



ACB Securities Company

Separate financial statements for the year ended
31 December 2015

ACB Securities Company Corporate Information

Business Registration	4104000006	30 June 2000
Certificate No.	4104000006	13 September 2005
	4104000006	30 May 2006
	4104000006	13 December 2006

The Business Registration Certificate and its updates were issued by the Ho Chi Minh City Department of Planning and Investment.

Establishment and	06/GPHDKD	29 June 2000
Operation Licence No.	56/2001/UBCK-QLKD	21 September 2001
	71/UBCK-GPDCCTCK	6 September 2007
	77/UBCK-GPDCCTCK	1 October 2007
	105/UBCK-GPDCCTCK	14 January 2008
	464/QD-UBCK	7 July 2008
	271/UBCK-GP	4 November 2009
	115/GPDC-UBCK	3 October 2012
	18/GPDC-UBCK	11 August 2014

The Establishment and Operation Licence and its updates were issued by the State Securities Commission of Vietnam.

Members' Council	Mr. Adrew Colin Vallis	Chairman
	Mr. Tu Tien Phat	Member
		(from 27 July 2015)
	Ms. Nguyen Ngoc Nhu Uyen	Member
		(from 27 July 2015)
	Mr. Tran Trong Kien	Member
	Mr. Gopalswamy	Member
	Mr. Le Ba Dung	Member
		(until 27 July 2015)

Board of Directors	Mr. Trinh Thanh Can	General Director
		(from 4 June 2015)
	Mr. Pham Phu Khoi	General Director
		(until 3 June 2015)
	Ms. Le Thi Phuong Dung	Deputy General Director

ACB Securities Company
Corporate Information (continued)

Registered Offices

Head Office	41 Mac Dinh Chi Street Da Kao Ward, District 1 Ho Chi Minh City Vietnam
Cho Lon Branch	747 Hong Bang Street Ward 6, District 6 Ho Chi Minh City Vietnam
Truong Dinh Branch	107N Truong Dinh Street Ward 6, District 3 Ho Chi Minh City Vietnam
Hanoi Branch	10 Phan Chu Trinh Phan Chu Trinh Ward, Hoan Kiem District Hanoi Vietnam
Hai Phong Branch	15 Hoang Dieu Hong Bang District Hai Phong City Vietnam
Da Nang Branch	4 th Floor, 218 Bach Dang Building Phuoc Ninh Ward, Hai Chau District Da Nang City Vietnam
Khanh Hoa Branch	80 Quang Trung Street Loc Tho Ward Nha Trang City, Khanh Hoa Province Vietnam

ACB Securities Company
Corporate Information (continued)

Vung Tau Branch	111 Hoang Hoa Tham Street Ward 2 Vung Tau City, Ba Ria – Vung Tau Province Vietnam
Can Tho Branch	17 - 19 Nam Ky Khoi Nghia Street Tan An Ward, Ninh Kieu District Can Tho City Vietnam
Auditors	KPMG Limited Vietnam

ACB Securities Company Statement of the Board of Directors

The Board of Directors of ACB Securities Company ("the Company") presents this statement and the accompanying separate financial statements of the Company for the year ended 31 December 2015.

The Company's Board of Directors is responsible for the preparation and fair presentation of the separate financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for enterprises, Circular No. 95/2008/TT-BTC dated 24 October 2008 and Circular No. 162/2010/TT-BTC dated 20 October 2010 issued by the Ministry of Finance on the promulgation of accounting guidance for securities companies and the relevant statutory requirements applicable to financial reporting. In the opinion of the Company's Board of Directors:

- (a) the separate financial statements set out on pages 7 to 58 give a true and fair view of the unconsolidated financial position of the Company as at 31 December 2015, and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for enterprises, Circular No. 95/2008/TT-BTC dated 24 October 2008 and Circular No. 162/2010/TT-BTC dated 20 October 2010 issued by the Ministry of Finance on the promulgation of accounting guidance for securities companies and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these accompanying separate financial statements for issue.



On behalf of the Board of Directors

Mr. Trinh Thanh Can
General Director

Ho Chi Minh City, 29 February 2016

**KPMG Limited Branch**

10th Floor, Sun Wah Tower, 115 Nguyen Hue Street,
Ben Nghe Ward, District 1, Ho Chi Minh City,
Vietnam

Tel: +84 8 3821 9266
Fax: +84 8 3821 9267
www.kpmg.com.vn

INDEPENDENT AUDITOR'S REPORT

To the Owner ACB Securities Company

We have audited the accompanying separate financial statements of ACB Securities Company ("the Company"), which comprise the separate balance sheet as at 31 December 2015, the separate statement of income, separate statement of changes in equity and separate statement of cash flows for the year then ended and the explanatory notes thereto ("the Separate Financial Statements") which were authorised for issue by the Company's Board of Directors on 29 February 2016, as set out on pages 7 to 58.

Management's Responsibility

The Company's Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 95/2008/TT-BTC dated 24 October 2008 and Circular No. 162/2010/TT-BTC dated 20 October 2010 issued by the Ministry of Finance on the promulgation of accounting guidance for securities companies and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Directors determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese 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 separate financial statements are free of 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 auditor's judgement, 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 auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Directors, 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.



Auditor's Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the unconsolidated financial position of ACB Securities Company as at 31 December 2015, and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 95/2008/TT-BTC dated 24 October 2008 and Circular No. 162/2010/TT-BTC dated 20 October 2010 issued by the Ministry of Finance on the promulgation of accounting guidance for securities companies and the relevant statutory requirements applicable to financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam
Audit Report No.: 14-01-290/4



Truong Vinh Phuc
Practicing Auditor Registration
Certificate No. 1901-2013-007-1
Deputy General Director

Tran Dinh Vinh
Practicing Auditor Registration
Certificate No. 0339-2013-007-1

Ho Chi Minh City, 29 February 2016

ACB Securities Company
Separate balance sheet as at 31 December 2015

Form B 01 - CTCK

	Code	Note	31/12/2015 VND	31/12/2014 VND
ASSETS				
CURRENT ASSETS				
(100 = 110 + 120 + 130 + 150)	100		1,736,206,097,630	2,014,454,208,566
Cash and cash equivalents	110	5	256,913,512,133	515,179,190,617
Cash	111		119,913,512,133	515,179,190,617
Cash equivalents	112		137,000,000,000	-
Short-term financial investments	120	7	89,986,203,473	374,574,020,220
Short-term investments	121		92,562,910,450	377,548,115,472
Allowance for diminution in the value of short-term investments	129		(2,576,706,977)	(2,974,095,252)
Accounts receivable - short-term	130		1,383,908,511,398	1,123,376,320,824
Accounts receivable from customers	131		9,979,536	-
Prepayments to suppliers	132		550,754,440	7,212,929,400
Intra-company receivables	133		-	1,048,730,000
Accounts receivable from securities trading activities	135	8	1,793,101,204	1,769,118,988
Other receivables	138	9	1,382,788,781,074	1,114,568,971,876
Allowance for doubtful debts	139	10	(1,234,104,856)	(1,223,429,440)
Other current assets	150		5,397,870,626	1,324,676,905
Short-term prepayments	151		975,182,323	974,532,823
Deductible value added tax	152		1,684,129,741	338,395,082
Taxes and other receivables from State Treasury	154		2,496,543,562	-
Other current assets	158		242,015,000	11,749,000

The accompanying notes are an integral part of these separate financial statements

ACB Securities Company
Separate balance sheet as at 31 December 2015 (continued)

Form B 01 - CTCK

	Code	Note	31/12/2015 VND	31/12/2014 VND
LONG-TERM ASSETS (200 = 220 + 250 + 260)	200		338,452,010,186	253,067,603,550
Fixed assets	220		62,667,267,956	53,376,747,653
Tangible fixed assets	221	11	50,185,839,194	52,939,929,223
<i>Cost</i>	222		88,848,954,021	86,422,305,430
<i>Accumulated depreciation</i>	223		(38,663,114,827)	(33,482,376,207)
Intangible fixed assets	227	12	501,405,957	436,818,430
<i>Cost</i>	228		3,440,545,796	3,123,445,796
<i>Accumulated amortisation</i>	229		(2,939,139,839)	(2,686,627,366)
Construction in progress	230	13	11,980,022,805	-
Long-term investments	250	7	239,526,622,500	179,824,970,624
Investments in a subsidiary	251		50,000,000,000	50,000,000,000
Long-term investment securities	253		235,366,012,860	-
<i>Available-for-sale securities</i>	254		183,366,012,860	-
<i>Held-to-maturity securities</i>	255		52,000,000,000	-
Other long-term investments	258		-	144,010,403,360
Allowance for diminution in the value of long-term investments	259		(45,839,390,360)	(14,185,432,736)
Other long-term assets	260		36,258,119,730	19,865,885,273
Long-term prepayments	261	14	15,754,450,630	1,172,428,070
Deposits at Payment Support Fund	263	15	20,000,000,000	18,144,000,003
Other long-term assets	268	16	503,669,100	549,457,200
TOTAL ASSETS (270 = 100 + 200)	270		2,074,658,107,816	2,267,521,812,116

The accompanying notes are an integral part of these separate financial statements

ACB Securities Company
Separate balance sheet as at 31 December 2015 (continued)
Form B 01 - CTCK

