


**COMPLETE ACCOUNTING OF FIXED ASSETS AT VIETNAM PUBLIC HOSPITALS
WHEN APPLYING VPSAS 17 AND VPSAS 31**

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ARTICLE INFO	ABSTRACT
<p>Article history:</p> <p>Received 27 January 2023</p> <p>Accepted 22 March 2023</p>	<p>Purpose: The aim of this study is to provide a solution based on the regulations of VPSAS that have been issued to improve the accounting of fixed assets in public hospitals in Vietnam today.</p>
<p>Keywords:</p> <p>Vietnamese Public Accounting Standards; Fixed Assets; Public Hospital.</p>	<p>Theoretical framework: The study uses regulatory documents of the government and industry to understand the nature, scale of management, fixed assets used in Vietnamese public hospitals.</p>
	<p>Design/methodology/approach: The study uses survey data through google form, the research article synthesizes existing shortcomings, analyzes and evaluates from survey data, thereby offering solutions from previous research results, specific characteristics of the health sector and applying VPSAS 17 and VPSAS 31 to accounting for tangible fixed assets at Hanoi public hospitals today to help accountants and managers at Vietnamese public hospitals to participate. study and apply it well in their work.</p> <p>Findings: The study has provided a number of solutions to improve fixed asset accounting in Vietnamese public hospitals when using VPSAS 17 and VPSAS 31. Next, The results show The determination and recognition of fixed assets are influenced by different management mechanisms, so the treatment and recognition of assets are also different.</p> <p>Research, Practical & Social implications: The study shows Vietnam is in the process of integrating and perfecting the accounting system according to international regulations, including the public accounting system. One of the public sectors that manages the largest amount of government fixed assets is the public hospital sector.</p> <p>Originality/value: The value is that In the process of public sector financial reporting disclosure and transparency, the Ministry of Finance has recently developed and issued 11 Vietnamese public accounting standards, the first two phases in the reform process in the field of financial management. public administration at the national and local levels...the application of Vietnamese Public Accounting Standards is important in the PFM Program efforts to improve the efficiency of public spending and strengthen governance. management of public resources towards sustainable development, including accounting for fixed assets at public hospitals. Therefore, it will greatly affect and influence the financial position in the public financial statements.</p> <p>Doi: https://doi.org/10.26668/businessreview/2023.v8i4.1059</p>

**CONTABILIZAÇÃO COMPLETA DOS ATIVOS FIXOS NOS HOSPITAIS PÚBLICOS DO VIETNÃ
AO APLICAR A VPSAS 17 E VPSAS 31**

RESUMO

Objetivo: O objetivo deste estudo é fornecer uma solução baseada nos regulamentos do VPSAS que foram emitidos para melhorar a contabilidade dos ativos fixos nos hospitais públicos do Vietnã de hoje.

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Estrutura teórica: O estudo utiliza documentos regulamentares do governo e da indústria para compreender a natureza, escala da gestão, ativos fixos utilizados nos hospitais públicos vietnamitas.

Projeto/método/abordagem: O estudo usa dados de pesquisa através do formulário google, o artigo de pesquisa sintetiza as deficiências existentes, analisa e avalia a partir dos dados da pesquisa, oferecendo assim soluções a partir de resultados de pesquisas anteriores, características específicas do setor de saúde e aplicando o VPSAS 17 e VPSAS 31 à contabilidade de ativos fixos tangíveis nos hospitais públicos de Hanói hoje para ajudar os contadores e gerentes dos hospitais públicos vietnamitas a participar. estudar e aplicá-lo bem em seu trabalho.

Descobertas: O estudo forneceu uma série de soluções para melhorar a contabilidade de ativos fixos nos hospitais públicos vietnamitas ao utilizar o VPSAS 17 e o VPSAS 31. Em seguida, os resultados mostram A determinação e o reconhecimento dos ativos fixos são influenciados por diferentes mecanismos de gestão, portanto, o tratamento e o reconhecimento dos ativos também são diferentes.

Pesquisa, implicações práticas e sociais: O estudo mostra que o Vietnã está em processo de integração e aperfeiçoamento do sistema contábil de acordo com as regulamentações internacionais, incluindo o sistema de contabilidade pública. Um dos setores públicos que administra a maior quantidade de ativos fixos do governo é o setor hospitalar público.

Originalidade/valor: O valor é que No processo de divulgação de relatórios financeiros do setor público e transparência, o Ministério da Fazenda recentemente desenvolveu e emitiu 11 normas de contabilidade pública vietnamitas, as duas primeiras fases do processo de reforma no campo da gestão financeira. administração pública em nível nacional e local...a aplicação das Normas de Contabilidade Pública vietnamitas é importante nos esforços do Programa PFM para melhorar a eficiência dos gastos públicos e fortalecer a governança. gestão dos recursos públicos rumo ao desenvolvimento sustentável, incluindo a contabilidade dos ativos fixos nos hospitais públicos. Portanto, ela afetará e influenciará muito a posição financeira nas demonstrações financeiras públicas

Palavras-chave: Normas de Contabilidade Pública do Vietnã, Ativo fixo, Hospital público.

CONTABILIDAD COMPLETA DEL INMOVILIZADO DE LOS HOSPITALES PÚBLICOS VIETNAMITAS AL APLICAR LAS VPSAS 17 Y 31

RESUMEN

Propósito: El objetivo de este estudio es proporcionar una solución basada en las normas de las VPSAS que se han emitido para mejorar la contabilidad de los activos fijos en los hospitales públicos de Vietnam en la actualidad.

Marco teórico: El estudio utiliza documentos normativos del Gobierno y la industria para comprender la naturaleza, la escala de gestión y los activos fijos utilizados en los hospitales públicos vietnamitas.

