

**VIETNAM PUBLIC FINANCIAL MANAGEMENT
ANALYTICAL AND ADVISORY ASSISTANCE PROGRAM**
Grant Agreement No.TF0A6369

AUDITED FINANCIAL STATEMENTS
Fiscal year ended 31 December 2021



<u>CONTENTS</u>		Page
PART I	INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS	
	Report of the Project Management Unit	3
	Independent Auditors' Report on the Financial statements	4 - 5
	Audited Financial statements	
	Statement of Receipt and Disbursement	6
	Statement of Funds balance	7
	Statement of Designated Account	8
	Statement of Withdrawals and Reconciliation of Funds	9
	Notes to the Financial statements	10 – 18
PART II	INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL SYSTEM	19 – 20
PART III	INDEPENDENT AUDITORS' REPORT ON THE COMPLIANCE	21 – 22
	APPENDIX: BALANCE SHEET PREPARED UNDER ACCRUAL BASIS	23
PART IV	MANAGEMENT LETTER	24 – 27

REPORT OF THE PROJECT MANAGEMENT UNIT

Projects Management Unit of the Ministry of Finance ("Project Management Unit" or "MOF - PMU") presents this report and the Financial Statements of the Vietnam Public Financial Management Analytical and Advisory Assistance Program ("the Program") for the year ended 31 December 2021.

The Program

The Program is implemented under Grant Agreement No.TF0A6369 dated 14/12/2017 ("the Agreement") between the Government of the Socialist Republic of Vietnam and the World Bank.

The Project Management Unit

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

Mr. Trieu Tho Han	Director	(Resigned on 01/12/2021)
Mr. Tran Van Son	Deputy Director	
Mrs. Pham Thuy Lan	Chief Accountant	

Auditors

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

Responsibilities of the Project Management Unit

The Project Management Unit is responsible for preparing the program's financial statements, including Statement of Receipt and Disbursement, Statement of Funds balance, Statement of Designated Account and Statement of Withdrawals and Reconciliation of Funds, which comply with the accounting policies described in the attached Notes to the Financial Statements. The Project Management Unit assures that the accounting policies are appropriately selected and consistently applied.

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

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

On behalf of the Project Management Unit



Hanoi, 19 January 2022

No.: 190122.002/BCTC.FIS2

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS

To: Projects Management Unit of the Ministry of Finance

Opinion

We have audited the accompanying financial statements of the Vietnam Public Financial Management Analytical and Advisory Assistance Program ("the Program") which comprise Statement of Receipt and Disbursement, Statement of Funds balance, Statement of Designated Account, Statement of Withdrawals and Reconciliation of Funds for the year ended 31 December 2021, and Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion:

- ▶ The accompanying financial statements give a true and fair view of the financial position of the Program, including the balance of the Designated Account as at 31 December 2021, funds received and disbursements, movements of the Designated Account for the year then ended in accordance with the basis of the principal accounting policies described in the Notes to the Financial Statements and the provisions of the Grant Agreement No. TF0A6369 dated 14 December 2017.
- ▶ In addition, with respect to Statements of Expenditure, adequate supporting documents have been fully maintained to support to the replenishment requests submitted to the World Bank. The expenses are eligible and in right purposes of the Grant Agreement No. TF0A6369 dated 14 December 2017.

Basis of Opinion

We conducted our audit in accordance with the 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 the Provincial Program Management Unit in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Project Management Unit for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- ▶ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Program'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 Program'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 Program to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



Do Manh Cuong
Deputy General Director
CPA Registered Number:
0744-2018-002-1

Hanoi, 19 January 2022

A blue ink signature of Nguyen Pham Hung.

