

**HONG KONG BUSINESS ASSOCIATION VIETNAM**

6th Floor, Golden Building, Sunwah Pearl, 90 Nguyen Huu Canh Street  
Ward 22, Binh Thanh District, Ho Chi Minh City, S.R Vietnam

**REPORT OF THE GENERAL COMMITTEE OF ASSOCIATION (Continued)**

**THE GENERAL COMMITTEE OF ASSOCIATION'S STATEMENT OF RESPONSIBILITY IN RESPECT TO THE STATEMENT OF RECEIPTS AND PAYMENTS**

The General Committee of Association is responsible for ensuring that the statement of receipts and payments is properly draw up to give a true and fair view of the receipts and payments for the year then ended 31 October 2023 in accordance with the accounting policies as set out in Note 3 to the statement of receipts and payments. In preparing the statement of receipts and payments, the General Committee of Association is required to:

- select suitable accounting policies and apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- comply with the disclosure requirements of modified cash receipts and payments basis comply with relevant statutory requirements on preparation and presentation of the statement of receipts and payments;
- maintain adequate accounting records and an effective system of internal control;
- prepare the statement of receipts and payments on the going concern basis unless it is inappropriate to presume that the association will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the statement of receipts and payments so as to minimize frauds and errors.

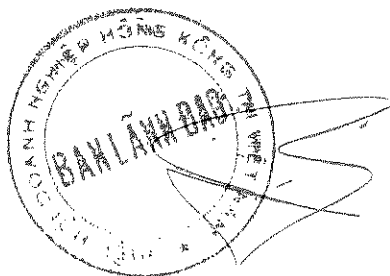
The General Committee of Association is also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The General Committee of Association confirms that the Association has complied with the above requirements in preparing this statement of receipts and payments.

**STATEMENT BY THE GENERAL COMMITTEE OF ASSOCIATION**

In the opinion of the General Committee of the Association, the accompanying statement of receipts and payments, together with the notes thereto, have been properly drawn up and give a true and fair view of the receipts and payments in accordance with the accounting policies as set out in Note 3 to the statement of receipts and payments.

For and on behalf of the General Committee of Association,



**Michael Chiu Kam Kwong**  
Chairman  
8 December 2023

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No.: 0285 /VN1A-HC-BC

## INDEPENDENT AUDITORS' REPORT

To: **The Members of Hong Kong Business Association Vietnam**

We have audited the accompanying statement of receipts and payments of Hong Kong Business Association Vietnam ("HKBAV") prepared on 8 December 2023 as set out from page 5 to page 9, for the year ended 31 October 2023, and a summary of significant accounting policies and other explanatory information.

### ***The General Committee of Association's Responsibility for the Statement of receipts and payments***

The General Committee of Association is responsible for the preparation and fair presentation of the statement of receipts and payments in accordance with the accounting policies as set out in Note 3 to the statement, and for such internal control as the General Committee of Association determines is necessary to enable the preparation of statement of receipts and payments that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on the statement of receipts and payments based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the statement of receipts and payments are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of receipts and payments. The procedures selected depend on the auditors' judgment, including the assessments of risk of material misstatement of the statement of receipts and payments, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Association's preparation and fair presentation of the statement of receipts and payments 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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the General Committee of Association, as well as evaluating the overall presentation of the statement of receipts and payments.

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

### ***Opinion***

In our opinion, the statement of receipts and payments presents fairly, in all material respects, the financial position of the Association for the year then ended 31 October 2023 in accordance with the accounting policies as set out in Note 3 to the statement of receipts and payments.

## INDEPENDENT AUDITORS' REPORT (Continued)

### *Restriction on Distribution and Use*

We draw attention to Note 3 of the notes to the statement of receipts and payments, which describes the basis of accounting for the statement of receipts and payments. This report has been prepared for and only for the members of the Association and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come, except where expressly agreed by our prior consent in writing.