Diseño/metodología/enfoque: El estudio utiliza datos de encuestas a través de google form, el artículo de investigación sintetiza las deficiencias existentes, analiza y evalúa a partir de los datos de la encuesta, ofreciendo así soluciones a partir de los resultados de investigaciones anteriores, las características específicas del sector sanitario y aplicando las VPSAS 17 y VPSAS 31 a la contabilidad del inmovilizado material en los hospitales públicos de Hanoi en la actualidad para ayudar a los contables y gestores de los hospitales públicos vietnamitas a participar. estudio y aplicarlo bien en su trabajo.

Conclusiones: El estudio ha aportado una serie de soluciones para mejorar la contabilidad del inmovilizado en los hospitales públicos vietnamitas cuando se utilizan las normas VPSAS 17 y VPSAS 31. A continuación, los resultados muestran La determinación y el reconocimiento de los activos fijos están influidos por distintos mecanismos de gestión, por lo que el tratamiento y el reconocimiento de los activos también son diferentes.

Investigación, implicaciones prácticas y sociales: El estudio muestra que Vietnam está en proceso de integrar y perfeccionar el sistema contable de acuerdo con la normativa internacional, incluido el sistema de contabilidad pública. Uno de los sectores públicos que gestiona la mayor cantidad de inmovilizado gubernamental es el de los hospitales públicos.

Originalidad/valor: El valor es que En el proceso de divulgación y transparencia de la información financiera del sector público, el Ministerio de Finanzas ha desarrollado y emitido recientemente 11 normas de contabilidad pública vietnamitas, las dos primeras fases del proceso de reforma en el ámbito de la gestión financiera. administración pública a nivel nacional y local... la aplicación de las Normas de Contabilidad Pública vietnamitas es importante en los esfuerzos del Programa PFM para mejorar la eficiencia del gasto público y fortalecer la gobernanza. gestión de los recursos públicos hacia el desarrollo sostenible, incluida la contabilidad de los activos fijos en los hospitales públicos. Por lo tanto, afectará e influirá en gran medida en la situación financiera de los estados financieros públicos.

Palabras clave: Normas vietnamitas de contabilidad pública, Activos fijos, Hospital público.

INTRODUCTION

The application of Vietnamese public accounting standards, including those on fixed assets, stemming from the need for unified management of state finance and international integration requirements. of Vietnam and the inspection and supervision of accounting activities in the field of State accounting. This issue has been interested and studied by many researchers.

Currently, public accounting units at Vietnamese public hospitals are very confused in properly understanding, properly performing, handling and properly recording transactions related to fixed assets when applying According to Circular 107/2017/TT-BTC [Ministry of Finance (2017)] because the previous public accounting system followed the cash accounting principle and according to the new regulations, accounting must follow the accrual principle, the units have not yet caught up. In order to keep up with these new regulations, the Ministry of Finance issued two consecutive rounds of public accounting standards in 2021 and 2022 (following the roadmap for developing and applying international public accounting standards to the public sector. Including Vietnam Public Accounting Standard No. 17 “Real Estate, Plant and Equipment” (Appendix 04) and Vietnamese Public Accounting Standard No. 31 “Intangible Assets” (Appendix 05.), in the group of public accounting standards issued in the first phase on September 1, 2021 [Ministry of Finance (2021), No. 1676/QD-BTC]. With the desire to help accountants, managers at hospitals understand and apply the regulations and characteristics of the industry to classify, evaluate, and properly record fixed assets in use at the unit from there. reliable information that makes data transparent in the national financial statements when consolidating public entities

This study aims to provide a solution based on the regulations of VPSAS that have been issued to improve the accounting of fixed assets in public hospitals in Vietnam today.

MATERIAL AND METHODOLOGY

The study was carried out with the aim of finding out the limitations and obstacles when managing specific fixed assets in public health units. Based on survey data on Google form from accountants, chief accountants of some public hospitals in Vietnam. Due to the characteristics of public management in Vietnam, the article sent the sample on the first survey to 50 hospitals managed by the Ministry of Health, the remaining 150 questionnaires were sent to hospitals managed by the Departments of Health, 188 answer sheets reached 94% and to get data for further research of some hospitals in Hanoi on the second survey with 57 questionnaires distributed to the accounting department staff of 57 hospitals in the area. Hanoi and obtained

53 answer sheets on google form (reaching 93%). The author has synthesized on google form to get the results of answers and exchanges of accountants, chief accountants of hospitals who directly perform the work of recording, managing and handling accounting at the hospital. hospitals.

Based on survey data and previous studies of some local and international authors:

In the research of the Romanian team (Matei et al., (2017), has studied in depth the influence of accounting policies on the accounting of tangible fixed assets of public entities in general. The influence of accounting policy affects not only the recognition but also the information presented in the financial statements. review and come up with a more realistic solution.

According to the author group Robert F. R., Colibert J. (2008), the document "Les normes IPSAS et le secteur public" describes an accessible and clear summary of public accounting standards. The document presents the background and implementation method: the goals and background of IPSAS; details of the reform; practical application in France and around the world. It helps all experts to develop policies, is responsible for converting IPSAS to VPSAS in accordance with the country and helps units to make good use of VPSAS for their units. Among them are applications to fixed asset accounting for public hospitals.

According to research from some local authors, there is research by the group Ngo Thanh Hoang, & Ngo Thi Thuy Quyen. (2018). On "Applying international public accounting standards to fixed asset accounting in Vietnam", the authors have summarized the basic content of international public accounting standards when applied to fixed asset accounting. determined and compared with the reality at that time in Vietnam for the asset account group. The structure of presenting scientific content is easy to grasp and is the basis for the author's further research.

