedures as we considered necessary in the circumstances to obtain sufficient appropriate evidence to provide a basis for our opinion.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not to be prevented or detected on a regular basis. In addition, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor's Opinion

In our opinion, the Project has maintained an effective internal control over misstatements that could have a direct and material financial effect on the Project's financial statements for the fiscal year ended as at 31 December 2017.

Other matter

This report is prepared within the framework of the audit of Financial Statement of Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province - a part of Adaptation to climate changes in the Mekong Delta Project in Ben Tre and Tra Vinh Provinces funded by International Fund for Agricultural Development (IFAD) in accordance with the Financing Agreement for Loan No. 2000000433 and ASAP Grant No. 2000000434 signed on 28 March 2014, intended for information of IFAD and Project Coordination Unit only.

AASC LIMITED



Do Mạnh Cường

Deputy General Director

Registered Auditor No: 0744-2018-002-1

Hanoi, 25 May 2018


Nguyen Anh Ngoc

Auditor

Registered Auditor No: 1437-2018-002-1

No: 250518.009/BCTC.KT6

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

To: **The Project Coordination Unit**

Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province

We have audited, in accordance with International Standards on Auditing, the financial statements of the Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province ("the Project") for the fiscal year ended 31 December 2017 and issued the auditors' report thereon dated 25 May 2018 expressing an opinion on those financial statements.

In connection with the audit of the financial statements, we also performed procedures on the Project's compliance with the Financing Agreement for Loan No. 2000000433 and the Grant No. 2000000434 dated 28 March 2014, law and regulations that have a direct and material effect on the Project's financial statements for the fiscal year ended as at 31 December 2017 ("the Requirements").

Responsibilities of the Project Coordination Unit

The Project Coordination Unit is responsible for complying with laws, regulations and the Requirements applicable to the Project.

Auditor's Responsibility

Our responsibility is to express an opinion on the Project's compliance with the Requirements based on our procedures. We limited our tests of compliance to the Requirements, and we did not test compliance with all laws and regulations applicable to the Project.

We performed our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised). That standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the Project has complied with the Requirements.

An assurance engagement to report on the compliance with the Requirements at the Project involves performing procedures to obtain evidence about whether the Project's activities are free from material non-compliance with the Requirements, including obtaining an understanding of the internal control relevant to the Project's compliance with the Requirements. The procedures selected depend on the auditors' judgment, including the assessment of risks that the Project does not comply with the Requirements and whether such non-compliance could have a direct and material financial effect on the Project's financial statements. Our procedures included testing the compliance with the Requirements we consider necessary to provide a reasonable assurance that the Requirements are complied by the Project.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor's Opinion

In our opinion, the Project has complied with legal regulations and the Requirements that could have a direct and material financial effect on the Project's financial statements for the fiscal year as at 31 December 2017.

Other matter

This report is prepared within the framework of the audit of Financial Statement of Adaptation to climate changes in the Mekong Delta Project in Tra Vinh Province - a part of Adaptation to climate changes in the Mekong Delta Project in Ben Tre and Tra Vinh Provinces funded by International Fund for Agricultural Development (IFAD) in accordance with the Financing Agreement for Loan No. 2000000433 and ASAP Grant No. 2000000434 signed on 28 March 2014, intended for information of IFAD and Project Coordination Unit only.

AASC LIMITED



Do Mạnh Cương

Deputy General Director

Registered Auditor No: 0744-2018-002-1

Hanoi, 25 May 2018

A blue ink signature, likely of Nguyen Anh Ngoc, written over a horizontal line.

Nguyen Anh Ngoc

Auditor

Registered Auditor No: 1437-2018-002-1





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to overcome poverty

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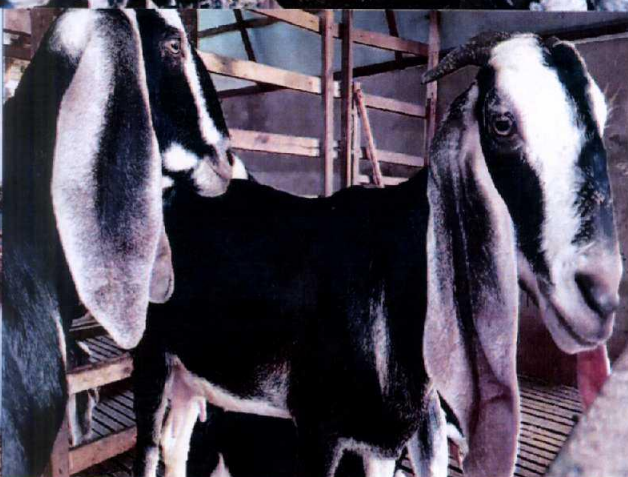
Project: Adaptation to Climate Changes in the Mekong Delta Project
in Ben Tre Province

Implementing Organization: The Project Coordination Unit Adaptation to Climate
Changes in the Mekong Delta Project in Ben Tre Province

Financing Agreement: Loan No. 2000000433 and Grand No. 2000000434

FINANCIAL STATEMENTS

THE FISCAL YEAR ENDED AS AT 31 DECEMBER 2017



AUDITED BY:
AASC AUDITING FIRM COMPANY LIMITED

Head office :
01 Le Phung Hieu,
Hoan Kiem, Hanoi.

Email: aaschn@hn.vnn.vn
Website: www.aasc.com.vn

Branch in Ho Chi Minh City:
9 Nguyen Khoai, Ward 1,
District 4, Ho Chi Minh city.

Email: aaschcm@aasc.com.vn
Website: www.aasc.com.vn

Branch in Quang Ninh:
08 Chu Van An,
Ha Long city, Quang Ninh.

Email: aascqn@aasc.com.vn
Website: www.aasc.com.vn



STATEMENT OF PROJECT COORDINATION UNIT

The Provincial Project Coordination Unit of Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province (the Project Coordination Unit) presents this report and Project's financial statements for the year ended as at 31 December 2017.

Members of Project Coordination Unit who held office during year 2017 are as follows:

Mr. Nguyen Khac Han	Director	(Appointed on 02 May 2017)
Mr. Nguyen Truc Son	Director	(Resigned on 31 March 2017)
Mr. Le Minh Hoa	Vice Director	
Mr. Nguyen Hoai Nam	Vice Director	(Appointed on 24 April 2018)
Mrs. Do Thi Kim Loan	Chief Accountant	(Appointed on 01 June 2017)
Mrs. Pham Tuyet Mai	Chief Accountant	(Resigned on 31 March 2017)

Responsibilities of the Project Coordination Unit:

The Project Coordination Unit is responsible for preparing the financial statements including: Statement of Operating performance, Statement of Financial Position, Statement of comparison of budget and actual amount, Statement of Designated Account, Withdrawal Application Statement in accordance with the accounting policies stated in enclosed Notes to the Financial Statements. The Project Coordination Unit is required to select suitable accounting policies and then apply them consistently.

In preparing those financial statements, The Project Coordination Unit is required to:

- Establish and maintain the internal control effectively to ensure the preparation and presentation of financial statements do not contain any material misstatement whether fraud or mistake.
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the basis of compliance with accounting standards and system and other related regulations.

The Project Coordination Unit is responsible for ensuring that proper accounting records are kept which disclosed, with reasonable accuracy at any time, the financial position of Project and to ensure that the accounting records comply with the registered accounting system. It is responsible for safeguarding the assets of the Project Coordination Unit and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Project Coordination Unit confirms that the financial statements for the fiscal year ended as at 31 December 2017 prepared by us, give a true and fair view of the financial position at 31 December 2017, its operation in the year 2017 of Project accordance with the Vietnamese Accounting System and comply with relevant statutory requirements.

ON BEHALF OF THE PROJECT COORDINATION UNIT



Nguyễn Khac Han

Project Director

Ben Tre, 06 June 2018

No.: 100618.001 /BCTC.KT6

INDEPENDENT AUDITOR'S REPORT

To: **The Project Coordination Unit**
Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province

Auditor's opinion

We have audited the financial statements for the Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province for the fiscal year ended as at 31 December 2017 including: Financial statements including Statement of Operating performance, Statement of Finance position, Statement of comparison of budget and actual amount, Statement of Designated Account, Designated account Reconciliations statement, Withdrawal Application Statement and Notes to the Account.

In our opinion:

- The Financial Statements of the Project give a true and fair view, of the financial position of the Project as at 31 December 2017 and its project performance for the year then ended, in accordance with accounting policies stated in enclosed Note to the Financial Statement and requirements of Financing Agreement, Loan No. 2000000433 and ASAP Grant No. 2000000434 signed on 28 March 2014; and
- The accompanying Statement of designated account gives true and fair view, of the balance of designated account as at 31 December 2017 as well as funds received and disbursements made from the designated account of the Project for the year then ended in accordance with requirements of Financing Agreement, Loan No. 2000000433 and ASAP Grant No. 2000000434 signed on 28 March 2014; and
- Relating to Withdrawal Application Statement, Statement of expenditures and supporting documents have been properly recorded and maintained to support claims for replenishment submitted to the IFAD. Such expenditures are eligible under the Financing Agreement for Loan No. 2000000433 and ASAP Grant No. 2000000434 signed on 28 March 2014.