	Code	Note	31/12/2015 VND	31/12/2014 VND
RESOURCES				
LIABILITIES (300 = 310)	300		287,620,049,254	576,565,284,180
Current liabilities	310		287,620,049,254	576,565,284,180
Short-term borrowings and liabilities	311	17	175,000,000,000	228,000,000,000
Accounts payable to suppliers	312		90,998,950	291,543,700
Advances from customers	313		-	135,454,545
Taxes payable to State Treasury	314	18	2,991,499,864	16,843,255,603
Payables to employees	315		11,143,769,792	13,656,975,159
Accrued expenses	316	19	4,091,978,420	4,037,045,966
Other short-term payables	319	20	16,421,579,441	234,071,140,225
Accounts payable for securities trading activities	320	21	74,507,686,268	75,430,686,539
Dividends, bond principal and interest payables	321		2,581,239,238	3,247,966,557
Unearned revenue	328		791,297,281	851,215,886
EQUITY (400 = 410)	400		1,787,038,058,562	1,690,956,527,936
Owner's equity	410		1,787,038,058,562	1,690,956,527,936
Contributed capital	411		1,500,000,000,000	1,500,000,000,000
Reserve to supplement contributed capital	417	22	89,971,140,058	85,167,063,527
Financial reserve	418	22	110,593,540,940	105,789,464,409
Retained profits	420		86,473,377,564	-
TOTAL RESOURCES (440 = 300 + 400)	440		2,074,658,107,816	2,267,521,812,116

The accompanying notes are an integral part of these separate financial statements

ACB Securities Company
Separate balance sheet as at 31 December 2015 (continued)

Form B 01 - CTCK

	Code	31/12/2015 VND	31/12/2014 VND
Off-balance sheet items			
2. Materials and valuable certificates held under trust	002	280,900,940,000	567,500,940,000
6. Custody securities	006	18,773,020,740,000	16,207,441,660,000
In which:			
6.1 <i>Trading securities</i>	007	14,172,773,360,000	12,518,442,820,000
6.1.1 Trading securities of custody members	008	20,121,230,000	40,109,880,000
6.1.2 Trading securities of domestic customers	009	13,790,844,310,000	12,207,385,290,000
6.1.3 Trading securities of foreign customers	010	361,807,820,000	270,947,650,000
6.2 <i>Temporary non-trading securities</i>	012	912,305,020,000	59,750,850,000
6.2.2 Temporary non-trading securities of domestic customers	014	723,760,390,000	56,625,850,000
6.2.3 Temporary non-trading securities of foreign customers	015	188,544,630,000	3,125,000,000
6.3 <i>Mortgaged securities</i>	017	3,448,944,850,000	3,342,680,020,000
6.3.1 Mortgaged securities of custody members	018	64,377,020,000	64,377,020,000
6.3.2 Mortgaged securities of domestic customers	019	3,384,567,830,000	3,278,303,000,000
6.5 <i>Securities awaiting for settlement</i>	027	151,559,710,000	282,750,210,000
6.5.2 Securities awaiting for settlement of domestic customers	029	151,247,010,000	282,718,410,000
6.5.3 Securities awaiting for settlement of foreign customers	030	312,700,000	31,800,000
6.6 <i>Blocked securities awaiting for release</i>	032	76,769,260,000	-
6.6.2 Blocked securities awaiting for release of domestic customers	034	76,769,260,000	-

The accompanying notes are an integral part of these separate financial statements

ACB Securities Company
Separate balance sheet as at 31 December 2015 (continued)

Form B 01 - CTCK

	Code	31/12/2015 VND	31/12/2014 VND
Off-balance sheet items (continued)			
6.7 <i>Securities awaiting for trading</i>	037	10,668,540,000	3,817,760,000
6.7.1 <i>Securities awaiting for trading of custody members</i>	038	-	20,000
6.7.2 <i>Securities awaiting for trading of domestic customers</i>	039	10,253,700,000	3,705,770,000
6.7.3 <i>Securities awaiting for trading of foreign customers</i>	040	414,840,000	111,970,000
7. <i>Custody securities of unlisted public companies</i>	050	187,612,330,000	152,934,110,000
<i>In which:</i>			
7.1 <i>Trading securities</i>	051	187,610,330,000	152,932,110,000
7.1.1 <i>Trading securities of custody members</i>	052	4,400,000	5,270,000
7.1.2 <i>Trading securities of domestic customers</i>	053	186,626,750,000	152,005,800,000
7.1.3 <i>Trading securities of foreign customers</i>	054	979,180,000	921,040,000
7.2 <i>Temporary non-trading securities</i>	056	2,000,000	2,000,000
7.2.2 <i>Temporary non-trading securities of domestic customers</i>	058	2,000,000	2,000,000
8. <i>Non-custody securities of customers</i>	082	3,185,437,490,000	3,375,178,430,000
9. <i>Non-custody securities of securities companies</i>	083	147,298,830,000	43,597,030,000

29 February 2016

Prepared by:

Reviewed by:

Approved by:

Mr. Nguyen Phuong Quang
Accountant

Mr. Vo Van Van
Chief Accountant

Mr. Trinh Thanh Can
General Director

The accompanying notes are an integral part of these separate financial statements

ACB Securities Company
Separate statement of income for the year ended 31 December 2015
Form B 02 - CTCK

	Code	Note	2015 VND	2014 VND
Revenue	01		278,821,029,136	367,188,068,371
<i>In which:</i>				
Revenue from securities brokerage	01.1		101,561,319,880	147,251,644,743
Revenue from securities trading	01.2	23	9,683,373,134	29,663,844,862
Revenue from securities issuance services	01.4		-	360,000,000
Revenue from securities investment advisory	01.5		3,019,500,002	2,611,484,364
Revenue from securities custody	01.6		7,504,239,928	7,139,814,458
Other revenue	01.9	24	157,052,596,192	180,161,279,944
Revenue deductions	02		160,245,238	120,128,158
Net revenue from operating activities (10 = 01 - 02)	10		278,660,783,898	367,067,940,213
Operating expenses	11	25	116,792,028,331	16,089,472,840
Gross profit (20 = 10 - 11)	20		161,868,755,567	350,978,467,373
General and administration expenses	25	26	40,227,780,267	32,991,909,062
Net operating profit (30 = 20 - 25)	30		121,640,975,300	317,986,558,311
Other income	31	27	1,004,387,595	298,945,368
Other expenses	32		114,109,935	32,303,951
Results of other activities (40 = 31 - 32)	40		890,277,660	266,641,417
Profit before tax (50 = 30 + 40)	50		122,531,252,960	318,253,199,728
Income tax expense - current	51	28	26,449,722,334	69,420,889,354
Income tax expense - deferred	52	28	-	-
Net profit after tax (60 = 50 - 51 - 52)	60		96,081,530,626	248,832,310,374

29 February 2016

Prepared by:



 Mr. Nguyen Phuong Quang
Accountant

Reviewed by:



 Mr. Vo Van Van
Chief Accountant

Approved by:




 Mr. Trinh Thanh Can
General Director

The accompanying notes are an integral part of these separate financial statements

ACB Securities Company
Separate statement of cash flows for the year ended 31 December 2015
(Indirect method)
Form B 03 - CTCK

	Code	2015 VND	2014 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	01	122,531,252,960	318,253,199,728
Adjustments for			
Depreciation and amortisation	02	5,884,142,262	4,875,559,842
Allowances and provisions	03	31,267,244,765	(232,641,131,898)
Profits from investing activities	05	(165,222,372,342)	(204,834,873,516)
Interest expenses	06	4,661,874,997	27,936,472,223
Operating loss before changes in working capital		(877,857,358)	(86,410,773,621)
Change in trading securities, short-term investments, receivables and other current assets	09	17,465,549,475	500,066,483,452
Change in payables and other liabilities	11	14,413,395,260	(2,049,850,058)
Change in prepaid expenses	12	(14,582,672,060)	472,374,604
		16,418,415,317	412,078,234,377
Interest paid	13	(5,151,819,443)	(29,615,000,000)
Income tax paid	14	(42,380,411,434)	(20,936,678,081)
Other receipts from operating activities	15	45,788,100	527,670,000
Other payments for operating activities	16	(819,680,921)	(766,265,678)
Net cash flows from operating activities	20	(31,887,708,381)	361,287,960,618
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets	21	(10,503,152,006)	(7,811,862,086)
Proceeds from disposals of fixed assets	22	250,000,000	78,000,000
Payments for purchase of debt instruments	23	(52,000,000,000)	-
Payments for investments in other entities	25	(59,455,609,500)	-
Proceeds from disposals of investments in other entities	26	23,376,000,000	200,191,250,000
Receipts of interests and dividends	27	158,892,788,043	248,652,890,470
Net cash flows from investing activities	30	60,560,026,537	441,110,278,384

The accompanying notes are an integral part of these separate financial statements

ACB Securities Company
Separate statement of cash flows for the year ended 31 December 2015
(Indirect method - continued)

Form B 03 - CTCK

	Code	2015 VND	2014 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from bonds issued	33	75,000,000,000	178,000,000,000
Proceeds from short-term borrowings	33	100,000,000,000	150,000,000,000
Payments to settle bond principals and short-term borrowings	34	(228,000,000,000)	(600,000,000,000)
Profits distributed to the Parent Bank	36	(233,937,996,640)	(186,585,569,711)
Net cash flows from financing activities	40	(286,937,996,640)	(458,585,569,711)
Net cash flows during the year (50 = 20 + 30 + 40)	50	(258,265,678,484)	343,812,669,291
Cash and cash equivalents at the beginning of the year	60	515,179,190,617	171,366,521,326
Cash and cash equivalents at the end of the year (70 = 50 + 60) (Note 5)	70	256,913,512,133	515,179,190,617

SIGNIFICANT NON-CASH TRANSACTIONS

	2015 VND	2014 VND
Purchase of investments by netting off receivables	-	66,323,329,885
Disposals of investments purchased through investment cooperation contracts	-	23,780

29 February 2016

Prepared by:



Mr. Nguyen Phuong Quang
Accountant

Reviewed by:



Mr. Vo Van Van
Chief Accountant

Approved by:



Mr. Trinh Thanh Can
General Director

The accompanying notes are an integral part of these separate financial statements

ACB Securities Company
Separate statement of changes in equity for the year ended 31 December 2015

Form B 05 - CTCK

	Contributed capital VND	Reserve to supplement contributed capital VND	Financial reserve VND	Retained profits VND	Total VND
Balance at 1 January 2014	1,500,000,000,000	72,725,448,008	93,347,848,890	12,829,960,118	1,678,903,257,016
Net profit for the year	-	-	-	248,832,310,374	248,832,310,374
Appropriations to reserves and funds	-	12,441,615,519	12,441,615,519	(24,883,231,038)	-
Profits distributed to the Parent Bank	-	-	-	(236,779,039,454)	(236,779,039,454)
Balance at 31 December 2014	1,500,000,000,000	85,167,063,527	105,789,464,409	-	1,690,956,527,936
Net profit for the year	-	-	-	96,081,530,626	96,081,530,626
Appropriations to reserves and funds	-	4,804,076,531	4,804,076,531	(9,608,153,062)	-
Balance at 31 December 2015	1,500,000,000,000	89,971,140,058	110,593,540,940	86,473,377,564	1,787,038,058,562

29 February 2016

Prepared by:



Mr. Nguyen Phuong Quang
Accountant

Reviewed by:



Mr. Vo Van Van
Chief Accountant

Approved by:



Mr. Trinh Thanh Can
General Director

The accompanying notes are an integral part of these separate financial statements

ACB Securities Company

Notes to the separate financial statements for the year ended 31 December 2015

Form B 09 - CTCK

These notes form an integral part of and should be read in conjunction with the accompanying separate financial statements.