Nguyen Pham Hung
Auditor in-charge
CPA Registered Number:
2893-2020-002-1

STATEMENT OF RECEIPT AND DISBURSEMENT
Year ended 31 December 2021

	Note	Accumulated to 31/12/2020 (Reclassified)	Year 2021	Accumulated to 31/12/2021
		VND	VND	VND
I. RECEIPTS				
1. Receipts from the World Bank		48,798,269,413	20,581,398,021	69,379,667,434
2. Receipts from the Vietnamese Government	3	41,580,364,512	19,429,492,853	61,009,857,365
3. Foreign exchange differences		7,268,311,609 (50,406,708)	1,486,518,149 (334,612,981)	8,754,829,758 (385,019,689)
II. DISBURSEMENTS				
Section A: Actions to strengthen the capacity				
1. Component 1: Improving linkages between plans and budgets		26,395,908,027	17,452,342,060	43,848,250,087
2. Component 2: Improving effectiveness of budget execution controls		261,807,000	282,740,000	544,547,000
3. Component 3: Improving production and supply of quality fiscal information		4,265,112,068	2,244,811,024	6,509,923,092
4. Component 4: Improving fiscal risk stability and risk monitoring		13,580,995,120	6,733,762,958	20,314,758,078
Section B: Program overall support				
		16,344,440,135	4,899,919,524	21,244,359,659
III. SURPLUS/ (DEFICIT)				
		6,057,921,251	(1,770,863,563)	4,287,057,688

STATEMENT OF FUNDS BALANCE
As at 31 December 2021

	<u>Note</u>	<u>31/12/2021</u> VND	<u>31/12/2020</u> VND
Surplus/(Deficit)			
Surplus as at beginning		6,057,921,251	5,101,144,360
Surplus/(Deficit) in the year		<u>(1,770,863,563)</u>	<u>956,776,891</u>
Surplus as at closing		<u>4,287,057,688</u>	<u>6,057,921,251</u>
<u>Represented by:</u>			
Current assets		4,287,057,688	6,057,921,251
Cash on hand		-	2,639,440
Cash at bank	5	4,287,057,688	6,055,281,811
Net worth		<u>4,287,057,688</u>	<u>6,057,921,251</u>

STATEMENT OF DESIGNATED ACCOUNT

Period: From 01/01/2021 to 31/12/2021
Account No.: 0071066669999
Bank: Bao Viet Commercial Joint Stock Bank - Business Center
Address: Corner Stone Building, No.16 Phan Chu Trinh, Phan Chu Trinh Ward, Hoan Kiem District, Ha Noi
Grant Agreement: TF0A6369

	Note	USD
PART A: ACTIVITIES		
Opening balance		270,000.63
Add:		
- Total amounts deposited by the World Bank		839,556.78
- The bank refunds the bank charge		149.00
Deduct:		
- Total amounts withdrawn		(915,776.25)
- Bank charges		(149.00)
Closing balance		<u>193,781.16</u>
PART B: RECONCILIATION		
1. Amount advanced by the World Bank		400,000.00
2. Deduct: Amount recovered by the World Bank	(i)	(87,537.42)
3. Present outstanding amount advanced to		<u>312,462.58</u>
4. Closing balance		193,781.16
5. Add: Amounts withdrawn and not yet claimed		118,735.92
6. Deduct: Overseas bank charges credited wrongly at Withdrawal Application No.004		(54.50)
7. Total advances accounted for		<u>312,462.58</u>

(i) Amount recovered by the World Bank of USD 7,537.42 at SOE No. 016.

STATEMENT OF WITHDRAWALS AND RECONCILIATION OF FUNDS
Year ended 31 December 2021

Withdrawal applications			Amount Claimed	Amount received			
No.	Date	Currency	Non - Consulting Services, Consultants' Services, Training and Incremental Operating Costs	Date	Amount	Variances	Note
			(a)			(b-a)	
Designated account							
Year 2020							
014	28/12/2020	USD	68,201.88	07/01/2021	68,180.38	(21.50)	[1]
015	31/12/2020	USD	61,851.99	08/01/2021	61,830.49	(21.50)	[1]
Year 2021							
016	21/02/2021	USD	266,493.16	23/02/2021	266,466.66	(26.50)	[1]
017	06/10/2021	USD	114,162.06	08/10/2021	114,135.56	(26.50)	[1]
018	02/11/2021	USD	268,996.69	04/11/2021	188,970.19	(80,026.50)	[1], [2]
019	19/12/2021	USD	140,000.00	23/12/2021	139,973.50	(26.50)	[1]
			919,705.78			839,556.78	(80,149.00)

[1] Overseas bank charges of USD 149;

[2] Amount recovered by the World Bank of USD 80,000.

