

CHRISTIAN CARE FOUNDATION FOR CHILDREN WITH DISABILITIES
INDEPENDENT AUDITOR'S REPORT AND FINANCIAL STATEMENTS
For the year ended 31 December 2017



บริษัท เอส.เค. แอคเคาท์แตนต์ เซอร์วิสเอส จำกัด
S.K. ACCOUNTANT SERVICES COMPANY LIMITED
(TRANSLATION)

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of

CHRISTIAN CARE FOUNDATION FOR CHILDREN WITH DISABILITIES

Opinion

I have audited the financial statements of CHRISTIAN CARE FOUNDATION FOR CHILDREN WITH DISABILITIES, which comprise the statement of financial position as at 31 December 2017, and the statement of income, statement of cash flows and statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of CHRISTIAN CARE FOUNDATION FOR CHILDREN WITH DISABILITIES as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with Financial Reporting Standards.

Basis for Opinion

I conducted our audit in accordance with Thai Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions are relevant to our audit of the financial statements, and I have fulfilled our 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 our 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our 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 our 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 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 our 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concluding 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 Company'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 Company to cease to continue as a going concern.

- Evaluating 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 have communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control system that I have identified during my audit.

A handwritten signature in black ink, appearing to read 'Somchai Kurujitkosol', located below the main body of text.

(Somchai Kurujitkosol)

Certified Public Accountant No. 3277

S.K. ACCOUNTANT SERVICES COMPANY LIMITED

Bangkok,

20 April 2018



CHRISTAIN CARE FOUNDATION FOR CHILDREN WITH DISABILITIES

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2017

	Notes	31 December 2017	31 December 2016
		Baht	Baht
ASSET			
CURRENT ASSETS			
Cash and Cash Equivalents	4	14,051,493.01	10,735,682.19
Temporary Investment	5	5,086,996.58	7,999,297.83
Other Current Assets	6	38,096.94	120,299.76
TOTAL CURRENT ASSET		19,176,586.53	18,855,279.78
NON-CURRENT ASSETS			
Loan to Employees	7	537,982.00	484,964.00
Property, Plant and Equipment	8	31,424,206.45	32,893,385.29
Bank Deposit for Staff Welfare		3,075,584.72	3,003,114.68
Others		149,000.00	171,000.00
TOTAL NON-CURRENT ASSET		35,186,773.17	36,552,463.97
TOTAL ASSET		54,363,359.70	55,407,743.75

Notes to financial statements are an integral part of these statements



CHRISTAIN CARE FOUNDATION FOR CHILDREN WITH DISABILITIES

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2017

	Notes	31 December 2017	31 December 2016
		Baht	Baht
LIABILITIES AND CONTRIBUTION FUND			
CURRENT LIABILITIES			
Other Payables	9	227,985.85	246,546.20
Current Income Tax Payable		8,356.76	7,543.41
TOTAL CURRENT LIABILITIES		236,342.61	254,089.61
NON-CURRENT LIABILITIES			
Contribution Fund for Staff	10	3,355,584.72	3,209,600.68
Employee Benefit Obligations	11	2,155,705.04	2,095,726.72
Others		124,000.00	107,500.00
TOTAL NON-CURRENT LIABILITIES		5,635,289.76	5,412,827.40
TOTAL LIABILITIES		5,871,632.37	5,666,917.01
CONTRIBUTION FUND			
Capital		200,000.00	200,000.00
Accumulated of Revenues Excess to Expenses		48,291,727.33	49,540,826.74
TOTAL CONTRIBUTION FUND		48,491,727.33	49,740,826.74
TOTAL LIABILITIES AND CONTRIBUTION FUND		54,363,359.70	55,407,743.75