For the study of the group Nguyen Hong Lam and Nguyen Thi Ninh (2018) on IPSAS 17, the authors also analyzed comments from the perspective of the basic contents of IPSAS 17 and made comparisons. comparison between accounting standards and current accounting regime. However, in this study, it only stops at generalizing the content, not giving specific tangible fixed assets of some specific industries such as the health sector.

In the research of the author group Nguyen Thanh Hung (2020) valuate the factors affecting the application of international public accounting standards (IPSAS) through accountants' perceptions in Public non-business unit in Vietnam. The study surveyed 166 people working as accountants at non-business units, using descriptive statistics and multivariate regression analysis, and gave some recommendations for revenue-generating non-business units to prepare to push forward. strengthen the application of international public

accounting standards in Vietnam. Through this study, the author can see a number of factors affecting the application of IPSAS so that the author can provide analyzes and solutions that are more suitable for the health's management. While Daier et al (2022) stated The use of financial models, especially the financial models that have been prepared for contracting companies, gives a more accurate picture of the financial position of the companies and enables them to get rid of the evaluation problems that may occur if financial ratios are used and based on their interpretations.

For the research paper of author Nguyen Minh Hoa (2022) has researched and provided basic statistics on public hospitals and fixed assets under management in public units. The author uses the relevant results to include in his research document. And Hendri et al (2022) mentioned Accounting information system (AIS) consists of three basic elements: the system, information and accounting.

In this research document of the author, the author synthesizes the ideas of the authors that have been published in the professional documents mentioned above, the regulations issued by the national accounting authorities. and internationally issued, by organizations of international accounting associations. To achieve the set objectives, this study used the basic method for implementation. In addition, the study used deductive and inductive mechanisms to delineate the concept of a public hospital - a public health service unit and analyzed accounting treatment related to tangible assets. in hospitals, as well as analyzing specific fixed assets being formed and being used in Vietnamese public hospitals to give opinions in order to properly and adequately record assets accounting, keep information transparent when applying the newly issued Vietnamese public accounting standards.

RESULTS AND DISCUSSION

Public Hospital System and Fixed Asset Accounting in Vietnamese Public Hospitals

System of public hospitals in Vietnam

According to the document on Hospital Management Principles - University of Public Health, public hospitals are hospitals owned, managed and controlled by the State. "Public hospital is a state-owned hospital in order to serve the community's interests, which is to take care of the people's health, the operating budget is provided by the state according to the annual plan and is allowed to collect part of the hospital fee as prescribed by the state".

"Public non-business unit" means an organization established and managed by a competent state agency in accordance with law, with legal status, seal, account and organizational structure. accounting according to the provisions of the law on accounting to

perform the task of providing public services or serving the state management in the fields of medical expertise such as: Preventive medicine; medical examination and treatment; nursing and rehabilitation; medical assessment, forensic medicine, forensic psychiatry; traditional medicine; testing pharmaceuticals, cosmetics, medical equipment; food safety and hygiene; population - family planning; Reproductive Health; health education communication (hereinafter referred to as medical non-business units)

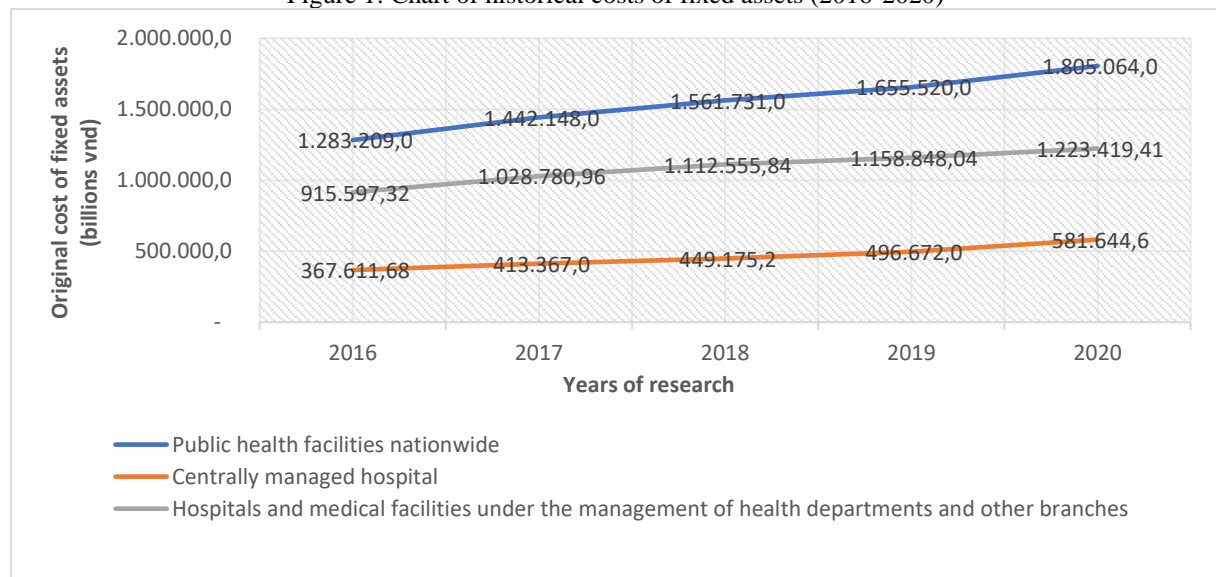
Currently, public hospitals in Vietnam have 1,150 hospitals divided into three central levels (47 hospitals) under the management of the Ministry of Health; Provincial hospitals (419 hospitals) and district level (684 hospitals) are managed by the Department of Health. In addition, there are a number of hospitals under the management of the industry such as: Hospitals of Public Security, Military, Post Offices, and Departments of transportation... accounted for the majority of the total medical facilities in the country.