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 December 2021

1. Background

The Vietnam Public Financial Management Analytical and Advisory Assistance Program (AAA Program) is implemented under Grant Agreement No. TF0A6369 dated 14/12/2017 ("the Agreement") between the Government of the Socialist Republic of Vietnam and the World Bank ("WB") with the granted amount of USD 6,270,000. In which, the non-refundable ODA fund of USD 5,670,000, the counterpart fund of USD 600,000 (equivalent to VND 13,201 million). In particular, the ODA Funds managed and used by the Projects Management Unit of the Ministry of Finance is USD 3,000,666 the rest is directly managed by the World Bank.

The main objective of the Program are to improve the more effective role of Vietnam Public Financial Management System in improving effectiveness of public expenditures and public service quality based on strategic objectives of the Government.

The Project consists of 05 components, as follows:

- Component 1: Improving linkages between plans and budgets;
- Component 2: Improving effectiveness of budget execution controls;
- Component 3: Improving production and supply of quality fiscal information;
- Component 4: Improving systems for fiscal stability and risk management;
- Component 5: Program overall support.

The Program is effective from 14/12/2017 and closed on on 31/12/2021.

The office of the Program Management Unit is at 7th floor, No.4 Hang Chuoi 1 Lane, Hang Chuoi Street, Hai Ba Trung District, Hanoi.

The Project has been formerly managed by the Viet Nam Financial Management Analytical and Advisory Assistance Program Management Unit (the AAA PMU).

From 30/09/2019, the Ministry of Finance decided to merge the AAA PMU into the Projects Management Unit of the Ministry of Finance (the MOF - PMU), according to Decision No. 915/QD-BTC dated 31 May 2019, Decision No. 1126/QD-BTC dated 05 July 2019 of the Minister of Finance. Accordingly, the Projects is currently managed by the MOF - PMU who is responsible for performing the duties, powers and obligations of the AAA Program Management Unit.

2. Summary of significant accounting policies

a. Basis of preparation of the Financial Statements

The annual accounting period commences from 1st January and ends at 31st December.

The financial statements are prepared under the historical cost and cash basis of accounting and are adjusted to meet the requirement of the World Bank. Accordingly, receipts are recognized when received, rather than when the right to receive them arises, disbursements are recognized when being paid, rather than the obligation to pay.

The financial statements are presented in Vietnam Dong (VND) except for the Statement of Designated Account and Statement of Withdrawals and Reconciliation of Funds, which are prepared in United State Dollar (USD).

Particularly, the note of disbursements by schemes and components are presented in Vietnam Dong (VND) and converted into United State Dollar (USD). In which, disbursements from the counterpart fund are converted into USD using exchange rate announced by the Ministry of Finance at the end of each quarter corresponding to the fund received in the quarter.

The principal accounting policies are summarized as below:

b. Foreign currencies

Receipts from the WB by foreign currency are converted to VND using the exchange rates announced by the Ministry of Finance when fund is transferred to the Designated Account.

Expenses arising in foreign currencies are converted to the VND at exchange rates announced by the Ministry of Finance at payment dates.