1. Reporting entity

(a) Ownership structure

ACB Securities Company ("the Company") is incorporated as a limited liability company in Vietnam. The Company is 100% owned subsidiary of Asia Commercial Joint Stock Bank ("the Parent Bank"), a commercial joint stock bank established in Vietnam.

(b) Principal activities

The principal activities of the Company are to carry out securities trading activities, securities brokerage activities, securities investment advisory, securities custodian, corporate finance advisory and securities underwriting services.

(c) Normal operating cycle

The normal operating cycle of the Company is generally within 12 months.

(d) Company structure

As at 31 December 2015, the Company had one 100% owned subsidiary – ACB Capital Management Company Limited ("ACBC"), which was established pursuant to Operation Licence No. 41/UBCK-GP dated 28 October 2008, operates in fund management activities.

As at 31 December 2015, the Company had 240 employees (31/12/2014: 243 employees).

2. Basis of preparation

(a) Statement of compliance

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, Circular No. 95/2008/TT-BTC dated 24 October 2008 and Circular No. 162/2010/TT-BTC dated 20 October 2010 issued by the Ministry of Finance on the promulgation of accounting guidance for securities companies and the relevant statutory requirements applicable to financial reporting. The consolidated financial statements are also prepared by the Company concurrently with these separate financial statements. In order to have full information about the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company, these separate financial statements should be read in conjunction with the consolidated financial statements of the Company.

ACB Securities Company

Notes to the separate financial statements for the year ended 31 December 2015
(continued)

Form B 09 - CTCK

(b) Basis of measurement

The separate financial statements, except for the separate statement of cash flows, are prepared on the accrual basis using the historical cost concept. The separate statement of cash flows is prepared using the indirect method.

(c) Annual accounting period

The annual accounting period of the Company is from 1 January to 31 December.

(d) Accounting currency

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statement presentation purpose.

3. Adoption of new guidance on accounting system for enterprises

On 22 December 2014, the Ministry of Finance issued Circular No. 200/2014/TT-BTC providing guidance on Vietnamese Accounting System for enterprises ("Circular 200"). Circular 200 replaces previous guidance on Vietnamese Accounting System for enterprises under Decision No. 15/2006/QĐ-BTC dated 20 March 2006 ("Decision 15") and Circular No. 244/2009/TT-BTC dated 31 December 2009. Circular 200 is effective after 45 days from the signing date and applicable for annual accounting periods beginning on or after 1 January 2015.

The Company has adopted the applicable requirements of Circular 200 effective from 1 January 2015 on a prospective basis. This adoption has no significant impact on these separate financial statements.

4. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Company in the preparation of these separate financial statements.

(a) Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at actual rates of exchange ruling at the transaction dates. The actual rates of exchange applied to account for foreign currency transaction are determined as follows:

- Exchange rate applied to buying or selling foreign currency is the exchange rate stipulated in the currency exchange contract between the Company and the bank.
- Exchange rate applied to capital contribution transaction is the foreign currency buying rate at the transaction date quoted by the bank through which the owner transfers funds for the capital contribution.
- Exchange rate applied to recognise trade and other receivables is the foreign currency buying rate at the transaction date quoted by the bank through which the Company receives money from the customer or counterparty.

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
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- Exchange rate applied to recognise trade and other payables is the foreign currency selling rate at the transaction date quoted by the bank through which the Company intends to make payment for the liability.
- For asset acquisitions or expenses that are settled with immediate payment, the exchange rate applied is the foreign currency buying rate at the transaction date quoted by the bank through which the Company makes payment.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at actual rates of exchange ruling at the reporting date. The actual rates of exchange applied to retranslate monetary items denominated in foreign currency at reporting date are determined as follows:

- For monetary assets (cash on hand and receivables): the foreign currency buying rate at the reporting date quoted by the commercial bank where the Company most frequently conducts transactions. Cash at banks and bank deposits are retranslated using the foreign currency buying rate of the bank where the Company deposits the money or maintains those bank accounts.
- For monetary gold: the gold buying price quoted by the State Bank of Vietnam, or in absence of such price, the gold buying price quoted by an authorised gold trading organisation.
- For monetary liabilities: the foreign currency selling rate at reporting date quoted by the commercial bank where the Company most frequently conducts transactions.

All foreign exchange differences are recorded in the separate statement of income.

(b) Classification of financial instruments

Solely for the purpose of providing disclosures about the significance of financial instruments to the Company's separate financial position and separate results of operations and the nature and extent of risk arising from financial instruments, the Company classifies its financial instruments as follows:

(i) Financial assets***Financial assets at fair value through profit or loss***

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

- It is considered by management as held for trading. A financial asset is considered as held for trading if:
 - it is acquired principally for the purpose of selling it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Company as financial asset at fair value through profit or loss.

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**Notes to the separate financial statements for the year ended 31 December 2015
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Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity that the Company has the positive intention and ability to hold to maturity, other than:

- those that the Company on initial recognition designates as financial assets at fair value through profit or loss;
- those that the Company designates as available-for-sale financial assets; and
- those that meet the definition of loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those:

- that the Company intends to sell immediately or in the near term, which are classified as held for trading, and those that the entity on initial recognition designates as financial assets at fair value through profit or loss;
- that the Company on initial recognition designates as available-for-sale financial assets; or
- for which the Company may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as available-for-sale financial assets.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or those are not classified as:

- financial assets at fair value through profit or loss;
- held-to-maturity investments; or
- loans and receivables.

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Notes to the separate financial statements for the year ended 31 December 2015

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(ii) Financial liabilities

Financial liabilities at fair value through profit or loss

A financial liability at fair value through profit or loss is a financial liability that meets either of the following conditions:

- It is considered by management as held for trading. A financial liability is considered as held for trading if:
 - it is incurred principally for the purpose of repurchasing it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Company as financial liability at fair value through profit or loss.

Financial liabilities carried at amortised cost

Financial liabilities which are not classified as financial liabilities at fair value through profit or loss are classified as financial liabilities carried at amortised cost.

The above described classification of financial instruments is solely for presentation and disclosure purpose and is not intended to be a description of how the instruments are measured. Accounting policies for measurement of financial instruments are disclosed in other relevant notes.

(c) Cash and cash equivalents

Cash comprises cash on hand and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amount of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Cash and cash equivalents also include customers' cash for securities transactions, which are segregated from the Company's bank balances.

(d) Investment securities

(i) Trading securities

Classification

Trading securities are securities which are acquired principally for the purpose of selling them in the near term or there is evidence of a recent pattern of short-term profit-taking.

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**Notes to the separate financial statements for the year ended 31 December 2015
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Recognition

The Company recognises trading securities on the date it becomes a party to the contractual provisions of the investments (trade date accounting).

Measurement

Listed trading securities are stated at cost less allowance for diminution in value by reference to closing prices of securities from the Ho Chi Minh City Stock Exchange and the Hanoi Stock Exchange at the reporting date.

Unlisted trading securities which are registered for trading on the UPCOM market are stated at cost less allowance for diminution in value by reference to closing prices of securities from UPCOM at the reporting date.

Unlisted trading securities which are not registered for trading on the UPCOM market but are actively traded on over-the-counter market ("OTC market") are stated at cost less allowance for diminution in value by reference to the average price of the latest transaction prices obtained from three securities companies having charter capital over VND300 billion within one month prior to the reporting date.

Unlisted trading securities which are not actively traded on the OTC market are stated at cost.

The allowance for diminution in the value of trading securities as mentioned above is reversed if the prices of securities increase after the allowance is made. An allowance is reversed only to the extent that the securities' carrying amounts do not exceed the carrying amounts that would have been determined if no allowance had been recognised.

Cost of trading securities is determined on a weighted average basis.

Derecognition

Trading securities are derecognised when the rights to receive cash flows from the securities have expired or the Company has transferred substantially all risks and rewards of ownership.

(ii) Held-to-maturity securities

Classification

Held-to-maturity securities are debt securities with fixed term and fixed or determinable payments, where the Company has the positive intention and ability to hold until maturity.

Recognition

The Company recognises held-to-maturity securities on the date it becomes a party to the contractual provisions of the investments (trade date accounting).

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**Notes to the separate financial statements for the year ended 31 December 2015
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Measurement

Held-to-maturity securities are initially recorded at cost at the acquisition date. Subsequently these securities are stated at cost less any allowance for diminution in value.

Premiums and discounts arising from purchases of held-to-maturity securities are amortised to the separate statement of income on a straight-line basis over the period from the acquisition date to the maturity date.

Post-acquisition interest income of held-to-maturity securities is recognised in the separate statement of income on an accrual basis.