**Hoang Thi Lan Anh**  
Audit Director

Audit Practicing Registration Certificate  
No. 4597-2023-001-1

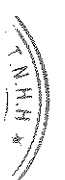
**BRANCH OF DELOITTE VIETNAM AUDIT  
COMPANY LIMITED**

8 December 2023

Ho Chi Minh City, S.R. Vietnam

**Nguyen Duc Man**  
Auditor

Audit Practicing Registration Certificate  
No. 4619-2023-001-1



**HONG KONG BUSINESS ASSOCIATION VIETNAM**

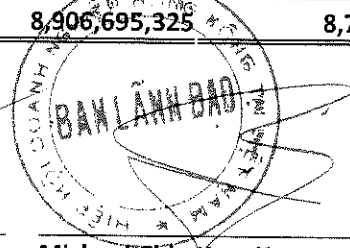
6th Floor, Golden Building, Sunwah Pearl, 90 Nguyen Huu Canh Street  
 Ward 22, Binh Thanh District, Ho Chi Minh City, S.R Vietnam

**STATEMENT OF RECEIPTS AND PAYMENTS**  
*For the year ended 31 October 2023*

	Notes	Year ended 31 October 2023 VND	Year ended 31 October 2022 VND
<b>Receipts</b>			
<b>Receipts from operation</b>		<b>3,500,534,939</b>	<b>6,386,948,033</b>
Fund received from membership		1,587,506,650	1,560,424,714
Fund received from donors	4	441,240,406	501,093,198
Sponsorship via advertising channels	5	105,360,000	99,440,000
Other income	6	1,366,427,883	4,225,990,121
<b>Receipts from charity</b>		<b>710,904,522</b>	<b>1,472,123,884</b>
Fund received from charity events		710,904,522	1,472,123,884
<b>Total receipts</b>		<b>4,211,439,461</b>	<b>7,859,071,917</b>
<b>Payments</b>			
<b>Payments from operation</b>		<b>3,403,426,179</b>	<b>4,753,540,623</b>
Administration costs		488,437,441	414,140,037
Personnel costs		1,332,895,000	1,172,688,100
Rental expenses		190,745,250	342,507,868
Operation costs		1,347,889,988	2,774,156,207
Other expenses		43,458,500	50,048,411
<b>Payments from charity</b>		<b>558,177,476</b>	<b>1,015,641,061</b>
Expenditures for charitable activities		558,177,476	1,015,641,061
<b>Total payments</b>		<b>3,961,603,655</b>	<b>5,769,181,684</b>
<b>Surplus for the period</b>		<b>249,835,806</b>	<b>2,089,890,233</b>
<b>Fund balances brought forward</b>		<b>8,730,658,712</b>	<b>6,503,380,328</b>
From operation		7,292,820,148	5,522,014,687
From charity		1,437,838,564	981,365,641
Translation currency difference		(73,799,193)	137,388,151
<b>Fund balance carried forward</b>		<b>8,906,695,325</b>	<b>8,730,658,712</b>
<b>Represented by:</b>			
<b>Cash and bank balances</b>	<b>7</b>	<b>8,906,695,325</b>	<b>8,730,658,712</b>
From operation		7,316,129,715	7,292,820,148
From charity		1,590,565,610	1,437,838,564
<b>Total fund balance carried forward</b>		<b>8,906,695,325</b>	<b>8,730,658,712</b>

Calvin On Khac Cuong  
Preparer

Water Sung Wai Fung  
Treasurer



Michael Chiu Kam Kwong  
Chairman  
8 December 2023

*The accompanying notes are an integral part of the statement of receipts and payments.*

## HONG KONG BUSINESS ASSOCIATION VIETNAM

6th Floor, Golden Building, Sunwah Pearl, 90 Nguyen Huu Canh Street  
Ward 22, Binh Thanh District, Ho Chi Minh City, S.R Vietnam

### NOTES TO THE STATEMENT OF RECEIPTS AND PAYMENTS

*These notes are an integral part of and should be read in conjunction with the accompanying statement of receipts and payments.*

#### 1. GENERAL INFORMATION

##### Structure of ownership

Hong Kong Business Association Vietnam ("HKBAV") is a non-profit, voluntary membership association of Hong Kong business in Vietnam that was established in Ho Chi Minh City in 1999 under Establishment License No.06/GP-HHDN/HCM issued by Ho Chi Minh People's Committee on 15 June 1999. In 2012, the Branch was established in Hanoi under Branch License No.14/GP-UBND issued by Ha Noi People's Committee on 17 August 2011, and subsequent amendments. Under the latest amended licenses for Ho Chi Minh City Office and Hanoi Branch, the licenses are extended and valid until 15 June 2025.