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.

Project Coordination Unit's Responsibility for the Financial Statements

Project Coordination 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, Project Coordination Unit 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 Responsibility

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 Project's preparation and fair presentation of 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 Project Coordination 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.



Đỗ Mạnh Cường

Deputy General Director

Registered Auditor No.: 0744-2018-002-1

Ha Noi, 10 June 2018

Nguyen Anh Ngoc

Auditor

Registered Auditor No.: 1437-2018-002-1

**ADAPTATION TO CLIMATE CHANGES IN THE MEKONG DELTA PROJECT
IN BEN TRE PROVINCE**

Financing Agreement for Loan No.: 2000000433 and Grant No. 2000000434

**FIANACIAL STATEMENTS OF PROJECT COORDINATION UNIT
FOR THE FISCAL YEAR ENDED AS AT 31 DECEMBER 2017**

Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province

Financing Agreement for Loan No. 2000000433 and

Financial Statements

Grant No. 2000000434

For the fiscal year ended as at 31 December 2017

STATEMENT OF OPERATING PERFORMANCE

(By category)

	Notes	2017 VND	2016 VND	Cumulative to 31/12/2017 VND
Balance B/F		16,691,299,181	11,966,496,085	
FINANCING				
IFAD Credit	5	48,413,075,502	46,465,523,359	125,257,918,192
ASAP Grant	6	12,754,402,811	12,684,782,196	36,021,223,437
Government Funds	7	23,366,856,992	14,104,310,492	44,502,608,234
Beneficiaries' contribution	8	33,655,172,781	18,566,462,281	54,908,425,562
TOTAL FINANCING		118,189,508,086	91,821,078,328	260,690,175,425
PROJECT EXPENDITURES				
IFAD CREDIT				
I Work		25,523,384,859	12,616,971,711	41,376,843,552
II Equipment and material		1,033,762,727	946,003,636	4,355,586,272
III Consultancies		279,220,729	378,387,272	2,058,529,459
IV Training		2,943,384,882	2,818,704,426	8,387,221,964
V Credit, Guarantee funds		9,297,059,380	14,998,338,000	33,006,632,380
VI-A Grants and Subsidies - A		8,706,321,363	4,894,468,640	13,600,790,003
VI-B Grants and Subsidies - B		4,267,673,682	2,625,448,537	6,893,122,219
VII Operating costs		1,100,247,526	946,936,411	2,978,873,843
VIII Salaries and allowances		3,072,598,330	2,857,295,992	8,519,224,328
		56,223,653,478	43,082,554,625	121,176,824,020
ASAP GRANT				
II Equipment and material		-	158,441,637	239,172,637
III Consultancies		6,179,575,857	3,975,215,512	12,295,007,055
IV Training		3,044,676,518	3,692,100,627	10,867,708,785
VI-A Grants and Subsidies - A		3,719,526,775	3,417,654,189	8,496,216,464
		12,943,779,150	11,243,411,965	31,898,104,941
GOVERNMENT FUNDS				
I Work		21,856,912,280	9,359,851,193	33,153,539,866
II Equipment and material		103,376,273	110,108,527	424,679,891
III Consultancies		261,920,866	153,260,021	476,766,096
IV Training		229,722,825	244,105,196	722,532,673
VI-B Grants and Subsidies - B		-	363,636	363,636
VII Operating costs		50,288,259	51,053,877	235,847,836
VIII Salaries and allowances		4,608,835,346	4,285,103,911	12,745,944,895
		27,111,055,849	14,203,846,361	47,759,674,893
BENEFICIARIES' CONTRIBUTION				
I Work		11,131,830,035	3,748,058,809	14,879,888,844
VI-A Grants and Subsidies - A		13,975,108,714	8,826,857,000	25,488,756,214
VI-B Grants and Subsidies - B		8,548,234,032	5,991,546,472	14,539,780,504
		33,655,172,781	18,566,462,281	54,908,425,562
TOTAL PROJECT EXPENDITURES		129,933,661,258	87,096,275,232	255,743,029,416
BALANCE C/F		4,947,146,009	16,691,299,181	4,947,146,009



Nguyễn Khắc Hanh

Project Director

Ben Tre, 06 June 2018

Do Thi Kim Loan

Chief Accountant

STATEMENT OF OPERATING PERFORMANCE

(By component)

Notes	2017	2016	Cumulative to 31/12/2017
	VND	VND	VND
Balance B/F	16,691,299,181	11,966,496,085	
FINANCING			
IFAD Credit	5 48,413,075,502	46,465,523,359	125,257,918,192
ASAP Grant	6 12,754,402,811	12,684,782,196	36,021,223,437
Government Funds	7 23,366,856,992	14,104,310,492	44,502,608,234
Beneficiaries' contribution	8 33,655,172,781	18,566,462,281	54,908,425,562
TOTAL FINANCING	118,189,508,086	91,821,078,328	260,690,175,425
PROJECT EXPENDITURES			
IFAD CREDIT			
1 Building adaptive capacity	23,581,200	-	103,586,745
1.1 - Climate change knowledge enhancement	-	-	80,005,545
1.2 - Climate - informed planning	23,581,200	-	23,581,200
2 Investing in sustainable livelihoods	49,323,737,240	37,855,530,194	101,824,941,879
2.1 - Rural finance for resilient livelihoods	9,992,686,501	16,795,757,691	37,083,772,750
2.2 - Investing in climate change adaptation	39,331,050,739	21,059,772,503	64,741,169,129
3 Project coordination	6,876,335,038	5,227,024,431	19,248,295,396
	56,223,653,478	43,082,554,625	121,176,824,020
ASAP GRANT			
1 Building adaptive capacity	8,745,926,275	7,402,772,413	22,353,716,968
1.1 - Climate change knowledge enhancement	6,519,947,742	4,532,536,789	14,510,069,900
1.2 - Climate - informed planning	2,225,978,533	2,870,235,624	7,843,647,068
2 Investing in sustainable livelihoods	3,719,526,775	3,507,654,189	8,586,216,464
2.1 - Rural finance for resilient livelihoods	-	90,000,000	90,000,000
2.2 - Investing in climate change adaptation	3,719,526,775	3,417,654,189	8,496,216,464
3 Project coordination	478,326,100	332,985,363	958,171,509
	12,943,779,150	11,243,411,965	31,898,104,941
GOVERNMENT FUNDS			
1 Building adaptive capacity	300,217,709	262,943,716	766,744,317
1.1 - Climate change knowledge enhancement	255,289,996	135,803,690	500,183,191
1.2 - Climate - informed planning	44,927,713	127,140,026	266,561,126
2 Investing in sustainable livelihoods	21,848,606,059	9,508,388,910	33,382,199,631
2.1 - Rural finance for resilient livelihoods	21,732,525	117,306,869	193,727,421
2.2 - Investing in climate change adaptation	21,826,873,534	9,391,082,041	33,188,472,210
3 Project coordination	4,962,232,081	4,432,513,735	13,610,730,945
	27,111,055,849	14,203,846,361	47,759,674,893
BENEFICIARIES' CONTRIBUTION			
2 Investing in sustainable livelihoods	33,655,172,781	18,566,462,281	54,908,425,562
2.2 - Investing in climate change adaptation	33,655,172,781	18,566,462,281	54,908,425,562
	33,655,172,781	18,566,462,281	54,908,425,562
TOTAL PROJECT EXPENDITURES	129,933,661,258	87,096,275,232	255,743,029,416
BALANCE C/F	4,947,146,009	16,691,299,181	4,947,146,009



