

Yuvabadhana Foundation

Certified Auditor Report of Statement of Financial Position Audit

12/1/2016

(Company's Logo)

SANAN KETUDAT CO.,LTD

73 THURAKIJ BANDIT BLDF. FL. 3 RAMA VI RD., SAM SEN NAI, PHYATHAI, BANGKOK 10400
Tel: 0-2618-2842-6 Fax: 0-2278-0675, 0-2618-2854

Certified Auditor Report

To Directors of Yuvabadhana Foundation

Opinion

I have audited the financial statements of **Yuvabadhana Foundation** which comprise the financial position of as at 31st December 2016, the statements of income and changes in equity for the year ended of the same date as well as a summary of significant accounting policies and other explanatory notes.

In my opinion, the aforementioned financial statements present fairly, in all material respects, the financial positions of **Yuvabadhana Foundation** as at 31st December 2015 and the results of its operations for the year ended as the same date in accordance with Financial Reporting Standards for Non-Publicity Accountable Entities.

Criteria for expressing opinion

I have audited the materials presented in reflection of the auditor standard. My responsibility toward this financial statement is stated within the Auditor's responsibility section. I am at liberty from the control of the company I audited according to the ethical requirement relevant to the financial statement audit as stipulated of the Federation of the Accounting Profession under Royal Patronage. I have also complied with other moral and ethical requirement which is in accordance with the said regulation. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Director's responsibility for the financial statements

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

In the preparation of financial statement, the Director is responsible for the assessment of company's ability to operate continually, disclose information regarding continual operation, and apply accounting standard toward continual operation, unless the director intends to quit the business or stop operating, or is unable to continue to operate business.

Auditor's responsibility toward Financial Statement Audit

The purpose of my audit is to produce confidently the opinion whether the financial statements are free from material misstatement regardless of the cause whether due to mistakes or fraud. My opinion is based on reasonable confidence but it does not guarantee that the standard audit will always be able to find the material misstatement. The misstatement which is caused by fraud or mistakes can be considered materially important when it can be reasonably assumed that such misstatement can influence the business decision of those who use this financial statement

In my audit of financial statement in reflection of the audit standard, I have use my judgement, observation, and questioning as Auditor Professional throughout the audit process. My task concludes that of;

- Specify and assess the risk of material misstatement in the financial statement whether due to fraud or mistakes. Design and act accordingly to the audit procedures that will respond to such risk and to obtain audit evidence that is sufficient and appropriate to form the basis of my opinion. The risk which its material misstatement cannot be found which also is caused by fraud has greater risk than the risk due to mistakes as fraud may related to conspiring, modification of evidence, and intentional withhold of information, intentional misstatement or interference with internal control.
- To understand the internal control relevant to the audit in order to design the appropriate audit procedure but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Directors, as well as evaluating the overall presentation of the financial statements.
- Produce a summary regarding the propriety of the director's use of accounting standard for continual operation from the obtained audit evidence. To produce whether there lies any materially uncertainty that relates to the event or incident that may cause doubt toward the company's ability to continue its operation. Shall my findings indicate that there is any materially uncertainty; I shall include such disclosure within my audit report of the financial statement. However, shall such disclosure is not sufficient; my opinion will also change like wise. My opinion is based on the audit evidence obtained up to the date of audit report. Nonetheless, future events or incident may cause the company to stop its continual operation.

- To assess the representation, structure, and the content of financial statement overall. This includes disclosing whether the financial statement shows the correct representation of list and incident in manners that leads to the correct representation of content.

I have communicated with the directors in regard of the scope and period of audit procedural plan, the materially important subject found from audit, and including the materially flaw of internal control that I have found during my audit process.

-signature-

(Mr. Pairoj Intra)
Certified Public Accountant, Registration No. 3944
27th January 2017

Yuvabadhana Foundation**Statements of financial position****As of December 31, 2016**

<u>Assets</u>	Notes	Unit: Baht	
		2016	2015
Current assets			
Cash and cash equivalents	3.2,4 and 9	13,294,024.11	22,763,935.68
Short-Term Investment - Regular Savings	9	7,899.66	7,806.92
Other receivable	5	893,023.17	670,981.08
Total current assets		14,194,946.94	23,442,723.68
Non-current assets			
Long-Term Investment - Regular Savings	9	461,538.59	17,098,741.50
Building improvement and tools	3.3 and 6	4,242,936.76	3,265,465.22
Intangible assets	7	135,963.85	96,581.95
Other non-current assets		1,936,398.18	1,075,721.78
Total non-current assets		6,776,837.38	21,536,510.45
Total assets		20,971,784.32	44,979,234.13
<u>Liabilities and accumulated funds</u>			
Current liabilities			
Other payables	8	9,273,291.85	3,895,418.76
Total current liabilities		9,273,291.85	3,895,418.76
Total liabilities			
Accumulated funds			
Starting funds		200,000.00	200,000.00
Balance of income over expense forwarded		11,498,492.47	40,883,815.37
Total accumulated fund		11,698,492.47	41,083,815.37
Total liabilities and accumulated funds		20,971,784.32	44,979,234.13