The Association's registered office is located at 6th Floor, Golden Building, Sunwah Pearl, 90 Nguyen Huu Canh Street, Ward 22, Binh Thanh District, Ho Chi Minh City, S.R Vietnam.

As at 31 October 2023, the Association has 4 employees (as at 31 October 2022: 4 employees) and 357 Association's members (as at 31 October 2022: 336 Association's members).

##### Principal activities

HKBAV aims to provide interaction for its members with local and international business communities. HKBAV which currently is an executive committee member to the Federation of Hong Kong Business Association Worldwide has now become a part of a global business association sharing a membership database with 46 Hong Kong Business Association in 35 countries with over 13,000 individual associates worldwide.

The objective of HKBAV is to facilitate and increase two-way investments, business and trade flow between Vietnam and Hong Kong; to raise the profile of Vietnam in the Hong Kong business community and the profile of Hong Kong in the Vietnamese business community; to complement the bilateral activities carried out by missions and/or business organizations of Hong Kong; to support Hong Kong under the provisions of by-laws and HKBAV contacts and provide assistance to business-related issues in Vietnam and Hong Kong; to facilitate the creation strategies between small and medium-size companies of Vietnam and Hong Kong; to organize and provide social functions to members and non-members of the Association; to promote fellowship among members; to undertake all activities to achieve the above-stated objectives, in conformity with by-laws, HKBAV rules, and HKBAV decisions. In the Annual General Meeting in 2004, HKBAV Members have unanimously passed a resolution to establish the "HKBAV Charity Fund" to contribute to Vietnamese society.

#### 2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

##### Accounting convention and basis of preparation

The statement of receipts and payments, which presented in Vietnam Dong (VND), has been prepared in accordance with a modified cash receipts and payments basis, in which receipts are recognized when money is received rather than when income is earned, and payments are recognized when actual payments are made rather than when expenditures are incurred.

This basis of accounting is designed to meet the requirements of the Association, but not for the purpose of providing a statement of receipts and payments that is compatible with Vietnamese Accounting Standards.

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**HONG KONG BUSINESS ASSOCIATION VIETNAM**  
**NOTES TO THE STATEMENT OF RECEIPTS AND PAYMENTS (Continued)**

**Financial year**

The Association's financial year begins on 1 November and ends on 31 October.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies, which have been adopted by the Association in the preparation of the statement of receipts and payments, are as follows:

**Cash and cash equivalents**

Cash comprises cash on hand, cash in banks and time deposits, cash and cash equivalents included foreign currency other than VND.

**Foreign currencies**

The functional currency of the Association is VND.

The Association records its transactions in both VND and United States Dollar (USD). Cash and bank balances denominated in USD are translated into VND equivalents at the end of the year ended 31 October 2023 pursuant to prevailing exchange rate. Exchange rate differences arising from the translation of USD balances to VND are presented as the translation currency difference in the statement of receipts and payments.

**Receipts**

Receipts from membership fees, sponsors, charity and other receipts are recognized when the membership fees, donations and other income are received.

**Payments**

Payments for operating costs are recognized when the operating costs are paid.

**4. FUND RECEIVED FROM DONORS**

	Year ended 31 October 2023 VND	Year ended 31 October 2022 VND
Sun Wah Properties (Vietnam) JSC	79,303,500	92,988,860
Hong Kong Trade Development Council	70,800,000	69,300,000
Baker & McKenzie (Vietnam) Ltd.	-	68,000,000
Chiaphua Industries Ltd.	68,000,000	68,000,000
Jardine Matheson Group	68,000,000	68,000,000
Tung Shing Group	68,000,000	68,000,000
HongKong Economic and Trade Office	67,136,906	66,804,338
Q P Enterprise (Vietnam) Limited	20,000,000	-
	<u>441,240,406</u>	<u>501,093,198</u>

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HONG KONG BUSINESS ASSOCIATION VIETNAM  
NOTES TO THE STATEMENT OF RECEIPTS AND PAYMENTS (Continued)

