

# Audited Project Financial Statements

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Project Number: 46391  
Loan/Grant Number: 3161 and 8286-VIE  
Period covered: 1 January 2015 to 31 December 2015

## VIE: Ha Noi and Ho Chi Minh City Power Grid Development Sector Project

Prepared by Ho Chi Minh Power Corporation

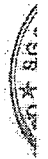
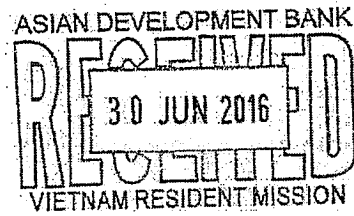
For the Asian Development Bank  
Date received by ADB: 30 June 2016

The audited project financial statements are documents owned by the borrower. The views expressed herein do not necessarily represent those of ADB's Board of Directors, Management, or staff. These documents are made publicly available in accordance with ADB's Public Communications Policy 2011 and as agreed between ADB and the Department of Energy.

**Ho Chi Minh City Power Corporation  
Ha Noi and Ho Chi Minh City Power Grid Development  
Sector Project**

Loan Agreement ADB No. 3161-VIE and  
Loan Agreement AIF No. 8286-VIE (AIF)

Audited financial statements  
For the period from the inception of the Project to 31 December 2015



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# Ho Chi Minh City Power Corporation

## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project

*Established under the Loan Agreement ADB No. 3161-VIE between the Asia Development Bank and the Government of the Socialist Republic of Vietnam; and the Loan Agreement AIF No. 8286-VIE (AIF) between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam*

### REPORT OF THE MANAGEMENT

The Management of Ho Chi Minh City Power Corporation ("the Corporation") presents this report together with the financial statements of the Ha Noi and Ho Chi Minh City Power Grid Development Sector Project - Loan Agreement ADB No. 3161-VIE and AIF No. 8286-VIE (AIF) - Portion implemented by the Corporation ("the Project") as at 31 December 2015 and for the period from the inception of the Project to 31 December 2015.

### THE MANAGEMENT

The members of the Management during the period and at the date of this report are:

Mr. Le Van Phuoc	General Director
Mr. Nguyen Van Ly	Deputy General Director
Mr. Tran Khiem Tuan	Deputy General Director
Mr. Pham Quoc Bao	Deputy General Director
Mr. Tang Nai Tong	Deputy General Director

### MANAGEMENT STATEMENT RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS OF THE PROJECT

The Management is responsible for preparing the financial statements of the Project, which comprise the balance sheet as at 31 December 2015, the statement of sources and uses of funds, statement of designated account, statement of loan withdrawals for the period from the inception of the Project to 31 December 2015 and the notes to the financial statements, which give a true and fair view of the financial position of the Project as at 31 December 2015 as well as its receipts, disbursements and expenditures for the period from the inception of the Project to 31 December 2015, in accordance with the accounting policies set out in Note 3 of the notes to the financial statements and the Project Financial Management Manual. In preparing these financial statements, the Management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgments and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements, and
- ▶ design and maintain effective internal control over compliance with requirements that could have a direct and material financial effect on the financial statements, as well as over financial reporting for the purpose of properly preparing and presenting the financial statements so as to minimise errors and frauds; and take responsibility for its assertions as to the effectiveness of such internal control.

The Management is responsible for:

- ▶ Ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Project and that the financial statements comply with the accounting policies set out in Note 3 of the notes to the financial statements;
- ▶ Using the Project's funds as intended for the Project and for complying with the Project Financial Management Manual as well as laws and regulations applicable to the Project; and
- ▶ Safeguarding the assets of the Project and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

# Ho Chi Minh City Power Corporation

## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project

*Established under the Loan Agreement ADB No. 3161-VIE between the Asia Development Bank and the Government of the Socialist Republic of Vietnam; and the Loan Agreement AIF No. 8286-VIE (AIF) between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam*

### REPORT OF THE MANAGEMENT (continued)

The Management confirms that they have complied with the above requirements in preparing these financial statements.