Sign-Signature-..... Chair of Directors

(Mr. Vichien Phongsathorn)

Notes to the financial statement is part of this statement

Yuvabadhana Foundation**Statements of Income and Expense****As of December 31, 2016**

		Unit: Baht	
	Notes	2016	2015
Income	3.1		
Income from donation		139,095,989.71	106,626,344.69
Income from sales		2,609,024.00	1,898,383.25
Interest receivable		147,869.09	591,931.10
Total income		<u>141,852,882.80</u>	<u>109,116,659.04</u>
Expense	3.1		
Expense for donation		125,250,117.64	80,639,089.37
Expense from sales		45,988,088.06	33,909,185.55
Total income		<u>171,238,205.70</u>	<u>114,548,274.92</u>
Income over(under) annual expense		(29,385,322.90)	(5,431,615.88)
Income over(under) accumulated forwarded expense		40,883,815.37	46,315,431.25
Income over(under) expense forwarded		<u>11,498,492.47</u>	<u>40,883,815.37</u>

Sign.....-Signature-..... Chair of Directors

(Mr. Vichien Phongsathorn)

Notes to the financial statement is part of this statement

Yuvabadhana Foundation

Notes to financial statement

As of December 31, 2016

1. General Information

Yuvabadhana Foundation is found by Premier Group to operates on the development of under privileged youth and other public goods since 1988.

The purposes of the foundation are as follows.

- 1.1 To promote and develop under privileged youth in order to have good standard education which nurture their ability and capacity.
- 1.2 To promote youth in a career path that will suit their community and local area. Along with fostering the sense of community and culture pride in orders that they may improve their community in the future.
- 1.3 To promote and support by cooperation with government and private sector to develop youth into a quality human resource in the future.

Yuvabadhana Foundation is announced as public organization or foundation number 300 under the announcement of Thailand Ministry of Finance (Vol. 54) dated 13th September 1996

2. Criteria in compiling financial statement

Foundation's financial statement is compiled in accordance with certified accounting standard un Accounting Act B.E. 2543 which means the standard for financial statement issued under Accounting Professions Act B.E. 2547.

This financial statement is made in accordance with accounting standard set for Non-Publicly Accountable Entities: NPAAE as announced by the Federation of Accounting Professions Announcement during 2011 on the financial standard for Non-Publicly Accountable Entities. However, by complying to the mentioned standard above the changes influence the foundation accounting policy. The effect of such changes has no significant impact to key information in financial statement.

This financial statement is made using Accrual basis, unless specified otherwise in the context.

For the compilation of financial statement under standard for the Non-Publicly Accountable Entities, the directors were required to make many assumptions which will have effects on the accounting policy and the statement of finance in regard to asset, liability, income, expense. The actual occurrence may differ from those projected.

3. Summary of significant accounting policies

- 3.1 Acknowledgement of income and expense

The foundation acknowledges income and expense on Accrual basis

Sign.....-Signature-..... Chair of Directors

(Mr. Vichien Phongsathorn)

Yuvabadhana Foundation**Notes to financial statement****As of December 31, 2016****3. Summary of significant accounting policies(continue)**

3.2 Cash and cash equivalent

Cash and cash equivalent includes cash, bank deposit of savings, current, and regular savings type not exceeding 3 months, and short-term investment which is receivable within 3 months and is without encumbrance.

3.3 Depreciation

Building improvement and tools is expressed at its historical cost with depreciation applicable.

The foundation calculates depreciation of building and tools using linear method as follows.

Office tools 5 years.

4. Cash and cash equivalent

	Unit: Baht	
	2016	2015
Cash	97,400.00	89,300.00
Financial institution deposits		
Savings	13,059,893.72	22,559,397.20
Current	136,730.39	115,238.48
Total cash and cash equivalent	<u>13,294,024.11</u>	<u>22,763,935.68</u>

5. Other receivable

	Unit: Baht	
	2016	2015
Bill receivable	507,373.00	188,315.00
Pending interest receivable	2,867.99	61,519.60
Advance expense	63,112.66	36,240.04
Other receivable	-	1,068.99
Premier Group receivable	996.60	6,600.00
Paypal receivable	4,993.03	33,476.60
Pun Gun Online receivable	1,450.00	-
Advanced money	310,396.90	342,448.54
Withholding Tax	1,832.99	1,312.31
Total	<u>893,023.17</u>	<u>670,981.08</u>

