

**TRUNG SON HYDRO POWER COMPANY LIMITED
TRUNG SON HYDRO POWER PROJECT**

Loan Agreement No. 8041-VN

**AUDITED FINANCIAL STATEMENTS
AND MANAGEMENT LETTER**

**For the period from 23 September 2011
to 31 December 2012**

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PART I

FINANCIAL STATEMENTS

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STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Trung Son Hydro Power Company Limited (“the Company”) presents this report together with the financial statements of Trung Son Hydro Power Project - Loan Agreement No. 8041-VN - Portion implemented by Trung Son Hydro Power Company Limited (“the Project”) for the period from 23 September 2011 (effective date of the Project) to 31 December 2012.

The Members’ Council and Board of Directors

The members of the Members’ Council and Board of Directors of Company who held office during the period and to the date of this report are as follows:

The Members’ Council

Mr. Ngo Viet Hai Chairman (Resigned on 31 December 2012)
Mr. Vu Huu Phuc Chairman (Appointed on 31 December 2012)

The Board of Directors

Mr. Ngo Viet Hai Director (Resigned on 31 December 2012)
Mr. Vu Huu Phuc Director (Appointed on 31 December 2012)
Mr. Dang Ngoc Trieu Deputy Director
Mr. Tran Tuan Nam Deputy Director

The Board of Directors’ Statement of Responsibility

The Board of Directors of Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Project as at 31 December 2012 as well as of the receipts and disbursements of the Project for the period from 23 September 2011 to 31 December 2012 in accordance with the accounting policies set out in Note 3 of the Notes to the financial statements and the covenants contained in Loan Agreement No. 8041-VN. In preparing these financial statements, the Board of Directors is required to:

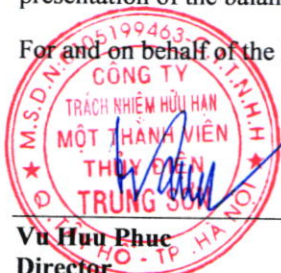
- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements; and
- design 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 Board of Directors 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 and the covenants contained in Loan Agreement No. 8041-VN. The Board of Directors is responsible for using the Project’s funds as intended for the Project and for complying with the covenants of Loan Agreement No.8041-VN as well as laws and regulations applicable to the Project. The Board of Directors is also responsible for safeguarding the assets of the Project and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

The Project’s financial statements for the period from 23 September 2011 to 31 December 2012 have been audited by Deloitte Vietnam Company Limited and Independent Auditors’ Report No. 159/Deloitte-AUDHN-RE dated 28 June 2013 has been issued thereon, expressing an unqualified opinion on those financial statements. The Board of Directors decided to reissue the Project’s financial statements for the aforementioned period, adjusting the presentation of the balance sheet per requirement of the World Bank.

For and on behalf of the Board of Directors,


Vu Huu Phuc
Director

TRUNG SON HYDRO POWER COMPANY LIMITED

Hanoi, 26 July 2013