For and on behalf of the Management,



Pham Quoc Bao  
Deputy General Director

31 May 2016



Ernst & Young Vietnam Limited  
26th Floor, Bifexco Financial Tower  
2 Hai Trieu Street, District 1  
Ho Chi Minh City, S.R. of Vietnam

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Reference: 60729681/18386413/ADB

## INDEPENDENT AUDITORS' REPORT

To: The Management of Ho Chi Minh City Power Corporation

We have audited the accompanying financial statements of the Ha Noi and Ho Chi Minh City Power Grid Development Sector Project - Loan Agreement ADB No. 3161-VIE and Loan Agreement AIF No. 8286-VIE (AIF) - Portion implemented by Ho Chi Minh City Power Corporation ("the Corporation") ("the Project") prepared on 31 May 2016, as set out from page 5 to page 15, which comprise the balance sheet as at 31 December 2015, the statements of sources and uses of funds, statement of designated account, statement of loan withdrawals for the period from the inception of the Project to 31 December 2015 and the notes thereto. The financial statements have been prepared by the Corporation management in accordance with the accounting policies as described in Note 3 to the financial statements and the Project Financial Management Manual.

### *Management's Responsibility*

The Corporation's management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting policies set out in Note 3 of the notes to the financial statements and the Project Financial Management Manual and for such internal control as the Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Project's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



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**Opinion**

In our opinion, the financial statements of the Project as at 31 December 2015 and for the period from the inception of the Project to 31 December 2015 are prepared, in all material respects, in accordance with the accounting policies as described in Note 3 to the financial statements and the Project Financial Management Manual.

**Accounting policies**

Without modifying our opinion, we draw attention to Note 3 to the financial statements which describe the accounting policies.

Ernst & Young Vietnam Limited



Le Quang Minh  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 0426-2013-004-1

Tran Nam Dung  
Auditor  
Audit Practicing Registration Certificate  
No. 3021-2014-004-1

Ho Chi Minh City, Vietnam

31 May 2016

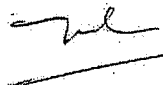
# Ho Chi Minh City Power Corporation

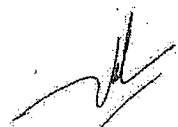
## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project


Established under the Loan Agreement ADB No. 3161-VIE between the Asia Development Bank and the Government of the Socialist Republic of Vietnam; and the Loan Agreement AIF No. 8286-VIE (AIF) between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam

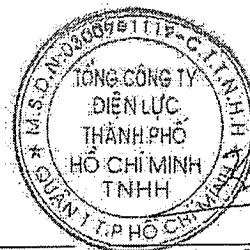
BALANCE SHEET  
as at 31 December 2015

	Notes	VND <u>31 December 2015</u>
<b>ASSETS</b>		
<b>Non-current asset</b>		
Project implementing expenditures	5	<u>55,434,752,563</u>
<b>Current assets</b>		
Cash	6	-
Short-term advance to suppliers	7	<u>3,258,337,823</u>
<b>Total current assets</b>		<u>3,258,337,823</u>
<b>TOTAL ASSETS</b>		<u>58,693,090,386</u>
<b>RESOURCES</b>		
<b>Funds</b>		
ADB fund	8	633,467,385
AIF fund		-
Counterpart fund		<u>42,040,339,423</u>
<b>Total funds</b>		<u>42,673,806,808</u>
<b>Liabilities</b>		
Short-term payables to suppliers	9	<u>16,019,283,578</u>
<b>Total liabilities</b>		<u>16,019,283,578</u>
<b>TOTAL RESOURCES</b>		<u>58,693,090,386</u>

  
Huynh Thi To Trinh  
Preparer

  
Nguyen Duy Quoc Viet  
Acting Chief Accountant

  
Pham Quoc Bao  
Deputy General Director



31 May 2016

See accompanying notes to financial statements.