]

Sign.....-Signature-..... Chair of Directors

(Mr. Vichien Phongsathorn)

Yuvabadhana Foundation**Notes to financial statement****As of December 31, 2016****6. Building improvement and tools**

	(Unit: Baht)		
<u>Historical Cost</u>	Building improvement	Tools	Total
On 1 st January 2015	201,283.44	1,872,648.58	2,073,932.02
Property purchase	1,899,011.92	845,512.48	2,744,524.40
Property distribute	-	-	-
Transfer	140,466.00	(140,466.00)	-
On 31 st December 2015	2,240,761.36	2,577,695.06	4,818,456.42
Property purchase	1,859,515.38	509,729.24	2,369,244.62
Property distribute / Other	-	(5,350.00)	(5,350.00)
On 31 st December 2016	4,100,276.74	3,082,074.30	7,182,351.04
<u>Accumulated depreciation</u>			
On 1 st January 2015	76,621.47	457,356.99	533,978.46
Property purchase	581,741.19	437,271.55	1,019,012.74
Property distribute	-	-	-
Transfer	538.77	(538.77)	-
On 31 st December 2015	658,901.43	894,089.77	1,552,991.20
Property purchase	834,984.41	554,380.95	1,389,365.36
Property distribute / Other	-	(2,942.28)	(2,942.28)
On 31 st December 2016	1,493,885.84	1,445,528.44	1,552,991.20
Accounting Net Value			
On 31 st December 2015	1,581,859.93	1,683,605.29	3,265,465.22
On 31 st December 2016	2,606,390.90	1,636,545.86	4,242,936.76
Depreciation for year 2016	1,389,365.36	Baht	
2015	1,019,012.74	Baht	

Sign.....-Signature-.....Chair of Directors

(Mr. Vichien Phongsathorn)

Yuvabadhana Foundation**Notes to financial statement****As of December 31, 2016****7. Intangible assets**

				(Unit: Baht)
	Balance as of 31 st December 2015	Increase	Decrease	Balance as of 31 st December 2016
Historical Cost-Software	273,363.60	102,045.90		375,409.50
Total	273,363.60			375,409.50
Deduct by accumulated amortization value	(176,781.65)	(62,664.00)	-	(239,445.65)
Accounting price	<u>96,581.95</u>			<u>135,963.85</u>
Amortization for year 2016	62,664.00	Baht		
2015	53,678.29	Baht		

8. Trade payable and other payable

	Unit: Baht	
	2016	2015
Trade payable	3,180,094.35	2,483,456.94
Pending expense payable	858,022.88	379,633.05
Pending withholding tax payable	262,628.25	100,358.50
Pending Social Security payable	116,870.00	81,096.00
Pending financial bill payable	4,855,676.37	850,874.27
Total	<u>9,273,291.85</u>	<u>3,895,418.76</u>

Sign.....-Signature-..... Chair of Directors

(Mr. Vichien Phongsathorn)

Yuvabadhana Foundation**Notes to financial statement****As of December 31, 2016****9. Other additional information**

During 2016 and 2015, the foundation had set aside money as a donation for student's scholarship in academic year 2017-2022 and 2016-2021 respectively

	Unit: Baht	
	2016	2015
Cash and cash equivalent	13,294,024.11	22,763,935.68
Short-term investment - regular savings 3-6 months	7,899.66	7,806.92
Long-term investment - regular savings 12-24 months	461,538.59	17,098,741.50
Plus promised financial amount	55,200,000.00	-
Total	68,962,462.36	39,870,484.10
Deduct amount set aside as donation for student's scholarship 2017-2022	(58,635,000.00)	-
Deduct amount set aside as donation for student's scholarship 2016-2021	-	(30,352,000.00)
	<u>10,328,462.36</u>	<u>9,518,484.10</u>

In 2016, the foundation entered into an agreement that promise a donation as reserved fund for student's scholarship with Premier Fission Capital Co.,Ltd as the foundation wished to increase the amount of youth receiving continual scholarship from year 2016 onward. In such pursuit, the foundation is required to increase its reserved fund to 50% of overall scholarship estimation. The highlights of such agreement are as follows.

- The promisor promises to donate money for amount no less than 55.20 Million Baht so that the foundation may use such promised amount as reserved fund.
- The promisor reserve ordinary share of Premier Marketing Co.,Ltd (Public) for 5,548,000 share as security of the promise.
- In the vent that the foundation is unable to fund enough scholarship for the academic year 2016, the promisor shall donate money and/or sell security share to pay for the short of such amount whereas the amount shall not exceed that promised.

10. Approval of financial statement

This financial statement is approved by the authorize director of the foundation on 27th January 2017

Sign.....-Signature-..... Chair of Directors

(Mr. Vichien Phongsathorn)