Notes to financial statements are an integral part of these statements



CHRISTAIN CARE FOUNDATION FOR CHILDREN WITH DISABILITIES

STATEMENTS OF REVENUES AND EXPENSES

For the year ended 31 December 2017

	Notes	31 December 2017	31 December 2016
		Baht	Baht
REVENUES			
Revenue from Donation for Operation		14,380,155.47	12,028,977.23
Revenue from Donation for the Purchase of Assets		-	149,322.36
Revenue from Donation for the Vocational Training Project		224,603.40	1,839,513.20
Other Revenues		200,777.45	209,020.25
TOTAL REVENUES		14,805,536.32	14,226,833.04
EXPENSES			
Expense for the Disable Children Rehabilitation		12,009,141.20	11,692,388.75
Loss from Exchange rate		94,102.74	1,719,380.73
Central Expense		3,931,314.04	4,250,005.92
Income Tax Expense	12	20,077.75	20,902.03
TOTAL EXPENSES		16,054,635.73	17,682,677.43
REVENUES EXCESS (UNDER) TO EXPENSES FOR THE YEAR		(1,249,099.41)	(3,455,844.39)

Notes to financial statements are an integral part of these statements



CHRISTIAN CARE FOUNDATION FOR CHILDREN WITH DISABILITIES

STATEMENTS OF CHANGES IN CONTRIBUTION FUND

For the year ended 31 December 2017

	Note	Capital	Accumulated of Revenues in Excess to Expenses	Total
		Baht	Baht	Baht
Balance as at 31 December 2015		200,000.00	52,996,671.13	53,196,671.13
Revenue Under to Expense for the year		-	(3,455,844.39)	(3,455,844.39)
Balance as at 31 December 2016		200,000.00	49,540,826.74	49,740,826.74
Revenue Under to Expense for the year		-	(1,249,099.41)	(1,249,099.41)
Balance as at 31 December 2017		200,000.00	48,291,727.33	48,491,727.33

Notes to financial statements are an integral part of these statements



CHRISTIAN CARE FOUNDATION FOR CHILDREN WITH DISABILITIES

NOTES TO FINANCIAL STATEMENTS

As at 31 December 2017

1. General Information

The Foundation registered on the 28 March 1997, the registration number Nor Bor. 55/2540. The office is located at 18/1075 Moo 5, Sukhprachasan 2 Road (Soi Wat Koo), Bangpood, Pakkred, Nonthaburi, Thailand. The Foundation is constituted for the purpose of promoting and supporting the family and community to share in the rehabilitation of disabled children in body, mind and consciousness including dissemination of information. Moreover, the Foundation provides education in respect of children with disabilities including nursing care, rehabilitation and preventative measures.

2. Basis of Financial Statements Preparation

2.1 These financial statements are prepared on a basis of the Financial Reporting Standards for Non-Publicly Accountable Entities promulgated by the Federation of Accounting Professions.

2.2 The financial statements in compliance with the notification of the Department of Business Development "Definition of the abbreviated components required in the financial statements, B.E. 2554", dated September 28, B.E. 2554, of the Accounting Act, B.E. 2543.

2.3 In order to prepare the financial statements to comply with financial reporting standards for Non-Publicly Accountable Entities, the Foundation's management had to make some estimates and assumptions which may have an effect on the amount shown for revenues, expenses, assets and liabilities and also on the disclosures concerning contingent assets and liabilities, therefore the actual result may differ from the estimated amount.

2.4 The financial report in Thai language are the official statutory financial report of the Company. The financial report in English language have been translated from the Thai language financial report.

3. Summary of Significant Accounting Policies

3.1 Measurements bases used in the Preparation of Financial Statements

Measurement bases used in the preparation of financial statements are historical cost measurement basis and combination of variety measurement bases used. Some assets and liabilities that use other measurement bases have been disclosed the measurement bases used in the particular accounting policies.



3.2 Cash and Cash Equivalents

Cash and cash equivalents include bank deposits of current, saving and not exceeding three-month fixed deposit with no guarantee obligation.

3.3 Other Receivables

Other receivables are stated at the realizable value.

Allowance for doubtful debts are estimated from each receivable which is expected to be uncollectible.