# Ho Chi Minh City Power Corporation


## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project


Established under the Loan Agreement ADB No. 3161-VIE between the Asia Development Bank and the Government of the Socialist Republic of Vietnam; and the Loan Agreement AIF No. 8286-VIE (AIF) between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam

### STATEMENT OF SOURCES AND USES OF FUNDS for the period from the inception of the Project to 31 December 2015

	For the period from the inception of the Project to 31 December 2015			VND
	ADB fund	AIF fund	Counterpart fund	Total
<b>Receipts</b>				
ADB fund	633,467,385	-	-	633,467,385
AIF fund	-	-	-	-
Counterpart fund	-	-	27,116,066,423	27,116,066,423
	<b>633,467,385</b>	<b>-</b>	<b>27,116,066,423</b>	<b>27,749,533,808</b>
<b>Disbursements</b>				
Construction	-	-	8,013,007,581	8,013,007,581
Others	633,467,385	-	19,103,058,842	19,736,526,227
	<b>633,467,385</b>	<b>-</b>	<b>27,116,066,423</b>	<b>27,749,533,808</b>
<b>Surplus of receipts over disbursements</b>				
	-	-	-	-
<b>Change in fund balance</b>				
	-	-	-	-
<b>Funds balance at beginning of period</b>				
	-	-	-	-
<b>Funds balance at ending of period</b>				
	-	-	-	-
<i>Represented by:</i>				
Cash balance as at 31 December 2015	-	-	-	-

  
Huynh Thi To Trinh  
Preparer

  
Nguyen Duy Quoc Viet  
Acting Chief Accountant

  
Pham Quoc Bao  
Deputy General Director



31 May 2016

See accompanying notes to financial statements.

# Ho Chi Minh City Power Corporation

## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project

Established under the Loan Agreement ADB No. 3161-VIE between the Asia Development Bank and the Government of the Socialist Republic of Vietnam; and the Loan Agreement AIF No. 8286-VIE (AIF) between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam

### STATEMENT OF DESIGNATED ACCOUNTS

for the period from the inception of the Project to 31 December 2015

Account No.: 007.1.37.0984328  
 Depository Bank: Joint Stock Commercial Bank for Foreign Trade of Vietnam  
 – Ho Chi Minh City Branch  
 Address: 132 Ham Nghi, District 1, Ho Chi Minh City  
 Loan Agreement No.: 3161-VIE and 8286-VIE (AIF)  
 Currency: USD

Account No.: 007.1.37.0984314  
 Depository Bank: Joint Stock Commercial Bank for Foreign Trade of Vietnam  
 – Ho Chi Minh City Branch  
 Address: 132 Ham Nghi, District 1, Ho Chi Minh City  
 Loan Agreement No.: 3161-VIE and 8286-VIE (AIF)  
 Currency: USD

USD

Amount

#### Part A: Account activity

Opening balance

Add:

Total amount deposited by the Asia Development Bank during the period

Deduct:

Total amount withdrawn during the period

Closing balance (as at 31 December 2015)

#### Part B: Account reconciliation

Opening outstanding advance balance from the Asia Development Bank

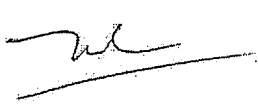
Add:

Total amount advanced from the Asia Development Bank during the period


Deduct:

Total amount claimed and accepted during the period

Outstanding advance balance from the Asia Development Bank as at 31 December 2015

  
 Huynh Thi To Trinh  
 Preparer

  
 Nguyen Duy Quoc Viet  
 Acting Chief Accountant

  
 Pham Quoc Bao  
 Deputy General Director



31 May 2016

See accompanying notes to financial statements.

# Ho Chi Minh City Power Corporation

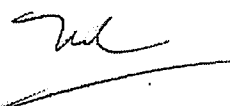
## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project

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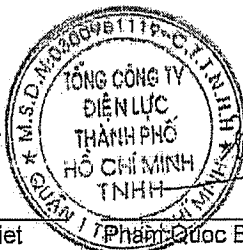
### STATEMENT OF LOAN WITHDRAWALS

for the period from the inception of the Project to 31 December 2015

For the period from the inception of the Project to 31 December 2015, the Corporation has not yet been disbursed any withdrawal under Loan Agreement ADB No. 3161-VIE and Loan Agreement AIF No. 8286-VIE (AIF).



Huynh Thi To Trinh  
Preparer



Nguyen Duy Quoc Viet  
Acting Chief Accountant

Phạm Quốc Bảo  
Deputy General Director

31 May 2016

See accompanying notes to financial statements.