Nguyễn Khắc Hanh
Project Director

Ben Tre, 06 June 2018

Do Thi Kim Loan
Chief Accountant

Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province

Financing Agreement for Loan No. 2000000433 and
Grant No. 2000000434

Financial Statements

For the fiscal year ended as at 31 December 2017

STATEMENT OF FINANCIAL POSITION

As at 31 December 2017

Code	ASSETS	Note	31/12/2017	01/01/2017
			VND	VND
100	A. CURRENT ASSETS		12,523,961,488	20,723,109,712
110	I. Cash	4	11,060,667,444	11,770,407,766
111	1. Cash on hand		27,878,609	2,242,660
112	2. Cash at bank, treasury		11,032,788,835	11,768,165,106
	II. Short - term accounts receivable		1,154,524,353	7,918,193,139
122	1. Advances to suppliers	9	755,177,400	5,463,701,117
123	2. Short - term inter-project receivables	10	273,284,491	2,281,207,171
124	<i>Capital in subsidiaries</i>		<i>273,284,491</i>	<i>2,281,207,171</i>
125	3. Other receivables	11	126,062,462	173,284,851
140	IV. Other current assets		308,769,691	1,034,508,807
141	1. Advance	12	308,769,691	1,034,508,807
200	B. NON-CURRENT ASSETS		264,725,148,571	134,927,014,045
210	I. Fixed assets	13	8,982,119,155	9,117,645,887
211	1. Tangible fixed assets		8,774,652,487	8,806,445,886
212	- Cost		17,533,685,110	16,078,450,315
213	- Accumulated depreciation		(8,759,032,623)	(7,272,004,429)
214	2. Finance lease assets		207,466,668	311,200,001
215	- Cost		622,400,000	622,400,000
216	- Accumulated amortization		(414,933,332)	(311,199,999)
220	II. Construction in progress		255,743,029,416	125,809,368,158
230	TOTAL ASSETS		277,249,110,059	155,650,123,757
	CAPITAL			
300	A. LIABILITIES		7,148,380,549	3,688,900,194
310	I. Current liabilities		7,148,380,549	3,688,900,194
312	1. Trade payables	14	6,311,345,762	3,520,136,342
317	2. Other payables	15	837,034,787	168,763,852
400	B. FUNDS		270,100,729,510	151,961,223,563
412	1. Foreign exchange differences		443,953,401	344,721,777
413	2. Difference between income and expense awaiting resolution		(15,518,471)	(1,811,440)
414	3. Funds		260,690,175,425	142,500,667,339
	- IFAD Credit	5	125,257,918,192	76,844,842,690
	- ASAP Grant		36,021,223,437	23,266,820,626
	- Government Fund	7	44,502,608,234	21,135,751,242
	- Beneficiaries' contribution	8	54,908,425,562	21,253,252,781
415	4. Funds invested in fixed assets		8,982,119,155	9,117,645,887
	TOTAL RESOURCES		277,249,110,059	155,650,123,757



Nguyen Khac Han
Project Director
Ben Tre, 06 June 2018

Do Thi Kim Loan
Chief Accountant

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT

(By category)

	Budget	Actual	Variance
	VND	VND	VND
FINANCING			
IFAD Credit	60,015,965,000	48,413,075,502	(11,602,889,498)
ASAP Grant	23,003,125,000	12,754,402,811	(10,248,722,189)
Government Funds	30,564,910,000	23,366,856,992	(7,198,053,008)
Beneficiaries' contribution	22,845,000,000	33,655,172,781	10,810,172,781
TOTAL FINANCING	136,429,000,000	118,189,508,086	(18,239,491,914)
PROJECT EXPENDITURES:			
Cat IFAD CREDIT			
I Work	25,074,000,000	25,523,384,859	449,384,859
II Equipment and material	1,090,000,000	1,033,762,727	(56,237,273)
III Consultancies	1,460,545,000	279,220,729	(1,181,324,271)
IV Training	3,269,170,000	2,943,384,882	(325,785,118)
V Credit, Guarantee funds	10,203,000,000	9,297,059,380	(905,940,620)
VI-A Grants and Subsidies - A	8,750,000,000	8,706,321,363	(43,678,637)
VI-B Grants and Subsidies - B	5,540,000,000	4,267,673,682	(1,272,326,318)
VII Operating costs	1,209,250,000	1,100,247,526	(109,002,474)
VIII Salaries and allowances	3,420,000,000	3,072,598,330	(347,401,670)
	60,015,965,000	56,223,653,478	(3,792,311,522)
ASAP GRANT			
II Equipment and material	4,500,000,000	-	(4,500,000,000)
III Consultancies	10,952,825,000	6,179,575,857	(4,773,249,143)
IV Training	3,800,300,000	3,044,676,518	(755,623,482)
VI-A Grants and Subsidies - A	3,750,000,000	3,719,526,775	(30,473,225)
	23,003,125,000	12,943,779,150	(10,059,345,850)
GOVERNMENT FUNDS			
I Work	23,052,000,000	21,856,912,280	(1,195,087,720)
II Equipment and material	610,000,000	103,376,273	(506,623,727)
III Consultancies	985,380,000	261,920,866	(723,459,134)
IV Training	436,530,000	229,722,825	(206,807,175)
VII Operating costs	351,000,000	50,288,259	(300,711,741)
VIII Salaries and allowances	5,130,000,000	4,608,835,346	(521,164,654)
	30,564,910,000	27,111,055,849	(3,453,854,151)
BENEFICIARY CONTRIBUTION			
I Work	4,545,000,000	11,131,830,035	6,586,830,035
VI-A Grants and Subsidies - A	12,500,000,000	13,975,108,714	1,475,108,714
VI-B Grants and Subsidies - B	5,800,000,000	8,548,234,032	2,748,234,032
	22,845,000,000	33,655,172,781	10,810,172,781
TOTAL PROJECT EXPENDITURES	136,429,000,000	129,933,661,258	(6,495,338,742)
Surplus/Deficit in the year	-	(11,744,153,172)	



Nguyễn Khắc Hanh
Project Director
Ben Tre, 06 June 2018

Do Thi Kim Loan
Chief Accountant

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNT
(By component)

	Budget	Actual	Variance
	VND	VND	VND
FINANCING			
IFAD Credit	60,015,965,000	48,413,075,502	(11,602,889,498)
ASAP Grant	23,003,125,000	12,754,402,811	(10,248,722,189)
Government Funds	30,564,910,000	23,366,856,992	(7,198,053,008)
Beneficiaries' contribution	22,845,000,000	33,655,172,781	10,810,172,781
TOTAL FINANCING	136,429,000,000	118,189,508,086	(18,239,491,914)
PROJECT EXPENDITURES:			
IFAD CREDIT			
1 Building adaptive capacity	-	23,581,200	23,581,200
1.2 - Climate - informed planning	-	23,581,200	23,581,200
2 Investing in sustainable livelihoods	52,569,170,000	49,323,737,240	(3,245,432,760)
2.1 - Rural finance for resilient livelihoods	11,058,810,000	9,992,686,501	(1,066,123,499)
2.2 - Investing in climate change adaptation	41,510,360,000	39,331,050,739	(2,179,309,261)
3 Project coordination	7,446,795,000	6,876,335,038	(570,459,962)
	60,015,965,000	56,223,653,478	(3,792,311,522)
ASAP GRANT			
1 Building adaptive capacity	18,518,125,000	8,745,926,275	(9,772,198,725)
1.1 - Climate change knowledge enhancement	15,707,625,000	6,519,947,742	(9,187,677,258)
1.2 - Climate - informed planning	2,810,500,000	2,225,978,533	(584,521,467)
2 Investing in sustainable livelihoods	3,750,000,000	3,719,526,775	(30,473,225)
2.2 - Investing in climate change adaptation	3,750,000,000	3,719,526,775	(30,473,225)
3 Project coordination	735,000,000	478,326,100	(256,673,900)
	23,003,125,000	12,943,779,150	(10,059,345,850)
GOVERNMENT FUNDS			
1 Building adaptive capacity	1,508,625,000	300,217,709	(1,208,407,291)
1.1 - Climate change knowledge enhancement	1,347,125,000	255,289,996	(1,091,835,004)
1.2 - Climate - informed planning	161,500,000	44,927,713	(116,572,287)
2 Investing in sustainable livelihoods	23,217,830,000	21,848,606,059	(1,369,223,941)
2.1 - Rural finance for resilient livelihoods	61,190,000	21,732,525	(39,457,475)
2.2 - Investing in climate change adaptation	23,156,640,000	21,826,873,534	(1,329,766,466)
3 Project coordination	5,838,455,000	4,962,232,081	(876,222,919)
	30,564,910,000	27,111,055,849	(3,453,854,151)
BENEFICIARY CONTRIBUTION			
2 Investing in sustainable livelihoods	22,845,000,000	33,655,172,781	10,810,172,781
2.2 - Investing in climate change adaptation	22,845,000,000	33,655,172,781	10,810,172,781
	22,845,000,000	33,655,172,781	10,810,172,781
TOTAL PROJECT EXPENDITURES	136,429,000,000	129,933,661,258	(6,495,338,742)
Surplus/ Deficit in the year		- (11,744,153,172)	



Nguyễn Khắc Han
Project Director
Ben Tre, 06 June 2018

Do Thi Kim Loan
Chief Accountant

Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province

Financing Agreement for Loan No. 2000000433 and

Financial Statements

Grant No. 2000000434

For the fiscal year ended as at 31 December 2017

STATEMENT OF DESIGNATED ACCOUNT - LOAN

Account No:

Currency:

Bank:

Address:

Account Holder:

		USD	Equivalent to VND
Opening Balance		122.40	2,780,928
Add			
IFAD Replenishments/ Disbursement:			
Date	WA No		
25/04/2017	09 L BT	666,694.00	
18/08/2017	10 L BT	335,791.61	
29/09/2017	11 L BT	406,613.69	
08/11/2017	12 L BT	726,701.75	
		<u>2,135,801.05</u>	
		2,135,801.05	48,413,075,502
Refund of Bank Charges		80.00	1,814,800
Total		<u>2,135,881.05</u>	<u>48,414,890,302</u>
Deduct:			
Transfers to Operating Accounts:			
Date			
15/05/2017		445,904.00	
10/07/2017		132,216.84	
18/08/2017		88,105.73	
12/09/2017		49,448.00	
12/09/2017		286,343.61	
23/10/2017		406,613.69	
21/11/2017		80,384.11	
21/11/2017		646,117.64	
		<u>2,135,133.62</u>	
		(2,135,133.62)	(48,421,691,929)
Bank Charges		(626.99)	(13,697,340)
Exchange Rate Difference		-	23,223,222
Closing Balance as at 31/12/2017		<u>242.84</u>	<u>5,505,183</u>