Current Status of Fixed Assets and Fixed Asset Accounting in Vietnamese Public Hospitals

Fixed assets and fixed asset characteristics in public hospitals

Because of the system of public hospitals, the main task is to perform medical examination and treatment activities and take care of people's health. To accomplish the above objectives, tools are required, in which tangible fixed assets are indispensable

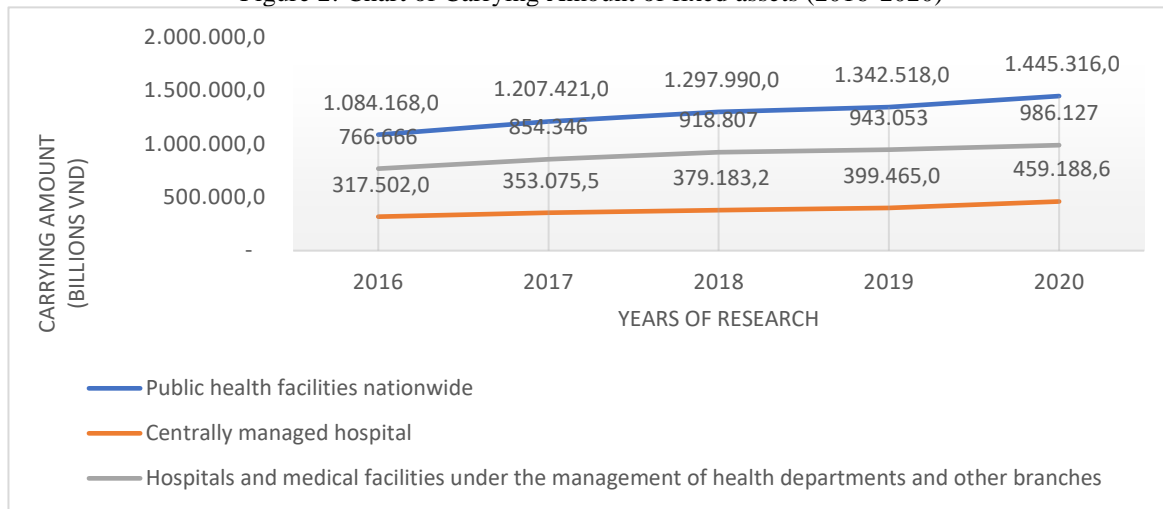
Figure 1: Chart of historical costs of fixed assets (2016-2020)



(Source: processing reference data from Nguyen M.H (2022))

physical tools. means essential material conditions for the operation of public hospitals, means of transport, machinery and equipment for medical examination and treatment, and management and administration. Tangible fixed assets at public hospitals nationwide are a part of public property that the State assigns to public hospitals to directly manage, use and exploit to perform their functions and duties. assigned service. Tangible fixed assets in public hospitals are huge. Looking at the summary of the cost of fixed assets of public hospitals from 2016 to 2020 (Figure 1 and figure 2), it shows:

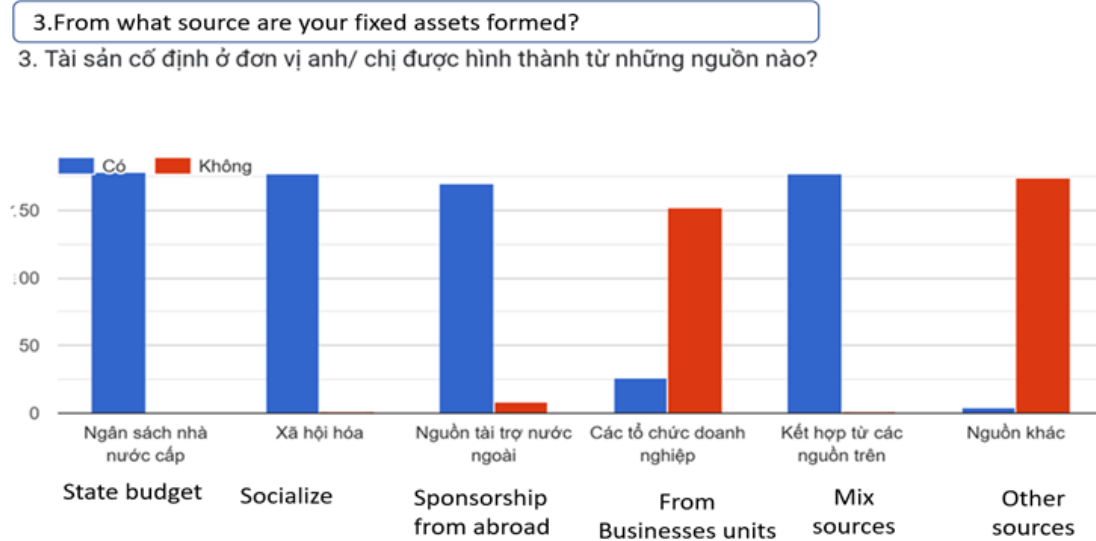
Figure 2: Chart of Carrying Amount of fixed assets (2016-2020)



(Source: processing reference data from Nguyen M.H (2022))

The original value is increased steadily every year, it is necessary to have a large investment for this part of the property in public hospitals. The source of wealth in public hospitals is often funded by government funds. In fact, the state's funding to invest in fixed assets in hospitals needs a lot but the state's resources are limited, so tangible fixed assets in established hospitals can be mixed from different sources. state budget and mobilize socialization from various sources. On the other hand, the entity also has assets that are creating products and services but are neither owned nor leased... the entity does not track and record these assets. (**Figure 3**) (Question: From what sources did your unit's assets come from?)