Derecognition

Held-to-maturity securities are derecognised when the rights to receive cash flows from these securities have expired or the Company has transferred substantially all risks and rewards of ownership.

(iii) Available-for-sale securities

Classification

Available-for-sale securities are equity securities and debt securities which are acquired for an indefinite period and may be sold at any time.

Recognition

The Company recognises available-for-sale securities on the date it becomes a party to the contractual provisions of the investments (trade date accounting).

Measurement

Listed available-for-sale securities are stated at cost less allowance for diminution in value by reference to closing prices of securities from the Ho Chi Minh City Stock Exchange and the Hanoi Stock Exchange at the reporting date.

Unlisted available-for-sale securities which are registered for trading on the UPrCom market are stated at cost less allowance for diminution in value by reference to closing prices of securities from UPrCom at the reporting date.

Unlisted available-for-sale equity securities and which are not registered for trading on the UPrCom market but are actively traded on the OTC market are stated at cost less allowance for diminution in value by reference to the average price of the latest transaction prices obtained from three securities companies having charter capital over VND300 billion within one month prior to the reporting date.

Unlisted available-for-sale equity securities which are not actively traded on the OTC market are stated at cost.

Other available-for-sale debt securities are initially recorded at cost at the acquisition date. Then, these securities are stated at cost less allowance for diminution in value.

ACB Securities Company

**Notes to the separate financial statements for the year ended 31 December 2015
(continued)**

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Premiums and discounts arising from purchases of available-for-sale securities are amortised to the separate statement of income using a straight-line basis over the period from the acquisition date to the maturity date, in case those securities are sold before the maturity date, the unamortised premiums and discounts will be recognised fully in the separate statement of income at the disposal date.

The allowance for diminution in the value of available-for-sale securities as mentioned above is reversed if the prices of securities increase after the allowance is made. An allowance is reversed only to the extent that the securities' carrying amounts do not exceed the carrying amounts that would have been determined if no allowance had been recognised.

Derecognition

Available-for-sale securities are derecognised when the rights to receive cash flows from these securities have expired or the Company has transferred substantially all risks and rewards of ownership.

(e) Capital contribution, long-term investments

(i) Investments in subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable or convertible are taken into account. Investments in subsidiaries are stated at cost less allowance for diminution in value in the separate financial statements (see Note 4(f)).

(ii) Other long-term investments

Other long-term investments are investments in equity instruments of entities that the Company does not have control or significant influence. These investments must be held, recovered or paid for a period of more than one year. Other long-term investments are stated at cost less allowance for diminution in value in the separate financial statements (see Note 4(f)).

(f) Allowance for diminution in the value of long-term investments

Long-term investments are stated at cost less allowance for diminution in value made in accordance to Circular No. 228/2009/TT-BTC dated 7 December 2009 ("Circular 228") and Circular No. 89/2013/TT-BTC dated 28 June 2013 ("Circular 89") issued by the Ministry of Finance. Accordingly, the allowance for diminution in value is made when the investees made loss, except the planned loss, the allowance for diminution in value is the difference between the actual capital contributed by all investors and the actual equity multiply (x) with the percentage of actual capital contributed by the Company over total actual capital contributed by all investors. The allowance is reversed if there is a subsequent increase in the recoverable amount after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015****(continued)****Form B 09 - CTCK****(g) Accounts receivable**

Advances to customers for securities trading activities, margin loans, trade and other receivables are stated at cost less allowance for doubtful debts.

Allowance for doubtful debts is made based on the overdue status of debts or expected losses on undue debts which may occur when an economic organisation is bankrupted or liquidated; or debtor is missing, running away, being prosecuted, in prison, under a trial or pending execution of sentences or deceased.

The allowance for doubtful debts based on overdue status is made in accordance with Circular 228 as follows:

<i>Overdue status</i>	<i>Allowance rate</i>
From six (06) months to less than one (01) year	30%
From one (01) year to less than two (02) years	50%
From two (02) years to less than three (03) years	70%
From three (03) years and over	100%

For overdue debts, the Board of Directors also assesses the expected recovery of the debts in determining the additional allowance (if necessary) in addition to the allowance based on the overdue status.

Allowance for doubtful debts based on the expected losses of undue debts is determined by the Board of Directors after giving consideration to the recovery of these debts and related collateral assets.

(h) Tangible fixed assets**(i) Cost**

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the separate statement of income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

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Notes to the separate financial statements for the year ended 31 December 2015

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(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings	25 years
▪ office equipment	3 - 5 years
▪ motor vehicles	6 years
▪ management equipment	3 years
▪ other fixed assets	3 - 6 years

(iii) Disposals

Gains and losses incurred from the disposals, transfers of fixed assets are recognised by the difference between the net proceeds received by disposals and the net book value of these assets and recorded in other income or other expenses in the separate statement of income.

(i) Intangible fixed assets

Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software costs are amortised on a straight-line basis over 3 years.

(j) Construction in progress

Construction in progress represents the costs of trading securities software which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

(k) Long-term prepaid expenses

(i) Tools and instruments

Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance which provides the guidance on management, use and depreciation of fixed assets ("Circular 45"). Cost of tools and instruments are amortised on a straight-line basis over a period ranging from 2 to 3 years.

ACB Securities Company

**Notes to the separate financial statements for the year ended 31 December 2015
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(ii) *Golf club memberships*

Golf club memberships are recorded at cost and amortised on a straight-line basis over 35 years.

(l) *Trade and other payables*

Trade and other payables are stated at their costs.

(m) *Provisions*

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(n) *Taxation*

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the separate statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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**Notes to the separate financial statements for the year ended 31 December 2015
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(o) Statutory reserves

The reserve to supplement contributed capital is allocated from profit after tax. The purpose of this reserve is to supplement contributed capital.

The financial reserve is allocated from profit after tax and is to cover losses incurred during the normal course of business. The utilisation of the reserve to supplement contributed capital and the financial reserve are complied with Article 15 of Circular No. 146/2014/TT-BTC dated 6 October 2014 issued by the Ministry of Finance.

(p) Revenue

(i) *Revenue from securities brokerage*

Revenue from securities brokerage activities is recognised in the separate statement of income when the securities transaction of the customer has been processed.

(ii) *Revenue from securities trading activities*

Revenue from securities trading activities is recognised in the separate statement of income upon receipt of the matched notices of securities trading transactions from the Ho Chi Minh City Stock Exchange and the Hanoi Stock Exchange (for listed securities) and completion of the agreement on transfer of assets (for unlisted securities).

(iii) *Revenue from securities investment advisory*

Revenue from securities investment advisory activities is recognised in the separate statement of income in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to work performed.

(iv) *Other revenue*

Other revenue mainly represents interest income on deposits at banks, cash advances to customers for securities trading activities and margin loans. Other revenue is recognised in the separate statement of income on an accrual basis.

(v) *Dividend income*

Dividend income is recognised in the separate statement of income when the Company's right to receive dividends is established.

Dividends in shares and bonus shares are not recognised as income. The Company only updates and monitors the additional shares quantity.

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Notes to the separate financial statements for the year ended 31 December 2015

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(q) Investment cooperation contracts

The Company transfers its cash to the investment cooperation party and this party uses this cash to invest into listed securities on behalf of the Company pursuant to the terms in investment cooperation contracts. The assets and obligations relating to these contracts are recognised on the separate balance sheet in accordance with the accounting policies on recognition and classification for the respective assets and obligations of the Company.

The gains/losses on the sales of listed securities underlying investment cooperation contracts are recognised in the separate statement of income of the Company based on matched notices of securities transactions from the Ho Chi Minh City Stock Exchange and the Hanoi Stock Exchange.

Allowance for diminution in value of securities underlying investment cooperation contracts are determined in accordance with the method used to determine the allowance for diminution in value of investments as described in Notes 4(d) and 4(f).

(r) Interest expense

Interest expense is recognised in the separate statement of income on an accrual basis.

(s) Operating lease payments

Payments made under operating leases are recognised in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the separate statement of income as an integral part of the total lease expense.

(t) Related parties

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

Related companies of the Company includes the Parent Bank and its subsidiaries and associates.

(u) Nil balances

Items or balances required by Circular No. 95/2008/TT-BTC dated 24 October 2008 and Circular No. 162/2010/TT-BTC dated 20 October 2010, issued by the Ministry of Finance on the promulgation of accounting guidance for securities companies, that are not shown in these separate financial statements indicate nil balances.

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**Notes to the separate financial statements for the year ended 31 December 2015
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5. Cash and cash equivalents

	31/12/2015 VND	31/12/2014 VND
Cash in banks	119,913,512,133	515,179,190,617
Cash equivalents	137,000,000,000	-
<i>In which: Customers' cash deposits for securities transactions</i>	<i>67,960,615,791</i>	<i>73,747,306,539</i>
	<hr/> 256,913,512,133	<hr/> 515,179,190,617

As at 31 December 2015 and 31 December 2014, the Company had no cash and cash equivalents denominated in currencies other than VND.