Nguyen Khac Han

Project Director

Ben Tre, 06 June 2018

(Signature)

Do Thi Kim Loan

Chief Accountant

Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province

Financing Agreement for Loan No. 2000000433 and

Financial Statements

Grant No. 2000000434

For the fiscal year ended as at 31 December 2017

DESINATED ACCOUNT RECONCILIATION STATEMENT - LOAN

Account No:

Currency:

Bank:

Address:

Account Holder:

	USD	Equivalent to VND
1 Initial Deposit	1,118,167.00	25,361,985,887
2 Less amount(s) recovered:	-	-
3 Outstanding Amount advanced	1,118,167.00	25,361,985,887
Represented by:		
4 - Designated Account Balance as at 31/12/2017	242.84	5,505,183
- Balance of the Operating account as at 31/12/2017	273,310.97	6,195,959,630
- Cash on hand of PCU at 31/12/2017	393.79	8,927,200
- Cash at treasury of implementing units as at 31/12/2017	12,054.90	273,284,491
- Balance of advances of PCU at 31/12/2017	5,947.92	134,839,346
- Receivable from ASAP Fund at 31/12/2017	5,082.50	115,220,319
- Receivable from IFAD as transfer less money than credited amount as at 31/12/2017	130.00	2,845,450
	297,162.92	6,736,581,619
5 Plus not yet prepared WA as at 31/12/2017		
Was not yet prepared:		
Activities financed by Loan	820,457.09	18,636,744,950
	820,457.09	18,636,744,950
6 Adjust		
Plus Bank charges (if included in Designated Account)	546.99	11,882,540
Plus Exchange Rate Difference	-	(23,223,222)
	546.99	(11,340,682)
7 Total Designated Account Advance as at 31/12/2017	1,118,167.00	25,361,985,887

Difference between Line 3 and line 7



Nguyễn Khắc Han

Project Director

Ben Tre, 06 June 2018

Do Thi Kim Loan

Chief Accountant

STATEMENT OF DESIGNATED ACCOUNT - GRANT

For the fiscal year ended as at 31 December 2017

Account No:

Currency:

Bank:

Address:

Account Holder:

Opening Balance

216,657.60

4,922,460,672

Add

IFAD Replenishments/ Disbursement:

Date

WA No

05/05/2017

06 G BT

238,582.94

29/09/2017

07 G BT

149,222.61

07/11/2017

08 G BT

178,776.76

566,582.31

566,582.31

12,753,224,432

Total

566,582.31

12,753,224,432

Deduct:

Transfers to Operating Accounts:

Date

19/01/2017

103,986.00

02/06/2017

285,037.77

20/06/2017

60,060.30

23/10/2017

149,237.61

21/11/2017

178,591.76

776,913.44

(776,913.44)

(17,609,140,017)

Bank Charges

(244.81)

(5,280,170)

Exchange Rate Difference

-

76,606,315

Closing Balance as at 31/12/2017

6,081.66

137,871,232



Nguyen Khac Han

Project Director

Ben Tre, 06 June 2018

Do Thi Kim Loan

Chief Accountant

DESIGNATED ACCOUNT RECONCILIATION STATEMENT - GRANT

For the fiscal year ended as at 31 December 2017

Account No:

Currency:

Bank:

Address:

Account Holder:

	USD	Equivalent to VND
1 Initial Deposit	482,363.00	10,945,199,722
2 Less amount(s) recovered:	-	-
3 Outstanding Amount advanced	482,363.00	10,945,199,722
Represented by:		
4 - Designated Account Balance as at 31/12/2017	6,081.66	137,871,232
- Balance of the Operating account as at 31/12/2017	206,977.99	4,692,191,065
- Balance of cash on hand of PCU at 31/12/2017	569.81	12,917,600
- Balance of advances of PCU at 31/12/2017	7,672.27	173,930,345
- Receivable from IFAD as transfer less money than credited amount as at 31/12/2017	282.42	6,402,461
- Payable to IFAD loan as at 31/12/2017	(5,082.50)	(115,220,319)
	216,501.65	4,908,092,385
5 Plus not yet prepared WA as at 31/12/2017		
Was not yet prepared:		
Activities financed by Grant	265,616.54	6,108,433,483
	265,616.54	6,108,433,483
6 Adjust		
Plus Bank charges (if included in Designated Account)	244.81	5,280,170
Plus Exchange Rate Difference	-	(76,606,315)
7 Total Designated Account Advance as at 31/12/2017	482,363.00	10,945,199,722
Difference between Line 3 and line 7	-	-



Nguyễn Khắc Han

Project Director

Ben Tre, 06 June 2018

Do Thi Kim Loan

Chief Accountant

WITHDRAWAL APPLICATION STATEMENT - LOAN (VND)

Payment method	Advance	Work	Equipment and material	Consultancies	Training	Credit, Guarantee funds	Grants and Subsidies - A	Grants and Subsidies - B	Operation Costs	Salaries and allowances	Total	In USD equivalent	Not yet disbursed from IFAD	Net Reimbursed
Cat No		I	II	III	IV	V	VI-A	VI-B	VII	VIII		USD	USD	USD
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND			
Beginning balance	24,700,230,420	10,259,227,396	3,339,023,545	1,609,648,730	4,239,663,515	22,839,993,000	1,822,094,400	1,613,283,400	1,495,999,934	4,718,934,056	76,638,098,396	3,462,361.86	130.00	3,462,231.86
WA No:														
09 L BT 13/03/2017 Reimbursement	-	9,062,990,597	-	41,743,000	1,001,128,041	869,580,000	3,043,192,530	6,426,364	297,679,901	755,863,489	15,078,603,922	666,694.00	-	666,694.00
Total amount claimed in last period and credited in this period	-	9,062,990,597	-	41,743,000	1,001,128,041	869,580,000	3,043,192,530	6,426,364	297,679,901	755,863,489	15,078,603,922	666,694.00	-	666,694.00
10 L BT 15/07/2017 Reimbursement	-	4,196,382,433	-	169,660,000	296,509,253	-	199,407,600	1,621,238,773	232,725,302	906,546,105	7,622,469,466	335,791.61	-	335,791.61
11 L BT 14/08/2017 Reimbursement	-	4,651,913,090	-	-	444,152,348	-	3,442,602,988	275,200,000	141,809,051	274,453,393	9,230,130,870	406,613.69	-	406,613.69
12 L BT 26/09/2017 Reimbursement	-	4,930,445,614	-	245,489,118	252,194,601	8,321,052,000	1,823,252,000	-	248,159,866	668,269,776	16,488,862,975	726,701.75	-	726,701.75
Total amount claimed and credited in this period	-	13,778,741,137	-	415,149,118	992,856,202	8,321,052,000	5,465,262,588	1,896,438,773	622,694,219	1,849,269,274	33,341,463,311	1,469,107.05	-	1,469,107.05
Total	-	22,841,731,734	-	456,892,118	1,993,984,243	9,190,632,000	8,508,455,118	1,902,865,137	920,374,120	2,605,132,763	48,420,067,233	2,135,801.05	-	2,135,801.05
Closing balance	24,700,230,420	33,100,959,130	3,339,023,545	2,066,540,848	6,233,647,758	32,030,625,000	10,330,549,518	3,516,148,537	2,416,374,054	7,324,066,819	125,058,165,629	5,598,162.91	130.00	5,598,032.91



Nguyễn Khắc Hanh
Project Director
Ben Tre, 06 June 2018

Do Thi Kim Loan
Chief Accountant

WITHDRAWAL APPLICATION STATEMENT - LOAN (USD)

