

THAI - HONG KONG TRADE ASSOCIATION

FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2018



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THAI - HONG KONG TRADE ASSOCIATION**

Opinion

I have audited the financial statements of Thai - Hong Kong Trade Association (Association), which comprise the statement of financial position as at 31 December 2018, and the related statement of income and expenditure for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Thai - Hong Kong Trade Association as at 31 December 2018, and the results of its operations for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Association in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Association or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Association's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Teerapong Suthamanaswong

Certified Public Accountant Registration No. 2927

Advance Accounting and Law Limited

Bangkok : 14 March 2019

THAI - HONG KONG TRADE ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

		<u>2018</u>	<u>2017</u>
	NOTE	BAHT	BAHT
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3,4	291,921.71	283,686.39
Temporary investment	5	726,342.36	718,882.68
Other current assets		<u>87,394.44</u>	<u>71,257.12</u>
TOTAL CURRENT ASSETS		<u>1,105,658.51</u>	<u>1,073,826.19</u>
NON-CURRENT ASSETS			
Property, plant and equipment - net	3,6	<u>20,739.99</u>	<u>2,247.49</u>
TOTAL NON-CURRENT ASSETS		<u>20,739.99</u>	<u>2,247.49</u>
TOTAL ASSETS		<u><u>1,126,398.50</u></u>	<u><u>1,076,073.68</u></u>
LIABILITIES AND ACCUMULATED FUND			
CURRENT LIABILITIES			
Accrued expenses		28,593.00	28,593.00
Income tax payable		23,251.80	22,848.97
Other current liabilities		<u>45,738.04</u>	<u>155,363.92</u>
TOTAL CURRENT LIABILITIES		<u>97,582.84</u>	<u>206,805.89</u>
TOTAL LIABILITIES		<u>97,582.84</u>	<u>206,805.89</u>
ACCUMULATED FUND			
Beginning balance		869,267.79	1,037,281.27
Net surplus/(deficit) for the year		<u>159,547.87</u>	<u>(168,013.48)</u>
TOTAL ACCUMULATED FUND		<u>1,028,815.66</u>	<u>869,267.79</u>
TOTAL LIABILITIES AND ACCUMULATED FUND		<u><u>1,126,398.50</u></u>	<u><u>1,076,073.68</u></u>

The accompanying notes are an integral part of the financial statements.



..... President

THAI - HONG KONG TRADE ASSOCIATION
STATEMENT OF INCOME AND EXPENDITURE
FOR THE YEAR ENDED 31 DECEMBER 2018

	NOTE	<u>2018</u> BAHT	<u>2017</u> BAHT
REVENUES			
Subscription from members		603,998.98	502,166.67
Income from seminar /activities		1,192,503.14	1,159,999.79
Income from donations		70,000.00	70,000.00
Interest income		<u>9,820.37</u>	<u>10,205.71</u>
TOTAL REVENUES		<u><u>1,876,322.49</u></u>	<u><u>1,742,372.17</u></u>
EXPENSES			
Administrative expenses		1,691,942.52	1,886,165.08
Income tax	7	<u>24,832.10</u>	<u>24,220.57</u>
TOTAL EXPENSES		<u><u>1,716,774.62</u></u>	<u><u>1,910,385.65</u></u>
NET SURPLUS/(DEFICIT)		<u><u>159,547.87</u></u>	<u><u>(168,013.48)</u></u>

The accompanying notes are an integral part of the financial statements.



..... President

THAI - HONG KONG TRADE ASSOCIATION
 DETAILS OF ADMINISTRATIVE EXPENSES
 FOR THE YEAR ENDED 31 DECEMBER 2018

	<u>2018</u>	<u>2017</u>
	BAHT	BAHT
Administrative expenses		
Salary & wage	444,000.00	420,000.00
Social security /workmen compensation fund	9,240.00	9,332.00
Cost of seminar /activities	965,442.48	1,193,761.08
Commission	35,099.86	29,151.67
Membership, seminar and meeting	66,133.32	57,466.68
Travelling & messenger expense	23,421.00	27,156.00
Communication expense	25,476.73	26,042.36
Advertising and promotional activities	6,500.00	15,303.74
Stationery & printing	21,289.72	24,228.76
Repair & maintenance	2,538.32	-
Entertainment	3,145.50	3,000.00
Professional fee and expenses	76,355.00	70,515.00
Bank charge	2,774.00	2,963.00
Depreciation	5,457.50	4,748.31
Miscellaneous	5,069.09	2,496.48
Total	<u>1,691,942.52</u>	<u>1,886,165.08</u>



THAI - HONG KONG TRADE ASSOCIATION
 NOTES TO FINANCIAL STATEMENTS
 AS AT 31 DECEMBER 2018

1. The Thai - Hong Kong Trade Association was established in accordance with the Trade Association Act B.E. 2509 on 2 November 1992. The main objectives are to promote the development of trade, industry, investment, finance and other business activities effectively ; and also to offer essential business services in order to foster the successful conduct of business ; as well as to liaise with Thailand and Hong Kong.

2. BASIS OF PRESENTATION OF FINANCIAL STATEMENTS

The statutory financial statements are prepared in Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with Thai language.

The Association's financial statements have been prepared in accordance with Thai accounting Standards under the Accounting Act B.E. 2543 (2000) being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 (2004) including related interpretations and guidelines promulgated by the Federation of Accounting Professions by complying with the financial reporting standards for Non-Publicly Accountable Entities.

The Association's financial statements are prepared on the historical cost basis in measuring the value of the component of financial statements except as described in the accounting policies.

3. Significant Accounting Policies

3.1 The association recognizes revenues and expenses on an accrual basis.

Subscription from members are recognized as revenue when fees are received.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and at banks in time deposits with an original maturity of three months or less and are not subject to restriction.

3.3 Property, plant and equipment

Property, plant and equipment are stated at cost. Depreciation is calculated by the straight-line method on the estimated useful life of the assets for the period of 3-5 years

4. Cash and cash equivalents

	<u>2018</u>	<u>2017</u>
	BAHT	BAHT
Cash	3,014.79	625.00
Cash at bank - Current account	1,000.00	1,000.00
- Saving account	<u>287,906.92</u>	<u>282,061.39</u>
Total	<u><u>291,921.71</u></u>	<u><u>283,686.39</u></u>

5. Temporary investment

Time deposit at bank for a period of six months bears interest at rate of 1.15% per annum.
(Year 2017 : interest at rate of 1.15% per annum).

6. Property, plant and equipment - net

	BAHT			
	Balance b/f	Movements		Balance
	as at 1 January	Additions	Deductions	as at 31 December
	2018			2018
At Cost				
Furniture and Office Equipment	<u>221,545.71</u>	<u>23,950.00</u>	<u>-</u>	<u>245,495.71</u>
Total	<u>221,545.71</u>	<u>23,950.00</u>	<u>-</u>	<u>245,495.71</u>
Accumulated Depreciation				
Furniture and Office Equipment	<u>(219,298.22)</u>	<u>(5,457.50)</u>	<u>-</u>	<u>(224,755.72)</u>
Total Accumulated Depreciation	<u>(219,298.22)</u>	<u>(5,457.50)</u>	<u>-</u>	<u>(224,755.72)</u>
Net	<u>2,247.49</u>			<u>20,739.99</u>

7. Income tax

Income tax is calculated on income according to the Revenue Code.

8. Approval of financial statements

These financial statements have been authorised for issue by the board of directors of the Association.