6. Volume and value of transactions during the year

	Volume of transactions during the year		Value of transactions during the year	
	2015	2014	2015 VND	2014 VND
a) The Company				
Shares	6,087,461	25,625,887	73,086,165,868	458,328,453,415
Bonds	520	200,000	52,000,000,000	200,000,000,000
Fund certificates	2,000,000	2,000,000	23,376,000,000	20,040,000,000
b) Investors/customers				
Shares	3,641,512,409	5,017,872,606	54,086,237,423,380	77,057,114,911,610
Bonds	90,495,846	143,715,221	9,507,674,284,942	15,460,547,228,274
Fund certificates	100,170	651,200	976,251,000	6,366,512,000
	<hr/> 3,740,196,406	<hr/> 5,190,064,914	<hr/> 63,743,350,125,190	<hr/> 93,202,397,105,299

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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7. Investments

Details of trading securities held by the Company as at 31 December 2014 and 31 December 2015 were as follows:

As at 31 December 2015

	Quantity of shares/bonds	Book value VND	Comparison to market price Increase VND	(Decrease) VND	Comparison to market price VND
I. Trading securities	6,371,092	92,562,910,450	63,495,758	(2,576,706,977)	
<i>Listed shares (a)</i>	<i>11,262</i>	<i>171,250,046</i>	<i>62,440,458</i>	<i>(46,348,304)</i>	<i>187,342,200</i>
SSI	633	13,708,800	343,800	-	14,052,600
Khác	10,629	157,541,246	62,096,658	(46,348,304)	173,289,600
<i>Listed fund certificates</i>	<i>2,000,000</i>	<i>20,040,000,000</i>	<i>-</i>	<i>(840,000,000)</i>	<i>19,200,000,000</i>
E1VFN30	2,000,000	20,040,000,000	-	(840,000,000)	19,200,000,000
<i>Unlisted shares</i>	<i>4,359,830</i>	<i>72,351,660,404</i>	<i>1,055,300</i>	<i>(1,690,358,673)</i>	
Minh Hai Export Frozen Seafood Processing Joint Stock Company	44,000	2,400,000,000	-	(1,678,400,000)	721,600,000
Vietnam Asia Commercial Joint Stock Bank	4,314,465	69,932,182,531	-	-	Not yet determined
Others	1,365	19,477,873	1,055,300	(11,958,673)	8,574,500

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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As at 31 December 2014

	Quantity of shares/bonds	Book value VND	Comparison to market price		Comparison to market price VND
			Increase VND	(Decrease) VND	
I. Trading securities	6,370,064	377,548,115,472	54,919,892	(2,974,095,252)	
<i>Listed shares</i>	<i>10,361</i>	<i>157,054,150</i>	<i>54,106,992</i>	<i>(43,924,542)</i>	<i>167,236,600</i>
VCB	6	165,852	25,548	-	191,400
Others	10,355	156,888,298	54,081,444	(43,924,542)	167,045,200
<i>Listed fund certificates</i>	<i>2,000,000</i>	<i>20,040,000,000</i>	-	<i>(1,240,000,000)</i>	<i>18,800,000,000</i>
E1VFN30	2,000,000	20,040,000,000	-	(1,240,000,000)	18,800,000,000
<i>Unlisted shares</i>	<i>4,359,703</i>	<i>72,351,061,322</i>	<i>812,900</i>	<i>(1,690,170,710)</i>	
Minh Hai Export Frozen Seafood Processing Joint Stock Company	44,000	2,400,000,000	-	(1,678,400,000)	721,600,000
Vietnam Asia Commercial Joint Stock Bank	4,314,465	69,932,182,531	-	-	Not yet determined
Others	1,238	18,878,791	812,900	(11,770,710)	7,920,981
<i>Deposits at banks with original term to maturity of less than 12 months</i>	<i>N/A</i>	<i>285,000,000,000</i>	-	-	<i>285,000,000,000</i>

ACB Securities Company
Notes to the separate financial statements for the year ended 31 December 2015 (continued)
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Details of held-to-maturity securities, available-for-sales securities, capital contribution and other investments held by the Company at 31 December 2014 and 31 December 2015 were as follows:

	Quantity		Book value		Allowance for diminution in value	
	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND
II. Investment securities	13,845,130	-	235,366,012,860	-	(45,839,390,360)	-
1. Available-for-sale securities	13,844,610	-	183,366,012,860	-	(45,839,390,360)	-
<i>Listed shares (a)</i>	<i>8,674,557</i>	<i>-</i>	<i>123,910,403,360</i>	<i>-</i>	<i>(45,839,390,360)</i>	<i>-</i>
BTS (b)	8,674,557	-	123,910,403,360	-	(45,839,390,360)	-
<i>Unlisted shares</i>	<i>5,170,053</i>	<i>-</i>	<i>59,455,609,500</i>	<i>-</i>	<i>-</i>	<i>-</i>
Saigon Port Joint Stock Company	5,170,053	-	59,455,609,500	-	-	-
2. Held-to-maturity securities	520	-	52,000,000,000	-	-	-
<i>Corporate bonds</i>	<i>520</i>	<i>-</i>	<i>52,000,000,000</i>	<i>-</i>	<i>-</i>	<i>-</i>
Khai Toan Joint Stock Company	520	-	52,000,000,000	-	-	-
III. Capital contribution	N/A	N/A	50,000,000,000	50,000,000,000	-	-
<i>Investment in subsidiary</i>	<i>N/A</i>	<i>N/A</i>	<i>50,000,000,000</i>	<i>50,000,000,000</i>	<i>-</i>	<i>-</i>
ACB Capital Management Company Limited	N/A	N/A	50,000,000,000	50,000,000,000	-	-
IV. Other investments	-	10,674,557	-	144,010,403,360	-	(14,185,432,736)
<i>Listed shares (a)</i>	<i>-</i>	<i>10,674,557</i>	<i>-</i>	<i>144,010,403,360</i>	<i>-</i>	<i>(14,185,432,736)</i>
BTS	-	8,674,557	-	123,910,403,360	-	(14,185,432,736)
ASIAGF	-	2,000,000	-	20,100,000,000	-	-

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
(continued)****Form B 09 - CTCK**

- (a) Included in listed shares of investments securities as at 31 December 2015 is VND20,132 million (31/12/2014: VND22,354 million listed shares of other long-term investments) which were purchased by the Company through investment cooperation contracts with A Chau Investment Joint Stock Company ("ACI") and Binh Chanh Manufacturing – Trading Services Joint Stock Company ("Binh Chanh"). The entire ownership, risks and rewards of these shares belong to the Company but these shares are registered under the names of these two fore-mentioned companies.
- (b) Included in listed shares as at 31 December 2015 is 6,437,702 shares with the carrying amount of VND57,939,318,000 (31/12/2014: VND91,028,290,911) which were pledged with a bank as security for loans granted to the Company (Note 17).

Movements in the allowance for diminution in the value of short-term investments during the year were as follows:

	2015 VND	2014 VND
Opening balance	2,974,095,252	227,478,676,464
Allowance made during the year	905,166,071	1,257,701,073
Allowance reversed during the year	(1,302,554,346)	(225,762,282,285)
Closing balance	2,576,706,977	2,974,095,252

Movements in the allowance for diminution in the value of long-term investments during the year were as follows:

	2015 VND	2014 VND
Opening balance	14,185,432,736	15,927,129,892
Allowance made during the year	45,839,390,360	1,614,632,723
Allowance reversed during the year	(14,185,432,736)	(3,356,329,879)
Closing balance	45,839,390,360	14,185,432,736

8. Accounts receivable from securities trading activities

	31/12/2015 VND	31/12/2014 VND
Brokerage fees receivable from customers	1,793,101,204	1,769,118,988

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
(continued)****Form B 09 - CTCK****9. Other receivables**

	31/12/2015 VND	31/12/2014 VND
Margin loans (i)	1,316,466,927,981	1,099,479,449,117
Auction deposits receivables	44,400,400,000	-
Advances to customers for sales of securities (ii)	5,298,388,465	-
Receivables from sales of securities underlying investment cooperation contracts	23,780	23,780
Dividend receivables	2,363,310,245	2,721,461,937
Interest receivables from margin loans	12,145,391,537	9,958,926,359
Interest receivables from term deposits at banks	140,250,000	388,722,223
Bond interest receivables	227,500,000	-
Other receivables	1,746,589,066	2,020,388,460
	1,382,788,781,074	1,114,568,971,876

- (i) The margin loans were granted to customers for margin trade. These loans had original term of 90 days and earned interest rate of 0.026% to 0.041% per day during the year (2014: 0.034% to 0.04%). The initial margin rate and maintenance margin rate for the margin trade are 50% and 30%, respectively.
- (ii) Advances to customers for sales of securities earned interest rate of 0.036% per day and had the original term of 2 days during the year.

10. Allowance for doubtful debts

Movements in the allowance for doubtful debts during the year were as follows:

	2015 VND	2014 VND
Opening balance	1,223,429,440	7,618,282,970
Allowance made during the year	89,413,416	2,359,956,590
Allowance reversed during the year	(78,738,000)	(8,754,810,120)
Closing balance	1,234,104,856	1,223,429,440

ACB Securities Company

Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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11. Tangible fixed assets

2015

	Buildings VND	Office equipment VND	Motor vehicles VND	Management equipment VND	Other tangible fixed assets VND	Total VND
Cost						
Opening balance	62,445,734,395	6,989,007,204	3,009,178,509	11,552,731,119	2,425,654,203	86,422,305,430
Additions	-	38,000,000	-	2,879,615,800	-	2,917,615,800
Disposals	-	-	(448,617,209)	(42,350,000)	-	(490,967,209)
Closing balance	62,445,734,395	7,027,007,204	2,560,561,300	14,389,996,919	2,425,654,203	88,848,954,021
Accumulated depreciation						
Opening balance	16,262,693,201	6,955,558,074	3,009,178,509	5,608,048,605	1,646,897,818	33,482,376,207
Charge for the year	2,498,254,890	39,782,466	-	2,799,811,206	293,781,227	5,631,629,789
Disposals	-	-	(448,617,209)	(2,273,960)	-	(450,891,169)
Closing balance	18,760,948,091	6,995,340,540	2,560,561,300	8,405,585,851	1,940,679,045	38,663,114,827
Net book value						
Opening balance	46,183,041,194	33,449,130	-	5,944,682,514	778,756,385	52,939,929,223
Closing balance	43,684,786,304	31,666,664	-	5,984,411,068	484,975,158	50,185,839,194

ACB Securities Company

Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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11. Tangible fixed assets (continued)

2014	Buildings VND	Office equipment VND	Motor vehicles VND	Management equipment VND	Other tangible fixed assets VND	Total VND
Cost						
Opening balance	62,445,734,395	7,775,991,660	3,572,228,509	4,615,213,021	2,878,416,203	81,287,583,788
Additions	-	-	-	6,995,066,086	192,236,000	7,187,302,086
Disposals	-	(786,984,456)	(563,050,000)	(57,547,988)	(644,998,000)	(2,052,580,444)
Closing balance	62,445,734,395	6,989,007,204	3,009,178,509	11,552,731,119	2,425,654,203	86,422,305,430
Accumulated depreciation						
Opening balance	13,764,012,797	7,675,319,010	3,486,671,066	3,907,775,328	2,012,433,113	30,846,211,314
Charge for the year	2,498,680,404	67,223,520	85,557,443	1,752,119,211	279,462,705	4,683,043,283
Disposals	-	(786,984,456)	(563,050,000)	(51,845,934)	(644,998,000)	(2,046,878,390)
Closing balance	16,262,693,201	6,955,558,074	3,009,178,509	5,608,048,605	1,646,897,818	33,482,376,207
Net book value						
Opening balance	48,681,721,598	100,672,650	85,557,443	707,437,693	865,983,090	50,441,372,474
Closing balance	46,183,041,194	33,449,130	-	5,944,682,514	778,756,385	52,939,929,223

Included in the cost of tangible fixed assets were assets costing VND15,032,429,940 which were fully depreciated as of 31 December 2015 (31/12/2014: VND13,795,755,185), but which are still in use.