Figure 3: Graph of the source of asset formation



(Source: Compiled by the authors based on research results)

However, accounting for tangible fixed assets in accordance with Circular 107 is not easy when the sources of asset formation come from many different sources, 85.6% think that it is complicated and difficult to implement 14.4 % of units think that it is easy to do due to the change in calculation and recognition methods, and the units that perform the recognition are not the same. Tangible fixed assets of the units are formed from many different sources with the proportion depending on whether the units are self-financed or not. For fixed assets formed from different sources, at Hanoi public hospitals, 43.4% of units recorded their historical cost separately by each user, 54.7% of units recorded The original cost is separate from each source and only 1.9% of the units are recorded together (in this case, it will be difficult to properly and fully depreciate...Affecting the transparency of accounting information, when depreciating fixed assets formed from different sources, 52.8% of units have deducted from the source of forming fixed assets and 47.2% of units feel that it is too complicated to separate.

For example: At a survey hospital, there was "A building with 11 floors was constructed from the government's budget, and after 2 years of use, the project was built by the hospital. using the 11th floor to do joint ventures and associate services (business), from the 1st floor to the 10th floor, they still follow the original goal" the unit is having a hard time recording historical costs and depreciating assets. Fixed assets data is still recorded, aggregated and then distributed inappropriately.

Many assets are formed from direct funding for hospitals but are recorded very differently: For hospitals under the management of the Ministry of Health, the Ministry of

Health has decided to establish full ownership rights. People who hand over assets to the hospital are received, and at the same time recorded on the system and transferred to the Ministry of Finance. For assets funded for diseases under the management of the Department of Health, the dossier of the hospital receiving the funding will be transferred to the Department of Health for approval and transferred to the Hanoi People's Committee for inspection and decision. establish ownership of the whole people, hand over the property to the hospital receiving the funding for use.

Table 1: Funded asset management and granting the right to use the sponsored property:

Managed by authority Sponsorship	Ministry of Health	Health Service Dept (City)	Accounting Dept (hospital)
By cash	- Receive directly into the sponsorship account of hospital	- Receive directly into the sponsorship account of hospital	The unit records an increase in other income, the remaining amount will be used to purchase fixed assets.
In kind (fixed assets)	-Establish ownership rights of the whole people - The Ministry of Health issues a decision to assign the receiving unit to directly manage and use the property	- Establish ownership rights of the whole people + The unit receiving fixed assets submits the dossier to the Department of Health, the dossier is transferred to the City People's Committee to issue a decision for the receiving unit to be used.	- After a decision is made to assign and use assets, the accounting unit will record an increase in cost.

(The author's own data source is collected from surveys and interviews) [0]

Example case of receiving in cash and in kind (non-monetary): Bank X commits to donate 2 billion VND to hospital A under the Department of Health, equivalent to 4 cars. However, the Bank handed over to the hospital 2 cars worth 1 billion, the rest was delivered by wire transfer of 1 billion VND. For this grant, the recipient has to carry out procedures for 2 very complicated cars, which must go through the Department of Health, the People's Committee to establish new ownership, and use it to record an increase in the original cost of Fixed assets. . For the sponsored amount, the unit only needs to carry out procedures to buy cars, medical equipment, organize bidding (the supplier is selected and appointed by the sponsor) according to the purpose of the sponsor. . Some units record other income and carry out tax payment procedures, the rest is used to purchase fixed assets, medical equipment, etc. Some units do not record this amount in income.

During the recent anti-epidemic period, medical units received a lot of funding from domestic and foreign organizations and individuals with fixed assets. There are very valuable

assets such as the Hospital for Treatment of Covid Patients (under the Medical University Hospital - Hoang Mai Campus). The sponsors hand over all the facilities, know the medical equipment to the Director of the Medical University Hospital to use on the borrowed land. All these assets have not yet been recorded in the financial reporting system of the Hospital as well as of the Ministry of Health.

Especially in the medical industry, there are many assets available in hospitals such as ultrasound machines, electrocardiograms, tomography machines, dialysis machines, etc. are being used to perform medical examination and treatment services that are not owned by the hospital, these assets are lent by 100% of the units selling supplies and are not recorded in the financial accounting books of the unit. at cost and without tracking wear and tear that half of the hospitals recorded in the management accounting book system of Fixed Assets for custody and protection. After the end of the contract (usually 1 year, the contract is signed once a year) will return to the partner selling the materials (the unit that lends the machine). Costs after initial recognition: Basically, public accounting units in hospitals in Hanoi area aggregate costs, set up a council to evaluate the value of repair and upgrade according to the provisions of Circular 45 /2018/TT-BTC that can be included in the original cost and amortized cost if there are insufficient conditions to record the value of repair and upgrade costs, 99% of units offer implementation plans in accordance with regulations.

At the end of the use of tangible fixed assets of the units, it is necessary to assess the current condition of the assets in both physical and asset value, conduct an inventory, determine the current value of the assets, make different treatment options. The issue of valuation for sale and liquidation of assets is a decisive factor in the effectiveness of this process (both by management). Management of the process of ending the use of public property at the hospital is the management of the process of disposing of such assets in different forms such as liquidation, sells or transfer.