Other transactions in foreign currency are converted in accordance with the served bank's real exchange rate disclosed on the date of transaction. The foreign exchange differences from these transactions are recorded in the foreign exchange differences account and prepared in the item "Foreign exchange differences" in Statement of Receipt and Disbursement.

c. Receipts from the World Bank

Funds from the World Bank are recognized when remittance made into the Designated Account or direct payment made to contractors/suppliers.

d. Receipts from the Vietnamese Government

Receipts from the Vietnamese Government ("the counterpart fund") are recorded when payments are made directly from the Treasury to contractors/suppliers of the Program or funds are remitted to the PMU for settlement of the Program's activities.

e. Designated Account and its interest

Designated Account is the deposit account in USD opened at Bao Viet Commercial Joint Stock Bank - Business Center for the Program's activities. Payments made via the Designated Account are for eligible expenditures of the Program in accordance with the provisions of the Grant Agreement No.TF0A6369 dated 14/12/2017.

There is no interest with deposit account in USD under the prevailing rule.

3. Receipts from the World Bank

	Year 2021		Accumulated to 31/12/2021	
	USD	Equivalent to VND	USD	Equivalent to VND
Designated account				
Advance	-	-	400,000.00	9,029,600,000
Replenishment (*)	839,705.78	19,429,492,853	2,243,827.16	51,980,257,365
	839,705.78	19,429,492,853	2,643,827.16	61,009,857,365

(*) Difference from the total amount deposited by the World Bank is USD 149 of overseas bank charges and USD 54.5 in relation to overseas bank charges at Withdrawal Application No. 002 dated 27/09/2019.

4. Disbursements

Disbursements by components (in VND)

	Year 2021		Accumulated to 31/12/2021	
	WB fund	Counterpart fund	Total	WB fund
	VND	VND	VND	VND
Section A: Actions to strengthen the capacity	17,452,342,060	-	17,452,342,060	43,848,250,087
Component 1: Improving linkages between plans and budgets	282,740,000	-	282,740,000	544,547,000
Component 2: Improving effectiveness of budget execution controls	2,244,811,024	-	2,244,811,024	6,509,923,092
Component 3: Improving production and supply of quality fiscal information	6,733,762,958	-	6,733,762,958	20,314,758,078
Component 4: Improving systems for fiscal stability and risk management	8,191,028,078	-	8,191,028,078	16,479,021,917
Section B: Program overall support	3,413,401,375	1,486,518,149	4,899,919,524	12,489,529,901
	20,865,743,435	1,486,518,149	22,352,261,584	56,337,779,988
				8,754,829,758
				21,244,359,659
				65,092,609,746

Disbursements by schemes (in VND)

	Year 2021		Accumulated to 31/12/2021	
	WB fund VND	Counterpart VND	Total VND	Counterpart VND
Section A: Actions to strengthen the capacity	17,452,342,060	-	17,452,342,060	-
Component 1: Improving linkages between plans and budgets	282,740,000	-	282,740,000	-
Scheme 2A: Review the implementation progress of the PER recommendations by line ministries	282,740,000	-	282,740,000	-
Component 2: Improving effectiveness of budget execution controls	2,244,811,024	-	2,244,811,024	-
Scheme 3A: Commitment management	1,010,922,755	-	1,010,922,755	-
Scheme 3B: Consultant on upgrading of TABMIS to meet the requirements for medium-term expenditure commitment control, application of consistent COA and establishment of state-accounting database	1,134,726,669	-	1,134,726,669	-
Scheme 4: Cash management	-	-	-	-
Scheme 5: Monitoring the performance of public non-business units	99,161,600	-	99,161,600	-
Component 3: Improving production and supply of quality fiscal information	6,733,762,958	-	6,733,762,958	-
Scheme 6: Budget classification	-	-	-	-
Scheme 7: Budget reporting with alignment with GFS	442,785,000	-	442,785,000	-
Scheme 8: Budget transparency and openness	1,230,487,182	-	1,230,487,182	-
Scheme 9: Vietnam Public Sector Accounting Standards (VPSAS) adoption	2,498,465,000	-	2,498,465,000	-
Scheme 10: Production of Whole of Government Financial Statements (WOGFS)	2,562,025,776	-	2,562,025,776	-
			43,848,250,087	-
				43,848,250,087
			544,547,000	-
			544,547,000	-
			6,509,923,092	-
			2,803,595,788	-
			1,873,425,709	-
			840,000,000	-
			992,901,595	-
			20,314,758,078	-
			66,388,000	-
			880,765,000	-
			9,192,210,182	-
			6,219,884,120	-
			3,955,510,776	-
			3,955,510,776	-