As at 31 December 2015, tangible fixed assets with a carrying amount of VND43,684,786,304 (31/12/2014: VND46,183,041,194) were pledged with a bank as security for loans granted to the Company (Note 17).

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
(continued)****Form B 09 - CTCK****12. Intangible fixed assets**

	Software	
	2015 VND	2014 VND
Cost		
Opening balance	3,123,445,796	2,537,629,746
Additions	317,100,000	624,560,000
Written off	-	(38,743,950)
Closing balance	3,440,545,796	3,123,445,796
Accumulated amortisation		
Opening balance	2,686,627,366	2,532,854,757
Charge for the year	252,512,473	192,516,559
Written off	-	(38,743,950)
Closing balance	2,939,139,839	2,686,627,366
Net book value		
Opening balance	436,818,430	4,774,989
Closing balance	501,405,957	436,818,430

Included in the cost of intangible fixed assets were assets costing VND2,498,885,796 which were fully amortised as of 31 December 2015 (31/12/2014: VND2,498,885,796), but which are still in use.

ACB Securities Company

Notes to the separate financial statements for the year ended 31 December 2015

(continued)

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13. Construction in progress

	2015 VND	2014 VND
Opening balance	-	-
Additions	11,980,022,805	-
Closing balance	11,980,022,805	-

Major constructions in progress were as follows:

	31/12/2015 VND	31/12/2014 VND
Securities trading software	11,980,022,805	-

14. Long-term prepaid expenses

2015	Tools and instruments VND	Golf club memberships VND	Others VND	Total VND
Opening balance	294,252,054	742,948,737	135,227,279	1,172,428,070
Additions	225,169,260	-	15,510,094,900	15,735,264,160
Amortisation for the year	(249,433,568)	(26,533,948)	(877,274,084)	(1,153,241,600)
Closing balance	269,987,746	716,414,789	14,768,048,095	15,754,450,630
2014	Tools and instruments VND	Golf club memberships VND	Others VND	Total VND
Opening balance	769,726,584	769,482,685	533,572,003	2,072,781,272
Additions	309,149,331	-	162,868,644	472,017,975
Amortisation for the year	(784,623,861)	(26,533,948)	(561,213,368)	(1,372,371,177)
Closing balance	294,252,054	742,948,737	135,227,279	1,172,428,070

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015****(continued)****Form B 09 - CTCK****15. Deposits at Payment Support Fund**

	31/12/2015 VND	31/12/2014 VND
Deposits at Payment Support Fund	20,000,000,000	18,144,000,003

According to Decision No. 45/QĐ-VSD dated 22 May 2014 issued by the Vietnam Securities Depository, the Company is required to deposit an initial amount of VND120 million at the Vietnam Securities Depository and an annual contribution of 0.01% of the total value of brokered securities, which are listed and registered for transactions in the Stock Exchanges, in the previous year with the maximum of annual contribution of VND2.5 billion to Payment Support Fund. The maximum limit for the Company's contribution to the Payment Support Fund is VND20 billion.

Movements of deposits at Payment Support Fund during the year were as follows:

	2015 VND	2014 VND
Opening balance	18,144,000,003	15,644,000,003
Additions during the year	819,680,921	766,265,678
Interest income during the year	1,036,319,076	1,733,734,322
Closing balance	20,000,000,000	18,144,000,003

16. Other long-term assets

	31/12/2015 VND	31/12/2014 VND
Rental deposits for offices	503,669,100	549,457,200

ACB Securities Company

Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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17. Short-term borrowings and liabilities

	Interest rate per annum %	Maturity date	Balance as at 1/1/2015 VND	Additions VND	(Payments) VND	Balance as at 31/12/2015 VND
Short-term bonds issued for:						
▪ Vietcombank Fund Management	8.50%	21/12/2016	-	75,000,000,000	-	75,000,000,000
▪ Minh Phuong Commercial Service Co., Ltd	8.50%	29/12/2015	30,000,000,000	-	(30,000,000,000)	-
▪ Trieu Thi Tam	8.50%	29/12/2015	1,000,000,000	-	(1,000,000,000)	-
▪ Nguyen Thi Thu Huong	9.00%	29/12/2015	3,000,000,000	-	(3,000,000,000)	-
▪ Huynh Van Son	9.00%	29/12/2015	1,000,000,000	-	(1,000,000,000)	-
▪ Dip Van Minh	9.00%	29/12/2015	3,000,000,000	-	(3,000,000,000)	-
▪ Nguyen Thi Ngoc Tuyet	9.00%	29/12/2015	2,000,000,000	-	(2,000,000,000)	-
▪ Nguyen Thai Thao Ly	8.50%	29/12/2015	30,000,000,000	-	(30,000,000,000)	-
▪ Tran Thi Tuyet Van	9.00%	29/12/2015	8,000,000,000	-	(8,000,000,000)	-
Short-term borrowings from:						
▪ Vietnam Thuong Tin Commercial Joint Stock Bank	9.00%	18/05/2015	150,000,000,000	-	(150,000,000,000)	-
▪ Vietnam Thuong Tin Commercial Joint Stock Bank (*)	8.50%	27/2/2016	-	100,000,000,000	-	100,000,000,000
			228,000,000,000	175,000,000,000	(228,000,000,000)	175,000,000,000

(*) The bank borrowing is secured by 6,437,702 shares of Vicem But Son Cement Joint Stock Company with the carrying amount of VND57,939,318,000 (31/12/2014: 4,314,465 shares of Vietnam Asia Commercial Joint Stock Bank with the carrying amount of VND69,932,182,531 and 6,437,702 shares of Vicem But Son Cement Joint Stock Company with the carrying amount of VND91,028,290,911) and tangible fixed assets which is the building at 107N Truong Dinh with the carrying amount of VND43,684,786,304 (31/12/2014: VND46,183,041,194) (Notes 7 and 11).

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
(continued)****Form B 09 - CTCK****18. Taxes payable to State Treasury**

	31/12/2015 VND	31/12/2014 VND
Personal income tax of employees	542,980,802	486,343,997
Personal income tax of investors	1,704,047,465	2,551,346,580
Corporate income tax	-	13,434,145,538
Other taxes	744,471,597	371,419,488
	<hr/>	<hr/>
	2,991,499,864	16,843,255,603

19. Accrued expenses

	31/12/2015 VND	31/12/2014 VND
Accrued bond interest	177,083,333	37,305,556
Accrued loan interest	802,777,777	1,432,500,000
Fees payable to Vietnam Securities Depository, Stock Exchanges	2,274,565,719	2,567,240,410
Others	837,551,591	-
	<hr/>	<hr/>
	4,091,978,420	4,037,045,966

20. Other short-term payables

	31/12/2015 VND	31/12/2014 VND
Profit to be transferred to the Parent Bank	-	233,937,996,640
Other payables to the Parent Bank	13,893,099,074	-
Other payables	2,528,480,367	133,143,585
	<hr/>	<hr/>
	16,421,579,441	234,071,140,225

21. Accounts payable for securities trading activities

	31/12/2015 VND	31/12/2014 VND
Accounts payable for securities trading activities of customers	74,507,686,268	75,430,686,539
	<hr/>	<hr/>

Accounts payable for securities trading activities of customers represent the deposits from the customers for securities trading activities.