# Ho Chi Minh City Power Corporation

## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project

Established under the Loan Agreement ADB No. 3161-VIE between the Asia Development Bank and the Government of the Socialist Republic of Vietnam; and the Loan Agreement AIF No. 8286-VIE (AIF) between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam

### NOTES TO THE FINANCIAL STATEMENTS

as at and for the period from the inception of the Project to 31 December 2015

#### 1. GENERAL INFORMATION

Ha Noi and Ho Chi Minh City Power Grid Development Sector Project operates under Loan Agreement ADB No. 3161-VIE dated on 7 November 2014 between the Asian Development Bank and the Government of Socialist Republic of Vietnam and the Loan Agreement AIF No. 8286-VIE (AIF) dated on 7 November 2014 between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam.

The objective of the Project is to improve reliable power supply to domestic household, commercial, and industrial sectors within the area of operation of the Executing Agencies.

The Project shall comprise the Subprojects that meet the criteria set forth as below, and Consulting Services related to preparation, assessment, implementation, management and monitoring of the Project and Subprojects.

To be eligible for financing, each Subproject shall meet the following general eligibility criteria:

- (i) It develops, rehabilitates, and expands transmission lines and substations of voltage levels not less than 110 kV;
- (ii) It is technically feasible, contributes to the increasing reliability of power supply and reduces losses;
- (iii) It is part of the National Power Development Plan VII (for 220 kV substations and transmission lines), and is included in the approved power development plans of either Executing Agency (or subsequent revisions thereof);
- (iv) It is not classified as category A under the Asia Development Bank's Safeguard Policy Statement;
- (v) It does not include or involve transmission lines emanating from power plants, except for renewable energy resources (other than hydropower); and
- (vi) It is economically viable and shall have demonstrated an economic internal rate of return (EIRR) equal to or greater than 12%, or with EIRR of not less than 10% for Subprojects with significant unquantifiable benefits. An economic analysis shall have been conducted in accordance with Asia Development Bank's Guidelines for the Economic Analysis of Projects.

Ha Noi and Ho Chi Minh City Power Grid Development Sector Project - Loan Agreement ADB No. 3161-VIE and AIF No. 8286-VIE (AIF) - Portion implemented by the Corporation ("the Project") is implemented under the Sub-loan Agreement signed between the Corporation and the Ministry of Finance dated 30 March 2015.

Funds of Ha Noi and Ho Chi Minh City Power Grid Development Sector Project include Asia Development Bank fund ("ADB"), ASEAN Infrastructure Fund Limited fund ("AIF") and counterpart fund. Funds from ADB and AIF for the portion implemented by the Corporation are within USD 98,150,000 and USD 56,830,000, respectively.

The Project is expected to be completed by 30 June 2020.

# Ho Chi Minh City Power Corporation

## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project

Established under the Loan Agreement ADB No. 3161-VIE between the Asia Development Bank and the Government of the Socialist Republic of Vietnam; and the Loan Agreement AIF No. 8286-VIE (AIF) between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam

### NOTES TO THE FINANCIAL STATEMENTS (continued)

as at and for the period from the inception of the Project to 31 December 2015

## 2. ACCOUNTING CONVENTION

The accompanying financial statements, prepared under the historical cost convention, are expressed in Vietnam Dong (VND), except for the statement of designated account and statement of loan withdrawals which are expressed in United States Dollars (USD).

These financial statements are prepared in accordance with accounting policies described in Note 3 of the Notes to the financial statements and present receipts from ADB, AIF and Counterpart funds, disbursements made by the Corporation.

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Management in the preparation of these financial statements, are as follows:

### *Contribution from ADB and AIF*

Contribution from ADB and AIF are recognized when cash is deposited to the Project's designated account which is managed by the Corporation, rather than when being committed or budgeted.

### *Contribution from Counterpart funds*

Receipts of Counterpart funds are recognized when disbursements are made through the bank accounts of the Corporation and its project management units on behalf of the Project rather than when being committed or budgeted.

### *Disbursements*

Disbursements are recognized when advances or payments are made by the Project to contractors, suppliers or beneficiaries for relevant project activities.

### *Project implementing expenditure*

The Project implementing expenditure is recognized for amounts paid and to be paid in the future for goods and services received, whether or not billed to the Project.

### *Cash*

Cash includes cash at the designated accounts.

### *Advances to suppliers*

Advances to suppliers are carried at the disbursed amount in the balance sheet until subsequent liquidation or realization is made and approved.

