

Financial Reporting Alert

November 2025



KEY CHANGES IN VIETNAMESE ACCOUNTING SYSTEM FOR ENTERPRISES - CIRCULAR NO. 99/2025/TT-BTC

Effective 1 January 2026

On October 27, 2025, the Ministry of Finance (MOF) issued Circular No. 99/2025/TT-BTC (“Circular 99”), introducing significant updates to the Vietnamese Accounting System for Enterprises. This new circular replaces Circular No. 200/2014/TT-BTC (Circular 200) and is effective for annual accounting periods beginning on or after 1 January 2026. Below is a concise summary of the main changes and requirements introduced by Circular 99.

Scope and General Provisions

- Applies to all enterprises, with credit institutions and foreign bank branches following the State Bank regulations.
- Mandates internal governance and robust internal controls for compliance with laws and accounting regimes.

Currency and Financial Statement Translation

- Clear guidance on changing accounting currency: balances converted at the average buying-selling transfer exchange rate from the enterprise’s primary bank (bank with which the enterprise most frequently conducts transactions).
- Financial statements in foreign currency must be translated into VND for official submissions using clarified translation methods.

Accounting Vouchers and Books

- Enterprises can design their own voucher forms and accounting book templates, provided internal regulations are in place.
- Detailed procedural requirements from previous circulars (e.g., ink color, copy number) are removed, aligning with the Law on Accounting.

Chart of Accounts - Major Revisions

- Several accounts eliminated (e.g., 161, 441, 611, 631).
- New accounts introduced (e.g., 215 for Biological Assets, 332 for Dividends Payable, 82112 for GMT Top-Up Tax).
- Some accounts renamed for clarity (e.g., 112 now “Demand deposits”).
- Enterprises can supplement accounts or amend names, codes and contents of prescribed accounts to suit their operating characteristics and management purpose, provided internal regulations on the supplementation and amendments are in place.

Financial Statements - Preparation and Presentation

- “Balance Sheet” renamed “Statement of Financial Position.”
- Mandatory use of prescribed templates; only additional captions may be added, not template modifications.
- Annual statements due within 90 days after period end; interim statements as per other laws.
- Clarified requirements for transitional accounting periods, including disclosure of comparability and reasons for period changes.
- Enhanced classification criteria for current vs. non-current assets and liabilities, with expanded disclosure requirements for items exceeding 12 months.
- Financial statements must be published in accessible formats, and if audited, include the audit report.

Key Accounting Policy Updates

- Standard cost method introduced for inventory valuation; concepts of perpetual and periodic inventory methods removed.
- Periodic repair and maintenance costs now amortized; previous provisions for major repairs discontinued.
- New detailed treatment for biological assets, including classification, recognition, and impairment based on historical cost.
- Comprehensive guidance for business cooperation contracts (BCCs), emphasizing substance over form in joint control assessment.
- Allowance for doubtful debts now applies defined aging percentages, with flexibility for alternative methods if justified.
- Clarified accounting for deferred expenses, bond issuance fees, and preference shares classified as liabilities.

Disclosure and Reporting Enhancements

- Expanded note disclosures required for significant financial statement items (e.g., cash restrictions, biological assets, BCCs, dividends payable, issued bonds, individual item that accounts for more than 10% of the respective total balances).
- Additional transparency for valuation bases, key assumptions, and uncertainty to estimates.
- New requirements for disclosures related to top-up corporate income tax under the global minimum tax regulations.
- Enhanced reporting obligations for acquisition/disposal of subsidiaries and going concern assessments by the Board of Directors.

Implementation and Transitional Provisions

- Use of accounting software is subject to strict data integrity and accuracy standards.
- Changes in accounting policies due to Circular 99 shall be applied in accordance with the transitional guidance specified in the Circular. If the Circular does not provide specific guidance, enterprises shall follow the guidance under VAS 29.

Circular 99 marks a significant change in the Vietnamese Accounting System focusing on disclosure requirements in the financial statements, with clarified detailed guidance, to enhance transparency, and aligning with international standards in several key areas. Enterprises should review their accounting policies, internal controls, and reporting systems to ensure readiness for compliance when the Circular becomes effective.

Contact us

Email: info@kpmg.com.vn

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

© 2025 KPMG Limited, KPMG Tax and Advisory Limited, KPMG Law Limited, KPMG Services Company Limited, all Vietnamese one member limited liability companies and member firms of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.



Scan to visit our website: kpmg.com.vn