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
(continued)****Form B 09 - CTCK****22. Statutory reserves**

According to Circular No. 146/2014/TT-BTC dated 6 October 2014 issued by the Ministry of Finance, the Company is required to make the following allocations from profit after tax before distribution of profits:

	Annual allocation	Maximum balance
Reserve to supplement contributed capital	5% profit after tax	10% contributed capital
Financial reserve	5% profit after tax	10% contributed capital

23. Revenue from securities trading

	2015 VND	2014 VND
Gains from disposals of short-term securities	99,930,223	3,692,000
Gains from disposals of long-term investment securities	3,276,000,000	-
Profit transferred from the subsidiary	2,363,159,245	2,721,259,737
Dividend income	16,117,000	9,024,829
Interest income from bonds	3,928,166,666	26,929,868,296
	9,683,373,134	29,663,844,862

24. Other revenue

	2015 VND	2014 VND
Revenue from margin loans	139,967,292,175	159,280,026,405
Interest income from term deposits at banks	12,583,277,781	14,486,111,104
Interest income from demand deposits at banks	2,878,435,515	4,116,294,936
Revenue from office leasing	-	642,000,000
Other revenue	1,623,590,721	1,636,847,499
	157,052,596,192	180,161,279,944

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
(continued)****Form B 09 - CTCK****25. Operating expenses**

	2015 VND	2014 VND
Securities brokerage fees	16,932,527,156	24,382,284,651
Losses from trading securities activities	353,206,108	126,573,938,189
Securities custody fees	9,506,178,425	10,569,367,394
Additions/(reversals) of allowance for diminution in value of securities	31,256,569,349	(226,246,278,368)
Interest expenses on bonds	2,849,374,998	26,503,972,223
Interest expenses on bank loans	1,812,499,999	1,432,500,000
Direct personnel expenses	33,144,637,055	33,265,829,296
Depreciation and amortisation of fixed assets	3,830,310,124	2,489,791,277
Commission expense	3,824,971,459	2,764,737,355
Rental expenses	3,307,729,854	4,443,699,786
Other expenses	9,974,023,804	9,909,631,037
	<hr/> 116,792,028,331	<hr/> 16,089,472,840

26. General and administration expenses

	2015 VND	2014 VND
Depreciation and amortisation of fixed assets	2,053,832,138	2,385,768,565
Staff costs	23,295,999,551	22,222,022,774
Additions/(reversals) of allowance for doubtful debts	10,675,416	(6,394,853,530)
Tools, materials, stationeries	535,352,655	857,552,823
Taxes and fees	40,202,000	51,747,000
Outside services	2,075,410,572	2,855,112,619
Non-deductible value added tax	1,835,074,495	1,308,802,538
Rental expenses	1,275,950,782	953,700,467
Other expenses	9,105,282,658	8,752,055,806
	<hr/> 40,227,780,267	<hr/> 32,991,909,062

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
(continued)****Form B 09 - CTCK****27. Other income**

	2015 VND	2014 VND
Proceeds from disposals of fixed assets	250,000,000	78,000,000
Proceeds from office leasing	642,000,000	-
Other income	112,387,595	220,945,368
	<hr/>	<hr/>
	1,004,387,595	298,945,368
	<hr/>	<hr/>

28. Income tax**(a) Recognised in the separate statement of income**

	2015 VND	2014 VND
Current tax expense	26,449,722,334	69,420,889,354
Deferred tax expense	-	-
	<hr/>	<hr/>
	26,449,722,334	69,420,889,354
	<hr/>	<hr/>

(b) Reconciliation of effective tax rate

	2015 VND	2014 VND
Accounting profit before tax	122,531,252,960	318,253,199,728
	<hr/>	<hr/>
Tax at the Company's tax rate	26,956,875,651	70,015,703,940
Non-taxable income	(523,440,774)	(600,662,604)
Non-deductible expenses	16,287,457	5,848,018
	<hr/>	<hr/>
	26,449,722,334	69,420,889,354
	<hr/>	<hr/>

(c) Applicable tax rates

The usual income tax rate applicable to the Company is 22% for 2014 and 2015, and will be reduced to 20% from 2016. The income tax computation is subject to the review and approval of the tax authorities.

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015****(continued)****Form B 09 - CTCK****29. Significant transactions with related parties**

The followings table presents significant transactions during the year and the balances with related parties at the reporting dates of the Company:

	Transaction value	
	2015	2014
	VND	VND
Asia Commercial Joint Stock Bank – the Parent Bank		
Receipt of brokerage fees	900,900	706,430,966
Commission from the Parent Bank	4,721,074	2,170,552
Interest income	14,305,076,834	16,739,597,636
Office leasing income	642,000,000	642,000,000
Securities custody fee	-	107,397,763
Service fee paid to the Parent Bank	150,903,323	125,929,440
Profit transferred to the Parent Bank	233,937,996,640	186,585,569,711
Utilities fee payables	483,280,148	200,892,773
ACB Capital Management Company Limited – the subsidiary		
Securities custody fee	1,927,800	2,940,300
Profit transferred from the subsidiary	2,721,259,737	2,841,042,814
Receipt of brokerage fees	12,319,875	-
ACB Real Estate Services Ltd – Related company		
Re-purchase of investments	-	66,323,329,885
Interest expenses	-	18,427,500,000
Re-purchase of issued bonds	-	300,000,000,000
Asset management income	-	250,687,448
Other expenses	-	968,186,719
ACB Union Co., Ltd – Related company		
Disposals of long-term investments	-	191,250,000
Compensations of key management		
Salaries and other gross benefits	3,136,893,000	4,554,998,000

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015****(continued)****Form B 09 - CTCK**

	Balances outstanding as of	
	31/12/2015	31/12/2014
	Receivables/(payables)	
	VND	VND
Asia Commercial Joint Stock Bank – the Parent Bank		
Demand deposits	114,770,788,426	363,227,041,952
Deposits with original term to maturity of less than 12 months	137,000,000,000	285,000,000,000
Interest receivables from deposits	140,250,000	388,722,223
Profit to be transferred to the Parent Bank	-	(233,937,996,640)
ACB Capital Management Company Limited – the subsidiary		
Investment in the subsidiary	50,000,000,000	50,000,000,000
Profit to be received from the subsidiary	2,363,159,245	2,721,259,737

ACB Securities Company
Notes to the separate financial statements for the year ended 31 December 2015 (continued)
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30. Movements of accounts receivable

Items	Total VND	Opening balance Overdue VND	Doubtful VND	Incurred during the year		Total VND	Closing balance Overdue VND	Doubtful VND	Allowance made at year end VND
				Increase VND	Decrease VND				
1. Accounts receivable from customers	-	-	-	32,875,107	(22,895,571)	9,979,536	-	-	-
2. Prepayments to suppliers	7,212,929,400	-	-	7,404,815,916	(14,066,990,876)	550,754,440	-	-	-
3. Intra-company receivables	1,048,730,000	-	-	707,069,000	(1,755,799,000)	-	-	-	-
4. Accounts receivable from securities trading activities	1,769,118,988	2,354,080	2,354,080	13,318,445,858,513	(13,318,421,876,297)	1,793,101,204	2,354,080	2,354,080	1,865,956
5. Other receivables	1,114,568,971,876	4,600,219,813	1,232,238,900	11,379,703,207,658	(11,111,483,398,460)	1,382,788,781,074	2,705,313,584	1,232,238,900	1,232,238,900
	1,124,599,750,264	4,602,573,893	1,234,592,980	24,706,293,826,194	(24,445,750,960,204)	1,385,142,616,254	2,707,667,664	1,234,592,980	1,234,104,856

31. Financial instruments

(a) Financial risk management

(i) Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

The Company's Members' Council oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

(ii) Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The Committee reports regularly to the Board of Directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Supervisory Board is assisted in its oversight role by Internal Audit Department. Internal Audit Department undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Supervisory Board.

(b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

To manage the level of credit risk, the Company attempts to deal with counterparties of good credit standing, and when appropriate, obtains collaterals. The Board of Directors has established a credit policy under which each new customer is analysed individually for credit worthiness before the standard terms and conditions are offered.

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
(continued)****Form B 09 - CTCK**

Concentrations of credit risk that arise from groups of customers when they have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions. The major concentrations of credit risk arise from type of customer in relation to the Company's advances to customers for securities trading activities and margin loans.

Collaterals

The amount and type of collateral required depends on an assessment of the credit risk of the counterparty. The Company issues guidelines to implement the acceptability of types of collateral and valuation parameters. The main types of collateral obtained are listed securities and cash deposited at the Company. The Board of Directors monitors the market value of collateral, requests additional collateral in accordance with the underlying agreement, and monitors the market value of collateral obtained during its review of the adequacy of the allowance for doubtful debts.

Exposure to credit risk

Not considering collaterals, the Company's maximum exposure to credit risk at the reporting dates was as follows:

	31/12/2015 VND	31/12/2014 VND
Cash and cash equivalents (i)	256,913,512,133	515,179,190,617
Deposits at banks with original term to maturity of less than 12 months	-	285,000,000,000
Accounts receivable from customers	9,979,536	-
Intra-company receivables	-	1,048,730,000
Accounts receivable from securities trading activities (ii)	1,793,101,204	1,769,118,988
Other receivables (ii)	1,382,788,781,074	1,114,568,971,876
Held-to-maturity investment securities (iii)	52,000,000,000	-
Deposits at Payment Support Fund	20,000,000,000	18,144,000,003
Other financial assets	745,684,100	561,206,200
	<hr/> 1,714,251,058,047	<hr/> 1,936,271,217,684 <hr/>

(i) *Cash and cash equivalents and term deposits at banks with original term to maturity of less than 12 months*

Cash in banks, cash equivalents and term deposits at banks with original term to maturity of less than 12 months of the Company are mainly deposited at Asia Commercial Joint Stock Bank, the Parent Bank. The Board of Directors does not foresee any significant credit risk from these deposits and does not expect that these financial institutions may default and cause losses to the Company.

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Notes to the separate financial statements for the year ended 31 December 2015
(continued)

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(ii) *Accounts receivable from securities trading activities and other receivables*

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. In response to the risk, the Board of Directors has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Credit limit is established for each customer, which represents the maximum open amount without requiring approval from the General Director. The limit is reviewed annually. Debtors with balances that are overdue are requested to settle the balances before further credit is granted. The Board of Directors requires collaterals based on the assessment of the credit risk of each customer. The main types of collaterals obtained are cash and securities. The Board of Directors monitors the market value of collaterals and requests additional collaterals in accordance with the underlying agreement, and monitors the market value of collateral obtained during its review of the adequacy of the allowance for doubtful debts.

Accounts receivable from securities trading activities that are neither past due nor impaired mainly related to a wide range of customers for whom there was no recent history of default. The Board of Directors believes that those receivables are of high credit quality.

(iii) *Held-to-maturity securities*

The Company limits its exposure to credit risk by only investing in corporate bonds with low credit risk according to the Board of Directors' assessment. Given these high credit ratings, the Board of Directors does not expect any counterparty may default and cause losses to the Company.