	Year 2021			Accumulated to 31/12/2021		
	WB fund	Counterpart fund	Total	WB fund	Counterpart	Total
	VND	VND	VND	VND	VND	VND
Component 4: Improving fiscal risk stability and risk monitoring	8,191,028,078	-	8,191,028,078	16,479,021,917	-	16,479,021,917
Scheme 11A: Consolidated review on SOE financial position and risks	2,767,515,738	-	2,767,515,738	7,021,469,338	-	7,021,469,338
Scheme 11B: Strengthening the quality of SOE financial statements	3,664,533,600	-	3,664,533,600	5,186,830,620	-	5,186,830,620
Scheme 12: Subnational fiscal risk monitoring	335,951,240	-	335,951,240	1,614,924,779	-	1,614,924,779
Scheme 13A: Overarching fiscal risk monitoring	180,400,000	-	180,400,000	1,413,169,680	-	1,413,169,680
Scheme 13B: Developing the financial strategy for the period 2021-2030	1,242,627,500	-	1,242,627,500	1,242,627,500	-	1,242,627,500
Section B: Program overall support	3,413,401,375	1,486,518,149	4,899,919,524	12,489,529,901	8,754,829,758	21,244,359,659
Repeat PEFA	-	-	-	249,249,550	-	249,249,550
Project implementation and management consultants	3,019,007,086	-	3,019,007,086	10,436,693,316	-	10,436,693,316
General activities	219,224,500	-	219,224,500	1,181,240,661	-	1,181,240,661
Program management	175,169,789	1,486,518,149	1,661,687,938	622,346,374	8,754,829,758	9,377,176,132
	20,865,743,435	1,486,518,149	22,352,261,584	56,337,779,988	8,754,829,758	65,092,609,746

Disbursements by components (in USD)

	Year 2021		Accumulated to 31/12/2021			
	WB fund	Counterpart fund	Total	WB fund	Counterpart	Total
	USD	USD	USD	USD	USD	USD
Section A: Actions to strengthen the capacity	766,483.92	-	766,483.92	1,908,602.62	-	1,908,602.62
Component 1: Improving linkages between plans and budget	12,311.29	-	12,311.29	23,630.22	-	23,630.22
Component 2: Improving effectiveness of budget execution controls	98,824.28	-	98,824.28	283,499.18	-	283,499.18
Component 3: Improving production and supply of quality fiscal information	296,240.91	-	296,240.91	883,517.88	-	883,517.88
Component 4: Improving fiscal risk stability and risk monitoring	359,107.44	-	359,107.44	717,955.34	-	717,955.34
Section B: Program overall support	149,441.33	64,543.95	213,985.28	541,328.97	385,542.05	926,871.02
	915,925.25	64,543.95	980,469.20	2,449,931.59	385,542.05	2,835,473.64

Disbursements by schemes (in USD)