Payment method	Advance	Work	Equipment and material	Consultancies	Training	Credit, Guarantee funds	Grants and Subsidies - A	Grants and Subsidies - B	Operation Costs	Salaries and allowances	Total	In SDR equivalent	Not yet disbursed from IFAD	Net Reimbursed
Cat No	USD	I USD	II USD	III USD	IV USD	V USD	VI-A USD	VI-B USD	VII USD	VIII USD	USD	SDR	USD	USD
Beginning balance	1,118,167.00	465,819.43	152,568.98	74,935.39	192,039.14	1,021,940.44	81,818.34	72,442.00	68,016.86	214,614.28	3,462,361.86	2,488,459.00	130.00	3,462,231.86
WA No:														
09 L BT 13/03/2017 Reimbursement	-	401,689.01	-	1,838.90	44,102.56	38,307.49	134,061.34	283.10	13,113.65	33,297.95	666,694.00	489,104.90	-	666,694.00
Total amount claimed in last period and credited in this period	-	401,689.01	-	1,838.90	44,102.56	38,307.49	134,061.34	283.10	13,113.65	33,297.95	666,694.00	489,104.90	-	666,694.00
10 L BT 15/07/2017 Reimbursement	-	184,862.66	-	7,474.01	13,062.08	-	8,784.48	71,420.21	10,252.22	39,935.95	335,791.61	238,314.02	-	335,791.61
11 L BT 14/08/2017 Reimbursement	-	204,930.09	-	-	19,566.18	-	151,656.52	12,123.35	6,247.09	12,090.46	406,613.69	287,705.15	-	406,613.69
12 L BT 26/09/2017 Reimbursement	-	217,295.97	-	10,819.26	11,114.79	366,727.72	80,354.87	-	10,936.97	29,452.17	726,701.75	518,387.67	-	726,701.75
Total amount claimed and credited in this period	-	607,088.72	-	18,293.27	43,743.05	366,727.72	240,795.87	83,543.56	27,436.28	81,478.58	1,469,107.05	1,044,406.84	-	1,469,107.05
Total	-	1,008,777.73	-	20,132.17	87,845.61	405,035.21	374,857.21	83,826.66	40,549.93	114,776.53	2,135,801.05	1,533,511.74	-	2,135,801.05
Closing balance	1,118,167.00	1,474,597.16	152,568.98	95,067.56	279,884.75	1,426,975.65	456,675.55	156,268.66	108,566.79	329,390.81	5,598,162.91	4,021,970.74	130.00	5,598,032.91



Nguyễn Khắc Hanh
Project Director
Ben Tre, 06 June 2018

Do Thi Kim Loan
Chief Accountant

WITHDRAWAL APPLICATION STATEMENT - LOAN (SDR)

Payment method	Advance	Work	Equipment and material	Consultancies	Training	Credit, Guarantee funds	Grants and Subsidies - A	Grants and Subsidies - B	Operation Costs	Salaries and allowances	Total	In USD equivalent	Not yet disbursed from IFAD	Net Reimbursed
		I	II	III	IV	V	VI-A	VI-B	VII	VIII		USD	SDR	SDR
Cat No	SDR	SDR	SDR	SDR	SDR	SDR	SDR	SDR	SDR	SDR	SDR			
Beginning balance	793,258.73	337,928.30	109,574.81	53,697.96	138,427.82	737,967.87	60,526.82	53,589.16	48,955.45	154,532.08	2,488,459.00	3,462,361.86	91.54	2,488,367.46
WA No:														
09 L BT 15/07/2017 Reimbursement	-	294,690.01	-	1,349.07	32,354.84	28,103.42	98,351.06	207.69	9,620.53	24,428.28	489,104.90	666,694.00	-	489,104.90
Total amount claimed in last period and credited in this period		294,690.01	-	1,349.07	32,354.84	28,103.42	98,351.06	207.69	9,620.53	24,428.28	489,104.90	666,694.00	-	489,104.90
10 L BT 15/07/2017 Reimbursement	-	131,198.52	-	5,304.37	9,270.26	-	6,234.42	50,687.50	7,276.08	28,342.87	238,314.02	335,791.61	-	238,314.02
11 L BT 14/08/2017 Reimbursement	-	145,001.12	-	-	13,844.32	-	107,306.67	8,578.05	4,420.22	8,554.77	287,705.15	406,613.69	-	287,705.15
12 L BT 26/09/2017 Reimbursement	-	155,006.58	-	7,717.84	7,928.67	261,602.68	57,320.59	-	7,801.81	21,009.50	518,387.67	726,701.75	-	518,387.67
Total amount claimed and credited in this period	-	431,206.22	-	13,022.21	31,043.25	261,602.68	170,861.68	59,265.55	19,498.11	57,907.14	1,044,406.84	1,469,107.05	-	1,044,406.84
Total	-	725,896.23	-	14,371.28	63,398.09	289,706.10	269,212.74	59,473.24	29,118.64	82,335.42	1,533,511.74	2,135,801.05	-	1,533,511.74
Closing balance	793,258.73	1,063,824.53	109,574.81	68,069.24	201,825.91	1,027,673.97	329,739.56	113,062.40	78,074.09	236,867.50	4,021,970.74	5,598,162.91	91.54	4,021,879.20



Nguyễn Khắc Hân
Project Director
Ben Tre, 06 June 2018

(Handwritten signature)

Do Thi Kim Loan
Chief Accountant

Payment method	Advance	Equipment and material	Consultancies	Training	Grants and Subsidies - A	Total	In USD equivalent	Not yet disbursed from IFAD	Net Reimbursed
Cat No		II	IV	V	VI-A				
	VND	VND	VND	VND	VND	USD	USD	USD	USD
Beginning balance	10,602,382,180	232,913,364	2,984,910,602	5,979,218,309	3,249,277,600	23,048,702,055	1,047,535.32	237.42	1,047,297.90
WA No:									
06 G BT 13/03/2017 Reimbursement	-	-	2,291,870,094	1,511,729,747	1,508,546,799	5,312,146,640	238,597.94	15.00	238,582.94
Total amount claimed in last period and credited in this period	-	-	2,291,870,094	1,511,729,747	1,508,546,799	5,312,146,640	238,597.94	15.00	238,582.94
07 G BT 14/08/2017 Reimbursement	-	6,259,273	1,471,443,311	666,142,747	1,179,088,500	3,322,933,831	149,237.61	15.00	149,222.61
08 G BT 26/09/2017 Reimbursement	-	-	2,165,255,329	732,162,432	1,134,357,000	4,031,774,761	178,791.76	15.00	178,776.76
Total amount claimed and credited in this period	-	6,259,273	3,636,698,640	1,398,305,179	2,313,445,500	7,354,708,592	328,029.37	30.00	327,999.37
Total	-	6,259,273	5,928,568,734	2,910,034,926	3,821,992,299	12,666,855,232	566,627.31	45.00	566,582.31
Closing balance	10,602,382,180	239,172,637	8,913,479,336	8,889,253,235	7,071,269,899	35,715,557,287	1,614,162.63	282.42	1,613,880.21



Nguyen Khac Han
Project Director
Ben Tre, 06 June 2018

Do Thi Kim Loan
Chief Accountant

WITHDRAWAL APPLICATION STATEMENT - GRANT (USD)

Payment method	Advance	Equipment and material	Consultancies	Training	Grants and Subsidies - A	Total	In USD equivalent	Not yet disbursed from IFAD	Net Reimbursed
Cat No	I	III	IV	V	VI-A				
	USD	USD	USD	USD	USD	USD	USD	USD	
Beginning balance	482,363.00	10,635.44	137,407.23	271,770.00	145,359.65	1,047,535.32	749,043.27	237.42	1,047,297.90
WA No:									
06 G BT 13/03/2017 Reimbursement	-	-	102,977.08	67,881.89	67,738.97	238,597.94	174,274.84	15.00	238,582.94
Total amount claimed in last period and credited in this period	-	-	102,977.08	67,881.89	67,738.97	238,597.94	174,274.84	15.00	238,582.94
07 G BT 14/08/2017 Reimbursement	-	281.06	66,072.89	29,912.11	52,971.55	149,237.61	105,595.14	15.00	149,222.61
08 G BT 26/09/2017 Reimbursement	-	-	95,903.14	32,850.82	50,037.80	178,791.76	127,685.60	15.00	178,776.76
Total amount claimed and credited in this period	-	281.06	161,976.03	62,762.93	103,009.35	328,029.37	233,280.74	30.00	327,999.37
Total	-	281.06	264,953.11	130,644.82	170,748.32	566,627.31	407,555.58	45.00	566,582.31
Closing balance	482,363.00	10,916.50	402,360.34	402,414.82	316,107.97	1,614,162.63	1,156,598.85	282.42	1,613,880.21



Nguyen Khac Han
Project Director
Ben Tre, 06 June 2018

Do Thi Kim Loan
Chief Accountant

WITHDRAWAL APPLICATION STATEMENT - GRANT (SDR)

Payment method	Advance	Equipment and material	Consultancies	Training	Grants and Subsidies - A	Total	Quy đổi USD	Not yet disbursed from IFAD	Net Reimbursed
Cat No	I	III	IV	V	VI-A				
	SDR	SDR	SDR	SDR	SDR	SDR	SDR	SDR	
Beginning balance	339,927.61	7,775.77	99,444.13	196,861.50	105,034.26	749,043.27	1,047,535.32	167.29	748,875.98
WA No:									
06 G BT 13/03/2017 Reimbursement	-	-	75,215.71	49,581.76	49,477.37	174,274.84	238,597.94	10.96	174,263.88
Total amount claimed in last period and credited in this period	-	-	75,215.71	49,581.76	49,477.37	174,274.84	238,597.94	10.96	174,263.88
07 G BT 14/08/2017 Reimbursement	-	198.87	46,750.79	21,164.73	37,480.75	105,595.14	149,237.61	10.61	105,584.53
08 G BT 26/09/2017 Reimbursement	-	-	68,490.01	23,460.68	35,734.91	127,685.60	178,791.76	10.71	127,674.89
Total amount claimed and credited in this period	-	198.87	115,240.80	44,625.41	73,215.66	233,280.74	328,029.37	21.33	233,259.41
Total	-	198.87	190,456.51	94,207.17	122,693.03	407,555.58	566,627.31	32.28	407,523.30
Closing balance	339,927.61	7,974.64	289,900.64	291,068.67	227,727.29	1,156,598.85	1,614,162.63	199.57	1,156,399.28



Nguyen Khac Han
Project Director
Ben Tre, 06 June 2018

Do Thi Kim Loan
Chief Accountant

NOTES TO THE FINANCIAL STATEMENTS

1 . OVERVIEW

Adaptation to Climate Changes in the Mekong Delta Project in Ben Tre Province, abbreviated as: Ben Tre AMD Project (the "Project"), a part of Adaptation to Climate Changes in the Mekong Delta Project (AMD) in Ben Tre Province and Tra Vinh Province, operates under the Financing Agreement, Loan No.2000000433 and Grant No.2000000434 signed and effective from 28 March 2014 between the Government of the Socialist Republic of Vietnam and International Fund for Agricultural Development (IFAD).