# Ho Chi Minh City Power Corporation

## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project

Established under the Loan Agreement ADB No. 3161-VIE between the Asia Development Bank and the Government of the Socialist Republic of Vietnam; and the Loan Agreement AIF No. 8286-VIE (AIF) between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam

### NOTES TO THE FINANCIAL STATEMENTS (continued)

as at and for the period from the inception of the Project to 31 December 2015

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

##### *Payables*

Payables to suppliers represent the amounts are to be paid to suppliers for goods and service received but remain unpaid by the Project as at the period end.

##### *Foreign currency translation*

Transactions in foreign currencies are translated into Vietnam Dong (VND) at the exchange rate ruling on the transaction date. Monetary items included in the fund balance, which are denominated in foreign currencies, are retranslated at the transfer rate announced by Joint Stock Commercial Bank for Foreign Trade of Vietnam at the balance sheet date.

Foreign exchange differences are presented separately in the statement of sources and uses of funds for the reporting period.

#### 4. DESIGNATED ACCOUNTS

Designated accounts under Loan Agreement ADB No. 3161-VIE and AIF No. 8286-VIE (AIF) are deposit accounts in USD opened at Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ho Chi Minh City Branch for implementation of the Project's activities. Payments out of the designated accounts are for expenditures in accordance with the relevant covenants, Loan Agreement ADB No. 3161-VIE, AIF No. 8286-VIE (AIF) and relevant regulations established by the Asia Development Bank.

# Ho Chi Minh City Power Corporation

## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project

Established under the Loan Agreement ADB No. 3161-VIE between the Asia Development Bank and the Government of the Socialist Republic of Vietnam; and the Loan Agreement AIF No. 8286-VIE (AIF) between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam

NOTES TO THE FINANCIAL STATEMENTS (continued)  
as at and for the period from the inception of the Project to 31 December 2015

### 5. PROJECT IMPLEMENTING EXPENDITURES

	VND
	31 December 2015
Construction	25,453,676,266
Other expenses (i)	29,981,076,297
<b>TOTAL</b>	<b><u>55,434,752,563</u></b>

(i) Other expenses mainly include expenses for survey and preparation of construction investment reports, technical design, shop drawings, front-end fee and project management costs.

Details by sub-project are as follows:

	VND
	31 December 2015
<i>Sub-project</i>	
Cat Lai – Tan Cang 220kV Transmission Line - Pipe fitting HDPE	23,283,714,234
Binh Tan – Cau Bong 220-110kV Transmission Line – Segment 2	7,780,997,351
Nam Sai Gon – District 8 220kV Transmission Line	6,996,154,474
District 8 220/110/22kV Power Station	3,971,263,356
Tham Luong 110kV Power Station and connector	2,735,543,856
Phuoc Long 110kV Power Station and Connector	2,380,841,131
Cat Lai – Tan Cang 220kV Transmission Line - Installation of slings systems	2,200,194,308
Tan Hung 110kV Power station and connector (Segment 2)	2,116,338,552
Thu Duc Water Plant 110kV Power Station and connector	1,688,182,518
Tham Luong 110kV Underground transmission Line	1,344,630,159
Cat Lai – An Khanh 110kV Transmission Line	925,494,763
Cat Lai – Tan Cang 220kV Transmission Line - Supply and installation HDPE (Segment G8-G9)	11,397,861
<b>TOTAL</b>	<b><u>55,434,752,563</u></b>

### 6. CASH

	31 December 2015	
	VND	USD
Designated account		
ADB fund	-	-
AIF fund	-	-
<b>TOTAL</b>	<b><u>-</u></b>	<b><u>-</u></b>

# Ho Chi Minh City Power Corporation

## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project

Established under the Loan Agreement ADB No. 3161-VIE between the Asia Development Bank and the Government of the Socialist Republic of Vietnam; and the Loan Agreement AIF No. 8286-VIE (AIF) between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam

### NOTES TO THE FINANCIAL STATEMENTS (continued)

as at and for the period from the inception of the Project to 31 December 2015

#### 7. SHORT-TERM ADVANCE TO SUPPLIERS

	VND
	31 December 2015
Tan-Quoc Viet Construction Trading Company Ltd.	670,674,090
Power Engineering Consulting Joint Stock Company No. 4	644,951,083
Power Engineering Consulting Joint Stock Company No. 3	617,324,634
Ba An Corporation	472,774,358
The South of 533 Consulting Construction	422,727,000
Branch of Electric Corporation	174,040,479
The South of Investment Consulting and Construction Designing	
One Member Limited	129,987,273
Others	125,858,906
<b>TOTAL</b>	<b><u>3,258,337,823</u></b>
<i>In which:</i>	
To related parties (Note 11)	1,262,275,717

#### 8. ADB FUND

	31 December 2015	
	VND	USD
Commitment fee (*)	<u>633,467,385</u>	<u>28,216.81</u>

(\*) The commitment fee for the period end 31 December 2015 was not included the drawdown as at 15 September 2015 with amounting to USD 73,568.51 due to the Notice noted for this drawdown of Ministry of Finance was dated on 26 February 2016.

#### 9. SHORT-TERM PAYABLE TO SUPPLIERS

	VND	
	31 December 2015	
Sai Gon Traffic Construction One member Limited	9,889,638,115	
Ba An Corporation	4,601,011,485	
Power Engineering Consulting Joint Stock Company No. 4	894,399,898	
Power Engineering Consulting Joint Stock Company No. 3	555,597,529	
Others	78,636,551	
<b>TOTAL</b>	<b><u>16,019,283,578</u></b>	
<i>In which:</i>		
Due to related parties (Note 11)	1,449,997,427	



# Ho Chi Minh City Power Corporation

## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project

Established under the Loan Agreement ADB No. 3161-VIE between the Asia Development Bank and the Government of the Socialist Republic of Vietnam; and the Loan Agreement AIF No. 8286-VIE (AIF) between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam

### NOTES TO THE FINANCIAL STATEMENTS (continued)

as at and for the period from the inception of the Project to 31 December 2015

#### 10. COMMITMENTS

As at 31 December 2015, the outstanding amount of contracts for construction, purchasing equipment and others signed with local and overseas suppliers was VND 199 billion.

#### 11. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the period related to activities which were financed by the counterpart funds were as follows:

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>VND</i> <i>For the period from</i> <i>the inception of the</i> <i>Project to 31</i> <i>December 2015</i>
Power Engineering Consulting Joint Stock Company No. 4	Related party	Services rendered	13,142,146,378
Power Engineering Consulting Joint Stock Company No. 3	Related party	Services rendered	6,637,834,662

Amounts due from and due to related parties at the balance sheet dates were as follows:

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>VND</i> <i>31 December 2015</i>
<b><i>Short-term advance to suppliers</i></b>			
Power Engineering Consulting Joint Stock Company No. 4	Related party	Services rendered	644,951,083
Power Engineering Consulting Joint Stock Company No. 3	Related party	Services rendered	617,324,634
			<u>1,262,275,717</u>
<b><i>Short-term payables to suppliers</i></b>			
Power Engineering Consulting Joint Stock Company No. 4	Related party	Services rendered	894,399,898
Power Engineering Consulting Joint Stock Company No. 3	Related party	Services rendered	555,597,529
			<u>1,449,997,427</u>

# Ho Chi Minh City Power Corporation

## Ha Noi and Ho Chi Minh City Power Grid Development Sector Project

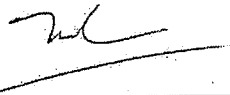
Established under the Loan Agreement ADB No. 3161-VIE between the Asia Development Bank and the Government of the Socialist Republic of Vietnam; and the Loan Agreement AIF No. 8286-VIE (AIF) between the ASEAN Infrastructure Fund Limited and the Government of the Socialist Republic of Vietnam

### NOTES TO THE FINANCIAL STATEMENTS (continued)


as at and for the period from the inception of the Project to 31 December 2015

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

There has not been any matter or circumstance that has arisen since the balance sheet date that has affected or may significantly affect the operations of the Project, the results of those operations or the financial position of the Project.

  
\_\_\_\_\_  
Huynh Thi To Trinh  
Preparer

  
\_\_\_\_\_  
Nguyen Duy Quoc Viet  
Acting Chief Accountant

  
\_\_\_\_\_  
Pham Quoc Bao  
Deputy General Director



31 May 2016