When the Ministry of Finance promulgated public accounting standards in the past two rounds, some public health care units have not yet approached these standards to prepare a roadmap for the implementation of public accounting standards in the application. taste yourself. A survey on this issue at some public hospitals in Hanoi showed that 11.3% of respondents did not know and 88.7% of subjects knew about public accounting standards No. 17 and 31. VPSAS 17, 31), they are known through the information channel of the Ministry of Finance, online, in the press and in the process of professional improvement. Most of them have not been approached and trained by the Ministry of Finance, so out of 100% of the respondents who know about the public accounting standard on assets, this standard is difficult to implement

because they are not familiar with the implementation of accounting records according to the standards. regulations are principled, not just hand-in-hand as before. Regarding the roadmap to implement VPSAS 17, 31 in particular, VPSAS in general at selected units 5.7% implement the roadmap for the next 1 year and 94.3% of respondents, the roadmap determines the big time more than 1 fiscal year. Thus, it is very difficult to follow the objectives of the Ministry of Finance. The surveyed units also basically understand and master the implementation of VPSAS, which will make the data on the financial statements more transparent. Because of the habit of holding hands, the subjects only used to follow the old regulations of Decision 19/2006/QD.- BTC

The roadmap to implement VPSAS 17; 31 in particular, VPSAS in general has not been paid much attention to by accounting units at present, also due to many reasons due to the process of studying from university as well as the working process has not received basic training in basic standards. International public accounting standards are difficult to read and understand, and in addition, the cost of implementing accounting standards is high, making it difficult to estimate the total cost of implementation (for example: changes to the accounting software system, staff training costs, etc.), although all employees are qualified to use information technology, it is necessary to apply for the State budget to implement. Leaders of the units are not fully aware of the importance of applying VPSAS to their units, so they are not interested, so they do not know, so they have no opinion on how to implement this roadmap.

According to current regulations of the Law on Management and Use of Public Assets, public hospitals now have the right to use public assets managed by the unit itself for business, leasing, joint ventures, joint ventures and joint ventures. without having to take the step of receiving assets like the State handing over assets to enterprises. Hospitals that use public property for business purposes, lease, joint venture or association are responsible for making a plan on using public property for business, leasing, joint venture or association purposes to report to the hospital. authorities or persons competent to decide; organize the implementation of the approved project; update information on the use of public property for business purposes, lease, joint venture, and link to the National Database on Public Property; fulfill the requirements of taxes, fees, charges and other obligations to the State.

In use, fixed assets are gradually depreciated. Part of the depreciation value of fixed assets is the cost factor of public consumption and the other part is the cost factor of the cost of medical examination and treatment products and services.

Management at the end of the use process: Public assets of public hospitals put into use after a certain period of time have the process of ending to be replaced with other assets (except

for land, works under the infrastructure and some other durable works). In addition to the used assets that have been depreciated and cannot be used, there are also assets that are still usable but the hospital has no need to use them due to a change in functions, duties, or because the assets are invested. When public property has expired, is completely worn out, or is damaged beyond use, it must be liquidated to recover its possible value. recovered for the state budget, and at the same time as a basis for preparation for investment and purchase of new assets. Beside, An (2023) suggests that the audit quality and increases the accounting transparency of the firm.

Applying Vietnamese Public Accounting Standards (VPSAS 17; 31) to Fixed Asset Accounting at Vietnamese Hospitals

Because hospitals use a very large amount of fixed assets, when applying VPSAS 17 and VPSAS 31, it is necessary to consider the characteristics of fixed assets in public hospitals in Vietnam and apply the provisions of VPSAS. to implement the recognition of fixed assets in public hospitals in Vietnam.

Recorded as a Fixed Asset

For tangible fixed assets. Subject to paragraph 11 VPSAS 17 The original value of an item of real property, plant and equipment must be recognized as an asset if and only if: (a) It is probable that the economic benefits associated with it will flow to the entity. potential futures or services from that asset; and /(b) The original value or fair value of the assets can be measured reliably. Thus: For assets that meet the above two conditions, they are recorded as tangible fixed assets (classified as real estate, plant and equipment) and for Assets. For intangible fixed assets specified in paragraph 27 VPSAS 31, the determination is similar to that of fixed assets. Thus, assets that meet the above conditions are recorded as fixed assets

Infrastructure Assets

In the hospital infrastructure, there are sanitary sewer lines, clean water lines, telephone networks, and surveillance camera systems that satisfy enough or nearly all of the following characteristics: “(a) These assets are a part of a system or a network;/(b) These assets are specialized in nature and have no alternative uses; /(c) These properties cannot be moved; and /(d) These assets may be subject to restrictions on resale.”

Initial costs: are costs incurred before that asset is formed and put into a ready-to-use state, including costs incurred that do not directly create products or services for the purpose of

the company. A medical facility: For example: A hospital building a building for the treatment of infectious patients, in order for that building to work, it must have a fire prevention system, must have a garbage treatment system. Such separate medical waste is not only recognized as a tangible fixed asset, but the qualified fire prevention and waste treatment system is also recognized as a tangible fixed asset.

Post-initial recognition value: These value are recognized after the asset is put into a ready-to-use state. On a case-by-case basis, these costs will be divided into: Routine expenses not recognized under paragraph 12 such as: electricity, water, elevator maintenance, waste treatment chemicals, repair and maintenance fees, operating staff, etc. for building services and fire systems, will not be recognized in the value of the building.

Expenses for periodic replacement of a part of the factory or equipment, but not monthly. Example: Replacing an ultrasound machine part or an ultrasound machine transducer that qualifies will recognize a tangible fixed asset (debit to the cost account for the replacement part) and the replaced part. The replacement part will be reduced (credit to the account Cost of that reduced part), the value of the replacement parts that do not meet the recognition criteria will be recorded as an expense in the period for that part. (refer to paragraphs 59-65 of VPSAS 17).

Because the assets of hospitals are very large and active due to the high demand for medical examination and treatment services, which greatly affects medical examination and treatment, saving lives, it is necessary to monitor and check regularly if Failure to detect damage at any time requires consideration of whether replacement is required (as specified in paragraph 19)? In addition to the fact that replacement devices are recognized as described in paragraph 19, the costs of major inspection of these medical devices if they are sufficiently large and meet and satisfy the recognition criteria (Debit "Accounting costs of arising inspection"/ Relevant account) - recorded separately from the cost of equipment). At the same time, the value already recorded in the original value of the previous period will be reduced when receiving new expenses (Debit Depreciation of inspection expenses / Account "original value of previous inspection expenses").