	Year 2021		Accumulated to 31/12/2021		
	WB fund	Counterpart fund	Total	Counterpart	
	USD	USD	USD	USD	
Section A: Actions to strengthen the capacity	766,483.92	-	766,483.92	-	1,908,602.62
Component 1: Improving linkages between plans and budget	12,311.29	-	12,311.29	-	23,630.22
Scheme 2A: Review the implementation progress of the PER recommendations by line ministries	12,311.29	-	12,311.29	-	23,630.22
Component 2: Improving effectiveness of budget execution controls	98,824.28	-	98,824.28	-	283,499.18
Scheme 3A: Commitment management	44,222.82	-	44,222.82	-	121,812.61
Scheme 3B: Consultant on upgrading of TABMIS to meet the requirements for medium-term expenditure commitment control, application of consistent COA and establishment of state-accounting database	50,289.04	-	50,289.04	-	82,406.39
Scheme 4: Cash management	-	-	-	-	36,307.05
Scheme 5: Monitoring the performance of public non-business units	4,312.42	-	4,312.42	-	42,973.13
Component 3: Improving production and supply of quality fiscal information	296,240.91	-	296,240.91	-	883,517.88
Scheme 6: Budget classification	-	-	-	-	2,856.62
Scheme 7: Budget reporting with alignment with GFS	19,379.95	-	19,379.95	-	38,334.01
Scheme 8: Budget transparency and openness	54,190.43	-	54,190.43	-	398,694.52
Scheme 9: Vietnam Public Sector Accounting Standards (VPSAS) adoption	110,305.33	-	110,305.33	-	271,015.53
Scheme 10: Production of Whole of Government Financial Statements (WOGFS)	112,365.20	-	112,365.20	-	172,617.20

	Year 2021		Accumulated to 31/12/2021			
	WB fund	Counterpart fund	Total	Counterpart		
	USD	USD	USD	USD		
Component 4: Improving fiscal risk stability and risk monitoring	359,107.44	-	359,107.44	717,955.34	-	717,955.34
Scheme 11A: Consolidated review on SOE financial position and risks	121,266.04	-	121,266.04	305,537.49	-	305,537.49
Scheme 11B: Strengthening the quality of SOE financial statements	160,958.15	-	160,958.15	226,944.15	-	226,944.15
Scheme 12: Subnational fiscal risk monitoring	14,740.49	-	14,740.49	70,034.01	-	70,034.01
Scheme 13A: Overarching fiscal risk monitoring	8,000.00	-	8,000.00	61,296.93	-	61,296.93
Scheme 13B: Developing the financial strategy for the period 2021-2030	54,142.76	-	54,142.76	54,142.76	-	54,142.76
Section B: Program overall support	149,441.33	64,543.95	213,985.28	541,328.97	385,542.05	926,871.02
Repeat PEFA	-	-	-	10,790.40	-	10,790.40
Project implementation and management consultants	132,348.72	-	132,348.72	452,627.79	-	452,627.79
General activities	9,678.79	-	9,678.79	51,179.57	-	51,179.57
Program management	7,413.82	64,543.95	71,957.77	26,731.21	385,542.05	412,273.26
	915,925.25	64,543.95	980,469.20	2,449,931.59	385,542.05	2,835,473.64

5. Cash at bank

	31/12/2021		31/12/2020	
	USD	Equivalent to VND	USD	Equivalent to VND
Designated Account at Bao Viet Commercial Joint Stock Bank - Business Center	193,781.16	4,287,057,688	270,000.63	6,055,281,811
	193,781.16	4,287,057,688	270,000.63	6,055,281,811

6. Subsequent events

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

7. Corresponding figures

The corresponding figures are the financial statements for the year ended 31 December 2020 which were audited by AASC Limited, in which some items are reclassified as follows:

Items	Presented in	Reclassified	Variances
	the last year VND	VND	VND

STATEMENT OF RECEIPT AND DISBURSEMENT

II. DISBURSEMENTS

3. Component 3: Improving production and supply of quality fiscal information	13,512,435,120	13,580,995,120	68,560,000
Section B: Program overall support	16,413,000,135	16,344,440,135	(68,560,000)

8. Approval of the Financial Statements

The financial statements were approved by the PMU for issuance on 19 January 2022.



Tran Van Son
Deputy Director

Hanoi, 19 January 2022

Pham Thuy Lan
Chief Accountant

No.: 190122.002/BCTC.FIS2

INDEPENDENT AUDITORS' REPORT ON THE INTERNAL CONTROL SYSTEM

To: Projects Management Unit of the Ministry of Finance

We have audited, in accordance with International Standards on Auditing, the financial statements of the Vietnam Public Financial Management Analytical and Advisory Assistance Program for the year ended 31 December 2021 and issued the auditors report thereon dated 19 January 2022 with 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 2021.