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
(continued)****Form B 09 - CTCK**

An analysis of collateral against of secured and unsecured financial assets which are neither past due nor impaired was as follows:

As at 31 December 2015	Secured VND	Unsecured VND	Total VND
Cash and cash equivalents	-	256,913,512,133	256,913,512,133
Accounts receivable from customers	-	9,979,536	9,979,536
Accounts receivable from securities trading activities	-	1,790,747,124	1,790,747,124
Other receivables	1,326,985,236,505	53,098,230,985	1,380,083,467,490
Held-to-maturity securities	52,000,000,000	-	52,000,000,000
Deposits at Payment Support Fund	-	20,000,000,000	20,000,000,000
Other financial assets	-	745,684,100	745,684,100
	1,378,985,236,505	332,558,153,878	1,711,543,390,383

As at 31 December 2014	Secured VND	Unsecured VND	Total VND
Cash and cash equivalents	-	515,179,190,617	515,179,190,617
Deposits at banks with original term to maturity of less than 12 months	-	285,000,000,000	285,000,000,000
Intra-company receivables	-	1,048,730,000	1,048,730,000
Accounts receivable from securities trading activities	-	1,766,764,908	1,766,764,908
Other receivables	1,106,070,585,963	3,898,166,100	1,109,968,752,063
Deposits at Payment Support Fund	-	18,144,000,003	18,144,000,003
Other financial assets	-	561,206,200	561,206,200
	1,106,070,585,963	825,598,057,828	1,931,668,643,791

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
(continued)****Form B 09 - CTCK**

An aging analysis of past due but not impaired financial assets was as follows:

	Other receivables	
	31/12/2015	31/12/2014
	VND	VND
Overdue less than 6 months	1,473,074,684	3,367,980,913

An aging analysis of impaired financial assets was as follows:

As at 31 December 2015

	Accounts receivable from securities trading activities VND	Other receivables VND
Overdue from 2 years to less than 3 years	1,627,080	-
Overdue from 3 years and above	727,000	1,232,238,900
	2,354,080	1,232,238,900

As at 31 December 2014

	Accounts receivable from securities trading activities VND	Other receivables VND
Overdue from 1 year to less than 2 years	1,627,080	-
Overdue from 2 years to less than 3 years	727,000	1,197,238,900
Overdue from 3 years and above	-	35,000,000
	2,354,080	1,232,238,900

The below table presents the fair value of collaterals for past due and impaired financial assets:

	31/12/2015	31/12/2014
	VND	VND
Listed securities on		
▪ <i>Ho Chi Minh City Stock Exchange</i>	11,270,014,525	13,548,818,533
▪ <i>Hanoi Stock Exchange</i>	5,535,797,340	-
	16,805,811,865	13,548,818,533

Movements in the allowance for doubtful debts during the year were presented in Note 10.

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
(continued)****Form B 09 - CTCK****(c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages its ability to meet the expected operational expenses and servicing its debts by issuing bonds and investing its cash surpluses in short-term investments.

The financial liabilities with fixed or determinable payments have the following contractual maturities including the estimated interest payments were as follows:

As at 31 December 2015	Carrying amount VND	Contractual cash flows VND	Within 1 year VND
Short-term borrowings and liabilities	175,000,000,000	182,673,611,111	182,673,611,111
Accounts payables to suppliers	90,998,950	90,998,950	90,998,950
Accrued expenses	4,091,978,420	4,091,978,420	4,091,978,420
Other short-term payables	16,421,579,441	16,421,579,441	16,421,579,441
Accounts payable for securities trading activities	74,507,686,268	74,507,686,268	74,507,686,268
Dividends, bond principal and interest payables	2,581,239,238	2,581,239,238	2,581,239,238
	272,693,482,317	280,367,093,428	280,367,093,428
As at 31 December 2014	Carrying amount VND	Contractual cash flows VND	Within 1 year VND
Short-term borrowings and liabilities	228,000,000,000	239,945,958,333	239,945,958,333
Accounts payables to suppliers	291,543,700	291,543,700	291,543,700
Accrued expenses	4,037,045,966	4,037,045,966	4,037,045,966
Other short-term payables	234,071,140,225	234,071,140,225	234,071,140,225
Accounts payable for securities trading activities	75,430,686,539	75,430,686,539	75,430,686,539
Dividends, bond principal and interest payables	3,247,966,557	3,247,966,557	3,247,966,557
	545,078,382,987	557,024,341,320	557,024,341,320

ACB Securities Company**Notes to the separate financial statements for the year ended 31 December 2015
(continued)****Form B 09 - CTCK****(d) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's results of operations or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

As at 31 December 2015 and 31 December 2014, the Company's exposure to currency is minimal because the Company did not have significant exposure to currencies other than VND.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments were as follows:

	Carrying amount	
	31/12/2015	31/12/2014
	VND	VND
Fixed rate financial instruments		
Cash and cash equivalents	256,913,512,133	515,179,190,617
Deposits at banks with original term to maturity of less than 12 months	-	285,000,000,000
Other receivables	1,321,765,316,446	1,099,479,449,117
Short-term borrowings and liabilities	(175,000,000,000)	(228,000,000,000)
Variable rate financial instruments		
Held-to-maturity securities	52,000,000,000	-

A change of 100 basis points in interest rate would increase or decrease the net profit after tax of the Company by VND405,600,000 (2014: Nil). This analysis is based on the assumption that all other variables remain constant.

(iii) *Equity price risk*

Equity price risk is the risk that the market values of equity securities decrease as a result of changes in the values of individual securities. The equity price risk exposure arises from the Company's trading securities and investment securities.

The Company's trading securities and investment securities are affected by market price risk arising from the uncertainty of the fluctuation of the future market value of these securities. The Company's equity price risk is managed by the management who seeks to monitor the risk through a careful selection of securities within specified limits.

As at 31 December 2015, the market value of the Company's listed shares and listed fund certificates belonging to trading securities and available-for-sale securities is VND97,458,337,654 (31/12/2014: VND18,967,236,600). Had the market prices of these securities decreased or increased by 13% as at 31 December 2015 (31/12/2014: 17%) with all other variables remaining constant, the Company's profit after tax for the year would have decreased by VND9,643,340,961 or increased by VND8,394,550,981 respectively (2014: decreased by VND1,086,853,486 or increased by VND2,820,338,740 respectively).

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Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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(e) Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction on the measurement date.

(i) Fair values versus carrying amounts

The fair values of financial assets and liabilities, together with the carrying amounts shown in the separate balance sheet, were as follows:

	31/12/2015		31/12/2014	
	Carrying amount VND	Fair value VND	Carrying amount VND	Fair value VND
Financial assets at fair value through profit or loss:				
▪ Investments in listed trading securities	19,324,901,742	19,387,342,200	18,913,129,608	18,967,236,600
▪ Investments in unlisted trading securities:				
- Minh Hai Export Frozen Seafood Processing Joint Stock Company	721,600,000	721,600,000	721,600,000	721,600,000
- Vietnam Asia Commercial Joint Stock Bank	69,932,182,531	(*)	69,932,182,531	(*)
- Others	7,519,200	8,574,500	7,108,081	7,920,981
Held-to-maturity investments:				
▪ Held-to-maturity securities	52,000,000,000	(*)	-	-
Loans and receivables:				
▪ Cash and cash equivalents	256,913,512,133	256,913,512,133	515,179,190,617	515,179,190,617
▪ Deposits at banks with original term to maturity of less than 12 months	-	-	285,000,000,000	(*)
▪ Accounts receivable from customers	9,979,536	(*)	-	-
▪ Intra-company receivables	-	-	1,048,730,000	(*)
▪ Accounts receivable from securities trading activities	1,791,235,248	(*)	1,767,578,448	(*)
▪ Other receivables	1,381,556,542,174	(*)	1,113,347,082,976	(*)
▪ Deposits at Payment Support Fund	20,000,000,000	(*)	18,144,000,003	(*)
▪ Other financial assets	745,684,100	(*)	561,206,200	(*)

ACB Securities Company

Notes to the separate financial statements for the year ended 31 December 2015 (continued)

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	31/12/2015		31/12/2014	
	Carrying amount VND	Fair value VND	Carrying amount VND	Fair value VND
Available-for-sale financial assets:				
▪ Listed securities	78,071,013,000	78,071,013,000	129,824,970,624	87,526,633,200
▪ Unlisted securities	59,455,609,500	(*)	-	-
Financial liabilities carried at amortised cost:				
▪ Short-term borrowings and liabilities	(175,000,000,000)	(*)	(228,000,000,000)	(*)
▪ Accounts payables to suppliers	(90,998,950)	(*)	(291,543,700)	(*)
▪ Accrued expenses	(4,091,978,420)	(*)	(4,037,045,966)	(*)
▪ Other short-term payables	(16,421,579,441)	(*)	(234,071,140,225)	(*)
▪ Accounts payable for securities trading activities	(74,507,686,268)	(*)	(75,430,686,539)	(*)
▪ Dividends, bond principal and interest payables	(2,581,239,238)	(*)	(3,247,966,557)	(*)

(ii) Basis for determining fair values

Listed trading securities

The fair values of listed trading securities were determined by reference to closing prices of securities from the Ho Chi Minh City Stock Exchange and the Hanoi Stock Exchange at the reporting date. The fair values of these instruments were determined for the disclosure purpose only.

- (*) The Company has not determined fair values of these financial instruments for disclosure in the separate financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards and the Vietnamese Accounting System for enterprises. The fair values of these financial instruments may differ from their carrying amounts.

32. Commitments*Lease commitments*

The future minimum lease payments under non-cancellable operating leases were as follows:

	31/12/2015 VND	31/12/2014 VND
Within one year	4,380,008,900	4,948,992,900
Within two to five years	16,748,607,600	16,295,091,600
More than five years	13,554,243,000	17,620,515,900
	<hr/> 34,682,859,500	<hr/> 38,864,600,400 <hr/>

29 February 2016

Prepared by:



Mr. Nguyen Phuong Quang
Accountant

Reviewed by:



Mr. Vo Van Van
Chief Accountant

Approved by:



Mr. Trinh Thanh Can
General Director