Determining the Value When Recognizing Tangible Fixed Assets (Building or Equipment)

According to the provisions of paragraphs 21 and 22 of VPSAS 17[0], fixed assets that meet the recognition criteria must be measured at cost of fixed assets (paragraph 21 VPSAS 17) and for assets acquired through In a non-exchange transaction, the cost of the asset is measured at its fair value at the date of receipt. (paragraph 22 VPSAS 17)

Example: Hospital A buys a 5D Sonoscape P15 ultrasound machine for VND 350 million from HA medical equipment company. The cost of transportation and installation was 15 million VND, paid by bank transfer. This ultrasound machine is used for the imaging department, so this ultrasound machine is eligible for recognition of fixed assets because it meets the above conditions.

Determining the Recognized Value of Intangible Fixed Assets

At paragraph 31 (VPSAS 31). “Land use right is an intangible asset whose value is determined according to the regulations of the State; the recording and presentation of information comply with the provisions of this standard.” According to this regulation, for the land allocated to hospitals, it is allowed to carry out car parking, canteen services, vending machines, joint venture services, association with organizations and individuals... value must be recognized need to determine the period of joint venture, association, sublease to organizations and individuals.

Thus: this value must be determined when the competent authorities approve the project of joint venture, association, leasing for services...

Example: - 10 year joint venture contract for 1 building.

- Car parking rental contract is 5 years....

Based on these schemes, on the basis of the state's price bracket for the land in that area to calculate the annual land rent for the Hospital, and the hospital determines the value of intangible fixed assets for reference. joint venture, association....

Components of the original cost:

For equipment and buildings due to procurement: is the purchase price (if purchased), non-refundable tax (import tax, excise tax, value-added tax (if any), minus any discounts price, trade discount).

Direct costs related to bringing the asset to a ready-to-use state, such as: Labor costs, site preparation, initial transportation and handling costs, installation and commissioning costs (types). except for recalled products)

For example: a hospital receives (purchases) an X-ray machine during the trial run for 1 week: Eliminate the costs of operating staff, chemicals, and supplies, 100 million...the obtained product is X-ray film- The cost of receiving the service is 150 million, so the cost added to the original price (original cost) of the X-ray machine is 50 million.

For example: For ambulances to operate, they must register and pay fees such as registration fee, registration fee (if any) ...)

For equipment and buildings, the estimated initial costs of dismantling, moving and restoring the premises when preparing to acquire such fixed assets are included in the historical cost of such equipment:

If tangible fixed assets are created by the entity itself: determine the value as the full cost of creating the asset, including interest (if capitalized) and excluding excess costs when create that property.

Example: The hospital built a voluntary medical examination and treatment building by itself with borrowed funds. All costs of materials, labor, etc. are included in the historical cost (according to the approved final settlement price, excluding excess costs), interest expense for capital construction is included in the original cost, although However, if the project has a downtime, the interest expense is not allowed to be capitalized into the work (for example, due to the covid epidemic, it takes 6 months to stop, the interest will not be included in the original cost but will be included in the cost of the project). expenses in the period)

Determine the original value: it is the total initial value incurred to bring the asset to a ready-to-use state.

- For purchased assets: According to the principle of historical cost for recognition, if purchased in the form of deferred payment, the historical cost is determined according to the one-time payment price (paid that moment), excluding interest expense on deferred payment.
- If the property is exchanged: Is the fair value of the property to be exchanged, or the residual value of the property taken away (depending on whether there is a trade or not in each case).

Determine Value After Initial Recognition

Once recognized as an asset, a property, plant and equipment is stated at cost less accumulated depreciation. (paragraph 37).[0] Depreciation: Depreciation of fixed assets according to this standard is calculated separately for each large-valued part, but the useful life may be different. For equipment and buildings of great value, it is necessary to allocate raw cost and amortization for each of those parts, if there are parts similar in useful life that can be aggregated, the depreciation expense is included in the surplus or deficit of that period, unless it is included in the value of other assets according to the original value principle

Depreciation value and depreciation period: Depreciation value must be allocated systematically over the useful life of the asset. The estimated liquidation value and useful life of the asset must be considered at least each fiscal year and recorded treating changes (if any)

and as an estimated change using the retrospective method. prosecution or non-retrospective. Assets are not regularly maintained, so the useful life may have to be considered shortened due to natural wear and tear, the need to adjust the use time, wear value, etc. Equipment or machinery is idled, unless such equipment or machinery has a distribution of wear and tear on the basis of output, the useful life of the asset can be considered over the life of the lease agreement.

For the 11-storey building presented in the current situation: After allocating the original cost of the property (used from the budget) used for 2 different purposes: from the 1st floor to the 10th floor for medical examination and treatment. For diseases, from the 11th floor and above used for joint venture activities, the original cost must be determined by each department (buildings, structures and elevators). Specifically handled as follows:

Table 2: Determination of original value and useful life for fixed asset

Principle Place to use	Original value is determined According to VPSAS 17	Useful time of use	According to the specific guidance circular
1st floor to 10th floor using for medical service	- Buildings and structures are allocated to 10 floors - Elevators are allocated to 10 floors	80 years 10 years	According to circular TT 45/2018/TT-BTC
10 floor joint venture, association (other services) 25 years association contract	- Buildings and structures are allocated to the 11th floor - Elevator is allocated to floor 11 - Determine the historical cost of tangible fixed assets allocated to joint venture activities (Land rent allocated to the 11th floor)	25 years 10 years Based on the number of years of signing joint venture and association contracts	According to circular TT 45/2013/TT-BTC

(Source: self-gathering by author)

In a combination of assets, it is possible to know that if it is discrete, it is necessary to record the original cost of each part, for example, in a building, it is possible to divide each part separately and still satisfy the recognition conditions. Fixed assets must be tracked separately.