Responsibilities of the Project Management Unit

The Project Management 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 Program 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.

Auditors' opinion

In our opinion the Program has maintained an effective internal control over misstatements that could have a direct and material financial effect on the Program's financial statements for the year ended 31 December 2021.



Do Manh Cuong
Deputy General Director
CPA Registered Number:
0744-2018-002-1

Hanoi, 19 January 2022

Nguyen Pham Hung
Auditor in-charge
CPA Registered Number:
2893-2020-002-1

No.: 190122.002/BCTC.FIS2

INDEPENDENT AUDITORS' REPORT ON THE COMPLIANCE

To: Projects Management Unit of the Ministry of Finance

We have audited, in accordance with International Standards on Auditing, the financial statements of the Vietnam Public Financial Management Analytical and Advisory Assistance Program for the year ended 31 December 2021 and issued the auditors report thereon dated 19 January 2022 expressing an opinion on those financial statements.

In connection with the audit of the financial statements, we also performed procedures on the Program's compliance with the Grant Agreement No.TF0A6369 dated 14 December 2017, law and regulations that have a direct and material effect on the Program's financial statements for the year ended 31 December 2021 ("the Requirements").

Responsibilities of the Project Management Unit

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Program'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 Program.

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 Program has complied with the Requirements.

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

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

Auditors' opinion

In our opinion, the Program has complied with the Requirements that could have a direct and material financial effect on the Program's financial statements for the year ended 31 December 2021.

AASC Limited



Đo Mạnh Cường
Deputy General Director
CPA Registered Number:
0744-2018-002-1

Hanoi, 19 January 2022

A blue handwritten signature.

Nguyen Pham Hung
Auditor in-charge
CPA Registered Number:
2893-2020-002-1

APPENDIX: BALANCE SHEET PREPARED UNDER ACCRUAL BASIS
As at 31 December 2021

	31/12/2021	31/12/2020
	VND	VND
CURRENT ASSETS	4,287,243,094	6,057,921,251
Cash on hand	-	2,639,440
Cash at bank - the Designated account in USD	4,287,057,688	6,055,281,811
Taxes and receivables from the State	185,406	-
NON-CURRENT ASSETS	65,279,415,058	42,923,054,162
Tangible fixed assets	186,805,312	182,706,000
- Cost	516,761,500	432,760,000
- Accumulated depreciation	(329,956,188)	(250,054,000)
Program Implementation Expenditures	65,092,609,746	42,740,348,162
TOTAL ASSETS	69,566,658,152	48,980,975,413
CURRENT LIABILITIES	185,406	-
Other payables	185,406	-
FUNDS	69,566,472,746	48,980,975,413
Project Implementation Funds	69,764,687,123	48,848,676,121
<i>Received from the World Bank</i>	<i>61,009,857,365</i>	<i>41,580,364,512</i>
<i>Counterpart fund</i>	<i>8,754,829,758</i>	<i>7,268,311,609</i>
Funds for fixed assets acquisition	186,805,312	182,706,000
Foreign exchange differences	(385,019,689)	(50,406,708)
TOTAL RESOURCES	69,566,658,152	48,980,975,413

The Program applies the public sector accounting as set out in Circular No. 107/2017/TT-BTC dated 10 October 2017 by the Ministry of Finance for recording purpose under accrual basis of accounting.

Reconciliation between expenditures in Balance sheet and disbursements in Statement of Receipt and Disbursement

	31/12/2021	31/12/2020
	VND	VND
Accumulated expenditures in Balance sheet	65,092,609,746	42,740,348,162
Add:		
Taxes and receivables from the state	185,406	-
Tangible fixed assets	186,805,312	182,706,000
Deduct:		
Other payables	(185,406)	-
Funds for fixed asset acquisitions	(186,805,312)	(182,706,000)
Disbursements accumulated to closing	65,092,609,746	42,740,348,162