The Project Coordination Unit was established pursuant to Decision 821/QĐ-UBND on 26 April 2014 of Ben Tre Provincial People's Committee, carries out the activities of project, carrying out the activities of project from 2014 to 2020 at 8 districts, 30 communes in Ben Tre province.

The Objective of the project is the strengthened adaptive capacity of target communities and institutions to better contend with climate change and increase income through participation in adaptive economic activities.

Total cost for project is VND 517.86 billion, equivalent to USD 24.666 million and allocated based on annual work plan and budget.

To ensure the autonomy of the unit as well as to facilitate the coordination and institutional development, and maintain sustainability of activities after the project ended, the Department of Planning and Investment, Department of Agriculture and Rural Development, Department of Natural Resources and Environment, the provincial Women's Union and Tra Vinh University participated in the implementation of the project activities.

2 . PRINCIPAL ACCOUNTING POLICIES

a . Accounting system, accounting period and accounting monetary unit

The Project applies Administrative Accounting system issued under the Decision No.19/2006/QĐ- BTC dated 30 March 2016 and was amended and supplemented under the Circular No.185/2010/TT-BTC dated 15 November 2010 by Ministry of Finance.

Annual accounting period commences from 1st January and ends on 31st December.

The Project Coordinator Unit maintains its accounting records in VND.

b . Basis of accounting

The Financial Statements are prepared in accordance with requirements of IFAD according to Financing Agreement, Loan No.2000000433 and Grant No.2000000434 dated 28 March 2014 based on financial and accounting information, transaction incurred, recognized and presented under applied Accounting system. Expenditures and fund recognized under applied Accounting system, which are categorized and presented in conformity with resources, expenditure item and operations stated in Financing Agreement.

The Financial Statements are prepared in VND based on historical cost concept, excluding Statement of Designated Account and Withdrawal Application Statement are prepared in US dollar. Statement of operating performance is prepared under applied accrual basis to present received fund and incurred expenditure in the period and accumulated from project starting date.

c . Withdrawal Application Statement

Withdrawal Application Statement are prepared based on actual payments funded by IFAD. The payments occurred in VND are converted into USD at actual exchange rate of transaction of transferring from Designated Account to Operating account of IFAD.

d . Foreign Currency

IFAD Funds transferred to Designated Account are converted into Vietnamese dong at buying exchange rate announced by Ho Chi Minh City Development Joint Stock Commercial Bank- Hoan Kiem Branch at the date transaction made. Amount transferred from Designated Account to Operating Account of the Project at Ben Tre State Treasury are converted into Vietnamese dong at buying exchange rate of Ho Chi Minh City Development Joint Stock Commercial Bank- Hoan Kiem Branch at the date of transaction.

Funds transferred from Designated Account to Operating Account of Tra Vinh Women's Development Support Fund are converted into Vietnam dong at the bid rate of Ho Chi Minh City Development Joint Stock Commercial Bank- Hoan Kiem Branch at the date of funds transfer.

e . Income and expenses

• Project Fund:

- Fund received from International Fund for Agricultural Development will be recognized when incurring actual payments from the Fund directly to the service providers of the Project or transferring to Designated Account by Ministry of Finance is the account holder.
- Counterpart funds of the Government of Vietnam are recorded when payment are made directly from the Government of Vietnam to goods and services providers of the Project or are transferred to Operating Account of PCU and Implementation Unit at Ben Tre State Treasury for settlement of project's activities.

• Expenditures are recognized on accrual basis, in which:

- Expenditures on purchasing equipment, materials and consultancy are recognized based on Minute of completion for the work done, Minute of hand over and payment acceptance approved by related parties.
- Expenditures for training and workshops are recognized when receiving list of actual expenses and eligible vouchers.
- Operating costs, salary and allowance costs are recognized based on actual expenses with legal and eligible vouchers and not exceeding approved budget.

f . Fixed Assets

Fixed asset is recognized at historical cost, accumulated depreciation/ amortization. The accumulated depreciation/ amortization is determined in accordance with the Circular No.162/2014/TT-BTC dated 06 November 2014 of the Ministry of Finance on issuing the regime for management and depreciation/ amortization of fixed assets in the state agencies, units and other public organizations that use the state budget. According to the applicable accounting policy, the expenditures for the project that formed PCU's fixed asset are recorded simultaneously in both of Project expenditure and Fixed asset; and Fund invested in fixed asset in order to monitor asset's depreciation/ amortization during the operation of project.

g . Designated Account and interest of Designated Account.

Designated Account is deposit account in USd which is opened at Ho Chi Minh City Development Joint Stock Commercial Bank- Hoan Kiem Branch for operations of the Project and controlled by Ministry of Finance. Designated Account is used to pay for expenditures with legal and eligible vouchers in accordance with the provisions of Financing Agreement for Loan No. 2000000433 and Grant No. 2000000434 signed on 28 March 2014.

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Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province

Financing Agreement for Loan No. 2000000433 and

Grant No. 2000000434

Financial Statements

For the fiscal year ended as at 31 December 2017

3 . BUDGET PLAN

Unit: '000 VND

Catelogry	IFAD Loan	ASAP Grant	Provincial budget	Beneficiaries	Total
Work	25,074,000	-	23,052,000	4,545,000	52,671,000
Equipment and material	1,090,000	4,500,000	610,000	-	6,200,000
Consultancies	1,460,545	10,952,825	985,380	-	13,398,750
Training	3,269,170	3,800,300	436,530	-	7,506,000
Credit, Guarantee funds	10,203,000	-	-	-	10,203,000
Grants and Subsidies - A	8,750,000	3,750,000	-	12,500,000	25,000,000
Grants and Subsidies - B	5,540,000	-	-	5,800,000	11,340,000
Operating costs	1,209,250	-	351,000	-	1,560,250
Salaries and allowances	3,420,000	-	5,130,000	-	8,550,000
Total	60,015,965	23,003,125	30,564,910	22,845,000	136,429,000

The budget plan approved under the Official Letter No.4649/UBND-TCDDT dated 16 October 2016 was adjusted.

4 . CASH BALANCE

	31/12/2017 VND	01/01/2017 VND
Cash on hand	27,878,609	2,242,660
Cash at bank	11,032,788,835	11,768,165,106
	11,060,667,444	11,770,407,766

4a . DETAILS

	31/12/2017 VND	01/01/2017 VND
Cash on hand	27,878,609	2,242,660
+ Cash on hand in PCU of IFAD Loan	8,927,200	-
+ Cash on hand in PCU of Government Fund	6,033,809	2,242,660
+ Cash on hand in PCU of ASAP Grant	12,917,600	-
Designated Account and Interest of Designated Account	143,376,415	4,925,839,513
+ Designated Account of IFAD loan	5,003,042	2,780,928
+ Designated Account of ASAP Grant	137,776,776	4,922,460,672
+ Interest from Designated Account	596,597	597,913
Programme Account ⁽¹⁾	10,889,412,420	6,842,325,593
+ Operating Account of IFAD Loan (1)	6,195,959,630	6,746,064,636
+ Operating Account of ASAP Grant (2)	4,692,191,065	44,273,861
+ Deposit Account of other fund	1,261,725	51,987,096
	11,060,667,444	11,770,407,766

Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province

Financing Agreement for Loan No. 2000000433 and
Grant No. 2000000434

Financial Statements

For the fiscal year ended as at 31 December 2017

4 CASH (Continued)

(1) Movements during the year of Operating Account - IFAD Loan

	2017	
	VND	VND
Beginning balance		6,746,064,636
Add: total transferred from Designated Account		48,421,691,929
Deduct: expenditures	48,983,188,904	
Net disbursement from Operating Account		(48,983,188,904)
Increase in cash on hand		(8,927,200)
Decrease in internal receivables		20,319,169
Decrease in advances		160,996,340
Decrease in other receivables		49,995,000
Ending balance		<u><u>6,195,959,630</u></u>