5. SPONSORSHIP VIA ADVERTISING CHANNELS

	Year ended 31 October 2023 VND	Year ended 31 October 2022 VND
Sun Wah Properties (Vietnam) Joint Stock Company	6,600,000	6,000,000
KCN Management and Services Joint Stock Company	6,600,000	15,000,000
BW Industrial Development Joint Stock Company	2,160,000	8,640,000
Amata City BienHoa Joint Stock Company	12,600,000	-
TungShing Group	12,600,000	-
Colliers Vietnam	6,000,000	-
Empress Hotel IMS	6,000,000	-
Viglacera Real Estate Company	12,600,000	-
Lotte Hotel Saigon	6,600,000	-
Club Royale	6,600,000	-
PEB Steel Buildings Company Limited	6,600,000	-
Indochine Real Estate Joint Stock Company	6,600,000	-
Q P Enterprise (Vietnam) Company Limited	9,000,000	-
Australian International School, Vietnam	4,800,000	-
EIS Communication & Marketing Department	-	5,600,000
European International Education Services Company Limited	-	11,800,000
Trico Services Vietnam Company Limited	-	6,000,000
Minh Hung - Sikico Industrial Park Joint Stock Company	-	14,600,000
Bao Minh Insurance Corporation	-	6,000,000
Southern Branch of Vietnam National Construction Consultants Corporation - Joint Stock Company	-	6,000,000
CT Group	-	6,000,000
AppliancZ Vietnam Joint Stock Company	-	6,000,000
Ho Tram Project Company Limited	-	7,800,000
	<u>105,360,000</u>	<u>99,440,000</u>

6. OTHER INCOME

	Year ended 31 October 2023 VND	Year ended 31 October 2022 VND
Function	1,208,930,224	4,159,598,074
Interest income	140,096,659	55,765,031
Refund	17,401,000	10,627,016
	<u>1,366,427,883</u>	<u>4,225,990,121</u>

HONG KONG BUSINESS ASSOCIATION VIETNAM  
 NOTES TO THE STATEMENT OF RECEIPTS AND PAYMENTS (Continued)

7. CASH AND BANK BALANCES

	31 October 2023	31 October 2022
	<u>VND</u>	<u>VND</u>
Cash on hand	241,303,627	380,410,995
Cash in banks	6,165,391,698	5,850,247,717
Time deposits	2,500,000,000	2,500,000,000
	<u>8,906,695,325</u>	<u>8,730,658,712</u>

Cash and cash equivalents included foreign currency other than VND, as follows:

	31 October 2023	31 October 2022
In original foreign currency:		
- United States Dollar (USD)	123,529	131,445

Time deposits represent the amount of deposits in VND at Vietnam Prosperity Joint-Stock Commercial Bank with original term of 6 months which earn interest at the rate of 5.7% per annum.


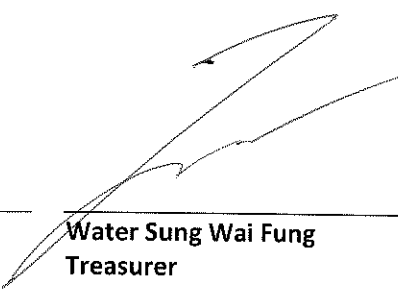
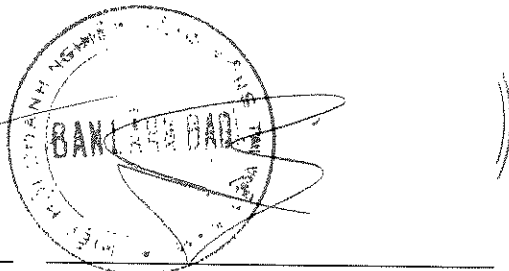
As at 31 October 2023, an amount of VND 181,213,000 (as at 31 October 2022: VND 278,728,100) included in cash on hand and an amount of VND 909,352,610 (as at 31 October 2022: VND 659,110,464) included in cash in banks and an amount of VND 500,000,000 (as at 31 October 2022: VND 500,000,000) included time deposit were reserved for the purpose of charitable activities.

8. SUBSEQUENT EVENT

No significant event has occurred since the reporting date which would impact on the statement of receipts and payments of the Association as disclosed in the statement of receipts and payments for the year ended 31 October 2023.

9. AUTHORIZATION OF STATEMENT OF RECEIPTS AND PAYMENTS

The statement of receipts and payments has been approved by the General Committee and authorised to be issued.

 <hr/> Calvin On Khac Cuong Preparer	 <hr/> Water Sung Wai Fung Treasurer	 <hr/> Michael Chiu Kam Kwong Chairman 8 December 2023
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