3.4 Property, Plant and Equipment

Fix Assets is stated at initial cost deducted by accumulated depreciation and calculated the depreciation on a straight-line method over their approximate useful lives as follows:

Land improvements	20	years
Building and Improvements	20	years
Tools equipment and Fixtures office	5	years
Vehicles	5	years

3.5 Other Payables

Other payables were shown in cost value.

3.6 Employee Benefits

Short – term Employee Benefits

- The Foundation recognizes salaries, wages, bonuses and social security fund contributions as expenses when the transactions incurred.

Long – term Employee Benefits

- The Foundation recognizes post-employment benefit or retirement severance pay to employees under the labor laws applicable in Thailand by the estimate of expected future payment which is prepared by the management, and presents as non-current liabilities. The costs associated with employee benefit are charged to the statements of income so as to spread the cost over the employment period.

3.7 Provisions

Provisions are recognized when the Foundation has a present legal or constructive obligation as a result of past events, It is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. The reimbursement is recognized as a separate asset, when, and only when, it is virtually certain that reimbursement will be received if the Foundation settles the obligation.



3.8 Recognition of Revenues

- Revenue from donations are recognized on a cash basis.
- Interest revenue when it is received, is calculated on the accrued principle balance.

3.9 Recognition of Expenses

- Expenses are recognized on an accrual basis.

3.10 Income Tax Expenses

Income tax expense is recognized as expense in the statement of income by the income tax amount to be paid which use the enacted income tax rate at the end of reporting period.

3.11 Judgments and Estimations Used

In order to prepare the financial statements to comply with Financial Reporting Standards for Non-Publicly Accountable Entities, the Company's management is required to use judgments and estimations that affect the accounting policy set and the reporting of the amounts concerning to assets, liabilities, revenues and expenses in the financial statements and particular notes to financial statements. Estimations and assumptions are based on historical experience and other factors, including assessment of the significant effect to the financial position and financial performance of the Company arising from the economic condition which the Company's management believes under that circumstance. The actual result may differ from those estimates and assumptions.

The estimates and assumptions used in the preparation of the financial statements will be consistently revised. The change in the accounting estimate will be recognized in the period of the change and future periods which the change is affected.

4. Cash and Cash Equivalents

Consist of :

	As at 31 December 2017	As at 31 December 2016
	Baht	Baht
Cash	18,915.50	9,057.25
Cash at Bank - Savings Accounts	14,009,492.33	10,703,769.19
Cash at Bank - Fixed Accounts 3 months	23,085.18	22,855.75
Total	14,051,493.01	10,735,682.19



5. Temporary Investment

As at 31 December 2017 and 2016, the whole amount of is cash at bank – fixed accounts 12 months carrying the interest rate of 1.40 % per annum and 1.00 -1.40 % per annum respectively.

6. Other Receivables

Consist of:

	As at 31 December 2017	As at 31 December 2016
	Baht	Baht
Advances	-	70,159.90
Deposit	2,500.00	-
Advances Payment Employees	22,771.00	15,560.00
Accured Interest Income	12,885.94	34,579.86
Total	38,096.94	120,299.76

7. Loan to Employees

As at 31 December 2017 and 2016, loan to staff are offered to support the family and education. The loans comply with the policy of the Foundation, without any interest charge.

8. Property, Plants and Equipment

Consist of :