(2) Movements during the year of Operating Account - ASAP Grant

	2017	
	VND	VND
Beginning balance		44,273,861
Add: total transferred from Designated Account		17,609,140,017
Deduct: expenditures	13,610,365,294	
Net disbursement from Operating Account		(13,610,365,294)
Increase in cash on hand		(12,917,600)
Decrease in internal receivables		47,322,305
Decrease in advances		564,742,776
Decrease in other receivables		49,995,000
Ending balance		<u><u>4,692,191,065</u></u>

5 IFAD LOAN FUND

	2017	
	USD	Converted into VND
Beginning balance	3,462,361.86	76,844,842,690
Received amount during the year	2,135,801.05	48,413,075,502
Date		
25/04/2017	666,694.00	15,078,603,800
18/08/2017	335,791.61	7,619,111,634
29/09/2017	406,613.69	9,230,130,870
08/11/2017	726,701.75	16,485,229,198
Ending balance	<u>5,598,162.91</u>	<u>125,257,918,192</u>

Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province

Financing Agreement for Loan No. 2000000433 and

Grant No. 2000000434

Financial Statements

For the fiscal year ended as at 31 December 2017

6 . ASAP GRANT FUND

	2017	
	USD	Converted into VND
Beginning balance	1,047,535.32	23,266,820,626
Received amount during the year	566,582.31	12,753,224,432
Date		
05/05/2017	238,582.94	5,311,812,611
29/09/2017	149,222.61	3,385,861,021
07/11/2017	178,776.76	4,055,550,800
Receivable from IFAD as transfer less than amount credited	45.00	1,178,379
Ending balance	1,614,162.63	36,021,223,437

7 . GOVERNMENT FUNDS

	2017	2016
	VND	VND
Beginning balance	21,135,751,242	7,031,440,750
Received amount during the year	23,366,856,992	14,104,310,492
+ Disbursed to PCU	3,054,508,970	2,321,449,126
+ Disbursed to DASUs	20,312,348,022	11,782,861,366
Ending balance	44,502,608,234	21,135,751,242

8 . BENEFICIARIES' CONTRIBUTION

	31/12/2017	01/01/2017
	VND	VND
Beginning balance	21,253,252,781	2,686,790,500
Received during the year	33,655,172,781	18,566,462,281
Ending balance	54,908,425,562	21,253,252,781

Beneficiaries' contribution is the contribution in form of money, materials for Component: Investing in sustainable livelihoods.

9 . ADVANCE TO SUPPLIERS

	31/12/2017	01/01/2017
	VND	VND
IFAD Loan	640,997,303	4,611,055,809
ASAP Grant	-	117,572,545
Government Fund	114,180,097	735,072,763
	755,177,400	5,463,701,117

Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province

Financing Agreement for Loan No. 2000000433 and
Grant No. 2000000434

Financial Statements

For the fiscal year ended as at 31 December 2017

10 . INTER-PROJECT RECEIVABLES

	31/12/2017 VND	01/01/2017 VND
Cash on hand	-	20,301,169
+ IFAD Loan	-	20,301,169
Cash at Treasury	273,284,491	2,260,888,002
+ IFAD Loan	273,284,491	2,213,565,697
+ ASAP Grant	-	47,322,305
Balance of advances of implementing units	-	18,000
+ IFAD Loan	-	18,000
	273,284,491	2,281,207,171

11 . OTHER RECEIVABLES

	31/12/2017 VND	01/01/2017 VND
Receivable from ASAP Grant on borrowings	115,220,319	165,215,319
Receivable from IFAD on transferring less than Loan amount	2,845,450	2,845,450
Receivable from IFAD on transferring less than Grant credited	6,402,461	5,224,082
Other receivables	1,594,232	-
	126,062,462	173,284,851

12 . ADVANCE

	31/12/2017 VND	01/01/2017 VND
IFAD Loan	134,839,346	295,835,686
ASAP Grant	173,930,345	738,673,121
	308,769,691	1,034,508,807

13 . FIXED ASSETS

See Annex 01 for more details.

14 . TRADE PAYABLES

	31/12/2017 VND	01/01/2017 VND
IFAD Loan	2,300,385,049	1,809,139,379
ASAP Grant	631,944,131	1,463,029,125
Government Fund	3,379,016,582	247,967,838
	6,311,345,762	3,520,136,342

15 . OTHER PAYABLES

	31/12/2017 VND	01/01/2017 VND
Payables to IFAD Loan on borrowings	115,220,319	165,215,319
Payables to Ben Tre fund of woman economic development	721,814,468	-
Other payables of Government Fund	-	3,548,533
	837,034,787	168,763,852

Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province

Financing Agreement for Loan No. 2000000433 and

Financial Statements

Grant No. 2000000434

For the fiscal year ended as at 31 December 2017

16 . ALLOCATION AND USE OF THE FUNDS OF THE LOAN

16a . IFAD LOAN

Category	Distributed (1)		Total net reimbursed (2)		Outstanding Loans to be distributed	
	SDR	USD	SDR	USD	SDR	USD
Advance			793,258.73	1,118,167.00		
I	1,330,000.00	2,060,000.00	1,063,824.53	1,474,597.16	266,175.47	585,402.84
II	260,000.00	403,000.00	109,574.81	152,568.98	150,425.19	250,431.02
III	430,000.00	666,000.00	68,069.24	95,067.56	361,930.76	570,932.44
IV	800,000.00	1,238,000.00	201,825.91	279,884.75	598,174.09	958,115.25
V	1,050,000.00	1,627,000.00	1,027,673.97	1,426,975.65	22,326.03	200,024.35
VI-A	1,010,000.00	1,565,000.00	329,739.56	456,675.55	680,260.44	1,108,324.45
VI-B	580,000.00	899,000.00	113,062.40	156,268.66	466,937.60	742,731.34
VII	380,000.00	589,000.00	78,074.09	108,566.79	301,925.91	480,433.21
VIII	560,000.00	868,000.00	236,867.50	329,390.81	323,132.50	538,609.19
Unallocated	700,000.00	1,085,000.00	-	-	700,000.00	1,085,000.00
Receivables from IFAD	-	-	(91.54)	(130.00)	91.54	130.00
	7,100,000.00	11,000,000.00	4,021,879.20	5,598,032.91	3,078,120.80	5,401,967.09

(1): Exchange rate SDR/USD follows exchange rate under PIM

(2): Exchange rate SDR/USD follows actual exchange rate at Historic Transaction Report

16b . ASAP GRANT

Category	Distributed (1)		Total net reimbursed (2)		Outstanding Loans to be distributed	
	SDR	USD	SDR	USD	SDR	USD
Advance			339,927.61	482,363.00		
II	300,000.00	463,000.00	7,974.64	10,916.50	292,025.36	452,083.50
III	1,010,000.00	1,558,000.00	289,900.64	402,360.34	720,099.36	1,155,639.66
IV	1,610,000.00	2,482,000.00	291,068.67	402,414.82	1,318,931.33	2,079,585.18
VI-A	440,000.00	679,000.00	227,727.29	316,107.97	212,272.71	362,892.03
VII	140,000.00	216,000.00	-	-	140,000.00	216,000.00
Unallocated	390,000.00	602,000.00	-	-	390,000.00	602,000.00
Receivables from IFAD	-	-	(199.57)	(282.42)	199.57	282.42
	3,890,000.00	6,000,000.00	1,156,399.28	1,613,880.21	2,733,600.72	4,386,120

(1): Exchange rate SDR/USD follows exchange rate under PIM

(2): Exchange rate SDR/USD follows actual exchange rate at Historic Transaction Report

17 . STATEMENT OF BEN TRE WOMEN DEVELOPMENT FUND

See Annex 02 for more details.

18 . COMPARATIVE FIGURES

The comparative figures are those taken from the financial statements for the fiscal year ended as at 31/12/2016, which were audited by AASC Limited.

Nguyen Khac Han

Project Director

Ben Tre, 06 June 2018

Do Thi Kim Loan

Chief Accountant

Annex 1: FIXED ASSETS

Items	Buildings	Machinery, equipment	Transportation equipment	Management equipment	Sum of tangible fixed assets	Computer software	Sum of intangible fixed	TOTAL
	VND	VND	VND	VND	VND	VND	VND	VND
Original cost								
Opening balance	7,575,114,119	6,308,848,196	2,131,180,000	63,308,000	16,078,450,315	622,400,000	622,400,000	16,700,850,315
Increase	576,341,295	911,438,000	-	21,900,000	1,509,679,295	-	-	1,509,679,295
- Purchase in the year	-	911,438,000	-	21,900,000	933,338,000	-	-	933,338,000
- Finished construction investment	576,341,295	-	-	-	576,341,295	-	-	576,341,295
Decrease	(54,444,500)	-	-	-	(54,444,500)	-	-	(54,444,500)
- Others	(54,444,500)	-	-	-	(54,444,500)	-	-	(54,444,500)
Closing balance	<u>8,097,010,914</u>	<u>7,220,286,196</u>	<u>2,131,180,000</u>	<u>85,208,000</u>	<u>17,533,685,110</u>	<u>622,400,000</u>	<u>622,400,000</u>	<u>18,156,085,110</u>
Accumulated depreciation								
Opening balance	1,830,771,389	3,953,776,754	1,424,148,286	63,308,000	7,272,004,429	311,199,999	311,199,999	7,583,204,428
Increase	328,702,966	993,464,314	187,077,143	2,737,500	1,511,981,923	103,733,333	103,733,333	1,615,715,256
- Depreciation in the year	328,702,966	993,464,314	187,077,143	2,737,500	1,511,981,923	103,733,333	103,733,333	1,615,715,256
Decrease	(24,953,729)	-	-	-	(24,953,729)	-	-	(24,953,729)
- Others	(24,953,729)	-	-	-	(24,953,729)	-	-	(24,953,729)
Closing balance	<u>2,134,520,626</u>	<u>4,947,241,068</u>	<u>1,611,225,429</u>	<u>66,045,500</u>	<u>8,759,032,623</u>	<u>414,933,332</u>	<u>414,933,332</u>	<u>9,173,965,955</u>
Net book value								
Opening balance	5,744,342,730	2,355,071,442	707,031,714	-	8,806,445,886	311,200,001	311,200,001	9,117,645,887
Closing balance	<u>5,962,490,288</u>	<u>2,273,045,128</u>	<u>519,954,571</u>	<u>19,162,500</u>	<u>8,774,652,487</u>	<u>207,466,668</u>	<u>207,466,668</u>	<u>8,982,119,155</u>

Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province

Financing Agreement for Loan No. 2000000433 and

Financial Statements

Grant No. 2000000434

For the fiscal year ended as at 31 December 2017

ANNEX 02: STATEMENT OF BEN TRE WOMEN DEVELOPMENT FUND

	2017 VND
A. SOURCES OF FUNDS AND CREDIT OPERATION	
I. RESOURCES OF FUNDS	
Opening balance of funds received from the Project	23,964,569,786
Funds received from the Project in the year	8,320,248,126
<i>IFAD loan received under Financing Agreement Loan No. 2000000433</i>	8,320,248,126
Funds reimbursed to Project in the year	-
Closing balance of funds received from the Project	32,284,817,912
II. CREDIT OPERATION	
Opening balance of lending principal	21,181,289,000
Disbursement of lending in the year	40,220,586,000
Principal collected in the year	(35,533,713,000)
Closing balance of lending principal	25,868,162,000
Lending revenue accumulated to the beginning of the year	60,177,331,000
Lending revenue accumulated to the end of the year	100,397,917,000
Difference between funds received and lending principal	6,416,655,912
B. VOLUNTARY SAVINGS OF SAVINGS AND CREDIT GROUPS' MEMBERS	
Opening balance of savings account	3,754,071,531
Savings received in the year	3,639,904,247
Adding the interest to the principal from compulsory savings	257,380,705
Savings paid in the year	(1,329,736,904)
Closing balance of savings account	6,321,619,579
C. DEVELOPMENT AND RISK PROVISION FUND	
Opening balance of fund	123,819,773
Deduct: Development and Risk provision in the year	185,308,995
Reimbursed the provision during the year	(62,811,739)
Closing balance of fund	246,317,029
D. PERFORMANCE	
I. INCOME	
Interests received in the year	4,260,395,000
Funding from Ben Tre AMD Project	472,746,000
Other income	177,503,422
Total income	4,910,644,422
II. EXPENDITURES	
Risk provision in the year	(102,522,112)
Operating expenses	(3,446,815,251)
Interests	(490,032,771)
Total expenses	(4,039,370,134)
Opening balance of profit	309,692,538
Profit in the year	871,274,289
Closing balance of profit	1,180,966,827

No.: 100618.001 /BCTC.KT6

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL

To: **The Project Coordination Unit**
Adaptation to climate changes in the Mekong Delta Project in Ben Tre

We have audited, in accordance with International Standards on Auditing, the financial statements of the Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province ("the Project") for the year ended as at 31 December 2017 and issued the auditors' report thereon dated 10 June 2018 expressing an opinion on those financial statements.

In connection with our audit of the financial statements, we also examined the effectiveness of internal control over compliance with requirements that could have a direct and material financial effect on the financial statements as well as the internal control over financial reporting for the year ended 31 December 2017.

Responsibilities of the Project Coordination Unit

The Project Coordination Unit is responsible for maintaining an effective internal control over compliance with requirements that could have a direct and material financial effect on the financial statements as well as the internal control over financial reporting.

Auditor's Responsibility

Our responsibility is to express an opinion on the effectiveness of internal control based on our examination.

Our examination was conducted in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised). That standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the Project has maintained an effective internal control over compliance with requirements that could have a direct and material financial effect on the financial statements as well as internal control over financial reporting.

Our examination included obtaining an understanding, testing, and evaluating the design and operating effectiveness of the internal control, and performing other procedures as we considered necessary in the circumstances to obtain sufficient appropriate evidence to provide a basis for our opinion.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not to be prevented or detected on a regular basis. In addition, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor's Opinion

In our opinion, the Project has maintained an effective internal control over misstatements that could have a direct and material financial effect on the Project's financial statements for the year ended 31 December 2017.

Other matter

This report is prepared within the framework of the audit of Financial Statement of Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province - a part of Adaptation to climate changes in the Mekong Delta Project in Ben Tre and Tra Vinh Provinces funded by International Fund for Agricultural Development (IFAD) in accordance with the Financing Agreement Loan No. 2000000433 and ASAP Grant No. 2000000434 signed on 28 March 2014, intended for information of IFAD and Project Coordination Unit only.

AASC LIMITED

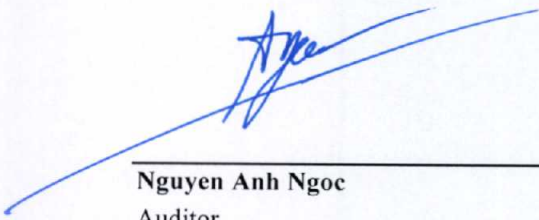


Đo Mạnh Cường

Deputy General Director

Registered Auditor No: 0744-2018-002-1

Hanoi, 10 June 2018


Nguyen Anh Ngoc

Auditor

Registered Auditor No: 1437-2018-002-1

No.: 100618.001 /BCTC.KT6

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

To: **The Project Coordination Unit**
Adaptation to climate changes in the Mekong Delta Project in Ben Tre

We have audited, in accordance with International Standards on Auditing, the financial statements of the Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province ("the Project") for the year ended as at 31 December 2017 and issued the auditors' report thereon dated 10 June 2018 expressing an opinion on those financial statements.

In connection with the audit of the financial statements, we also performed procedures on the Project's compliance with the Credit Agreement No. 2000000433 and the Grant No. 2000000434 dated 28 March 2014, law and regulations that have a direct and material effect on the Project's financial statements for the year ended 31 December 2017 ("the Requirements").

Responsibilities of the Project Coordination Unit

The Project Coordination Unit is responsible for complying with the Requirements applicable to the Project.

Auditor's Responsibility

Our responsibility is to express an opinion on the Project's compliance with the Requirements based on our procedures. We limited our tests of compliance to the requirements, and we did not test compliance with all laws and regulations applicable to the Project.

We performed our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised). That standard requires that we comply with ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the Project has complied with the Requirements.

An assurance engagement to report on the compliance with the Requirements at the Project involves performing procedures to obtain evidence about whether the Project's activities are free of material non-compliance with the Requirements, including obtaining an understanding of the internal control relevant to the Project's compliance with the Requirements. The procedures selected depend on the auditors' judgment, including the assessment of risks that the Project does not comply with the Requirements and whether such non-compliance could have a direct and material financial effect on the Project's financial statements. Our procedures included testing the compliance with the Requirements we consider necessary to provide a reasonable assurance that the Requirements are complied by the Project.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Auditor's Opinion

In our opinion, the Project has complied with legal regulations and the Requirements that could have a direct and material financial effect on the Project's financial statements for the fiscal year ended as at 31 December 2017.

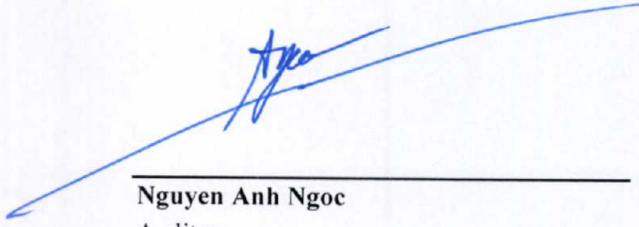
Other matter

This report is prepared within the framework of the audit of Financial Statement of Adaptation to climate changes in the Mekong Delta Project in Ben Tre Province - a part of Adaptation to climate changes in the Mekong Delta Project in Ben Tre and Tra Vinh Provinces funded by International Fund for Agricultural Development (IFAD) in accordance with the Financing Agreement for Loan No. 2000000433 and ASAP Grant No. 2000000434 signed on 28 March 2014, intended for information of IFAD and Project Coordination Unit only.

AASC LIMITED



Đo Mạnh Cương
Deputy General Director
Registered Auditor No: 0744-2018-002-1
Hanoi, 10 June 2018


Nguyen Anh Ngoc
Auditor
Registered Auditor No: 1437-2018-002-1