Depreciation method: Must be reviewed at least each reporting period in accordance with the expected period of depreciation to be adjusted. If there is a significant change, adjustments must also be made retrospectively or non-retroactively, according to the Accounting Policy Change Standard. The depreciation method needs to be consistent across accounting periods.

Depreciation of tangible fixed assets:: In cases of liquidation or transfer of assets, when no longer economic benefits can be obtained (for example, the old transducer of an ultrasound

machine is replaced by a new transducer). Gain or loss on disposal of plant equipment is the difference between the recoverable value and the remaining amount of the asset.

Some General Inadequacies About Fixed Assets that Need to be Handled:

Thus, to process medical equipment, hospitals borrow from partners providing supplies (without charge) to perform medical examination and treatment services such as: Magnetic resonance imaging machines, CT scanners, etc. , ultrasound machine, hemodialysis machine.... Hospitals must commit to purchasing supplies from suppliers. According to this regulation, these assets do not meet the criteria for recognition of fixed assets in paragraph 12 VPSAS 17. According to the provisions of the standard on leasing, they are not eligible to be identified as leased assets because they do not incurred to pay the rental fees for that property, the two units only made a fee-free loan contract. One disadvantage is that for medical products and services created from these assets, there are not enough factors to pay for health insurance. Should the leaders of the hospitals be able to allocate the cost of the supplies and equipment used (because of the nature of the cost of those supplies, the cost of the amortization has already been allocated to it?). Therefore, when performing a fixed asset lease contract in the form of an operating lease, the equipment rental cost is separated and allocated to the service price, then the entire medical service fee will be covered by the insurance agency. Hospital accounting units still need to record in management accounting books to keep track of this asset.

For assets that are directly funded by tangible fixed assets, which are medical equipment given to hospitals under the Department of Health, is a decision from the Committee or Department of Finance necessary? It is only necessary to go to the donation record of the donor of the fixed asset as the basis for determining the original price of the property. Since for the assets that are funded, the sponsoring units usually give the assets directly to the hospital that the hospital is entitled to, it is advisable to allow an increase in assets at the time of receipt from the donor, while the procedure The process of transferring the right to establish the owner can be completed later, if the dossier for such property cannot be completed, the retroactive method to adjust it shall be carried out (in fact, all those assets have been granted the right to be granted. after that, but the procedure is cumbersome, so it can take up to several years, affecting the recognition of fees, service revenue and the payment of health insurance.

A number of large assets are funded to serve the fight against the Covid epidemic. Anti-epidemic purposes, but the epidemic has been controlled. The remaining assets are many but have not been assigned and the ownership rights established, so that property has not been put into service for general purposes, leading to waste. It is necessary to soon hand over to the

hospital that directly receives funding for the block of machinery and equipment for the treatment of covid patients to use fixed assets for their operations after completing the anti-epidemic task, avoid waste. Such assets are recorded as an increase in cost of fixed assets by the receiving unit and tracked and depreciated for depreciation or amortization according to the purpose of using that asset.

If the state budget is provided by self-purchasing money. But if other sources of funding are accepted into the hospital's medical examination and treatment fund for the purpose of not making a profit, tax will not be deducted before purchasing property. If the property is purchased for funding but is for profit-generating activities (voluntary medical examination and treatment), it will have to deduct and calculate tax on this donation.

For the case, some hospitals open hospital branches in localities, separate a part of the hospital (a department) into an independent or associated accounting unit, it is necessary to carefully consider the evaluation of the brand of the hospital. The hospital may open a branch if it is eligible to recognize intangible fixed assets.

CONCLUSION

This study has partly analyzed and presented the current situation of fixed asset accounting in Vietnamese public hospitals in recent years.

The determination and recognition of fixed assets are influenced by different management mechanisms, so the treatment and recognition of assets are also different. There are assets that are put into use at the same time but their historical cost is recorded at two different times. Intangible fixed assets (land use rights) are used together for many different purposes. have joint venture activities and a number of other specific cases have arisen affecting the values created from the use of such production assets, leading to misleading information on the reports of the units that do not reflect reflect the true nature and content of the arising economy. In addition, due to limited budget, many hospitals carry out many joint ventures, associations, and contracts to borrow machinery and equipment from partners (selling supplies) to serve medical examination and treatment, causing serious problems. difficulties for management, tracking and reconciliation of assets and determining medical output services when using this asset.

Within the framework of the research paper, the study has applied from the regulations according to Vietnam's public accounting standards that have been published, and at the same time with the regulations on mechanisms and policies of Vietnam. The author has made some of the most basic proposals to improve the accounting of fixed assets in public hospitals so that

information on the asset situation of public hospitals is made public. more transparent. To do this well, public health service units (public hospitals) need to soon apply public accounting standards to their units. In addition, the government's mechanisms and policies also need to have more complete solutions to avoid problems when implementing public accounting standards in the accounting of fixed assets in public hospitals in particular, accounting units and public hospitals public accounting in general. And Baghaee et al (2023) mention The profitability of the company is one of the main factors that determine shareholder and investor returns.

Limitations of the research and suggestions for future work is, it is not possible to fully and thoroughly solve the current problems and problems in fixed asset accounting at public hospitals. In future, author might research on apply public accounting standards to units of hospitals.

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