	Land and Land Improvement Baht	Building and Improvement Baht	Tools Equipment and Fixtures Office Baht	Vehicles Baht	Total Baht
As at 1 January 2015					
Cost	17,353,242.00	35,291,755.12	8,334,252.05	7,529,260.00	68,508,509.17
Less_ Accumulated Depreciation	(36,353.30)	(19,687,245.20)	(7,378,207.66)	(6,902,777.22)	(34,004,583.38)
Book value	17,316,888.70	15,604,509.92	956,044.39	626,482.78	34,503,925.79
Transactions during the year ended 31 December 2016					
Purchase	-	454,764.50	282,518.00	-	737,282.50
Sale	-	-	(10,000.00)	-	(10,000.00)
Depreciation for the year	(12,117.75)	(1,770,819.26)	(366,451.48)	(198,433.51)	(2,347,822.00)
Depreciation for Sale	-	-	9,999.00	-	9,999.00
Ending Book value	17,304,770.95	14,288,455.16	872,109.91	428,049.27	32,893,385.29
As at 31 December 2016					
Cost	17,353,242.00	35,746,519.62	8,606,770.05	7,529,260.00	69,235,791.67
Less_ Accumulated Depreciation	(48,471.05)	(21,458,064.46)	(7,734,660.14)	(7,101,210.73)	(36,342,406.38)
Book value	17,304,770.95	14,288,455.16	872,109.91	428,049.27	32,893,385.29
Transactions during the year ended 31 December 2017					
Purchase	-	140,319.80	224,917.50	538,500.00	903,737.30
Write off	-	-	(3,158,294.58)	(68,962.00)	(3,227,256.58)
Depreciation for the year	(12,117.75)	(1,757,122.31)	(404,637.58)	(198,526.50)	(2,372,404.14)
Depreciation for Write off Assets	-	-	3,157,786.58	68,958.00	3,226,744.58
Ending Book value	17,304,770.95	12,671,652.65	691,881.83	768,018.77	31,424,206.45
As at 31 December 2017					
Cost	17,353,242.00	35,886,839.42	5,673,392.97	7,998,798.00	66,912,272.39
Less_ Accumulated Depreciation	(60,558.80)	(23,215,186.77)	(4,981,511.14)	(7,230,779.23)	(35,488,065.94)
Book value	17,292,683.20	12,671,652.65	691,881.83	768,018.77	31,424,206.45





9. Other Payables

Consist of:

	As at	As at
	31 December 2017	31 December 2016
	Baht	Baht
Other Payables	174,804.68	136,106.77
Post Dated Cheque	31,363.99	70,505.40
Other	21,817.18	39,934.03
Total	227,985.85	246,546.20

10. Contribution Fund for Staff

The Foundation arranged the establishment of a contribution fund for staff welfare. Staff have to make a contribution at the rate of 3% of engagement fee or salary. The Foundation has to make a contribution to the fund at the same rate. The Foundation is regulation as follows:

10.1 The Foundation will not repay contribution plus interest in the contribution portion with the

Foundation in the following cases:

- Staff are dismissed due to unacceptable behaviors.
- Staff who resign during the first 3 years of contribution membership.

10.2 The terms of staff contribution payment plus interest is as follows:

Period of accumulated fund	Contribution on behalf of staff		Contribution on behalf of Foundation	
	3% staff contribution	3% company contribution	Company Contribution	Interest
Lower than 3 years	100 %	100 %	-	-
3 years but lower than 4 years	100 %	100 %	50 %	50 %
4 years but lower than 5 years	100 %	100 %	60 %	60 %
5 years but lower than 6 years	100 %	100 %	75 %	75 %
6 years but lower than 7 years	100 %	100 %	90 %	90 %
7 years up	100 %	100 %	100 %	100 %



11. Employee Benefit Obligations

The movement of employee benefit obligation as follows :

	For the year ended December	
	31 December	
	2017	2016
	Baht	Baht
Present value of the obligation as at 1 January	2,095,726.72	2,182,532.03
Current service cost	59,978.32	(86,805.31)
Present value of the obligation as at 31 December	<u>2,155,705.04</u>	<u>2,095,726.72</u>

The principal assumptions used for the purposes of the actuarial valuation were as follows:

Voluntary Resignation Rate	10.00% per annum
Retirement Age	60 years old

12. Income Tax Expense

Corporate income tax is computed (1) at the rate of 2.0% of the revenues from sales asset before deduction of expenditure; and (2) at the rate of 10.0% of all other revenues and interest income before deduction of expenditure excluding the revenue from the donation.

13. Approval of the Financial Statements.

These financial statements have been approved by the foundation's directors on 20 April 2018