

**Friends-International Thailand Organisation**

Annual financial statements  
and  
Audit report of Certified Public Accountant

For the year ended 31 December 2023



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## **Report of Independent Auditor To the shareholder of Friends-International Thailand Organisation**

### **Opinion**

We have audited the financial statements of **Friends-International Thailand Organisation** which comprise the statement of financial position as at **31 December 2023** and the statement of receipts and disbursements 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 the Organisation as at **31 December 2023** and the statement of receipts and disbursements 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 Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Other**

The financial statements of Friends-International Thailand Organisation for the year ended 31 December 2022 were audited by other auditors who expressed unqualified report dated 3 March 2023.

### **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 Organisation'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 Organisation 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 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 Organisation'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 Organisation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are 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 Organisation 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.

We 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 we identify during my audit.

The engagement partner responsible for the audit resulting in this independent auditor's report is:



(Nathee Hongratana-uthai)  
Certified Public Accountant  
Registration No. 2897  
Silom Road, Bangruak, Bangkok, Thailand.  
24 March 2024

**FRIENDS-INTERNATIONAL THAILAND  
STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023**

		Unit : Baht	
	Notes	2023	2022 (Restated)
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	4	14,889,505.23	15,399,341.59
Advances		-	10,000.00
Other current assets	5	46,626.18	1,139,917.68
<b>TOTAL CURRENT ASSETS</b>		<b>14,936,131.41</b>	<b>16,549,259.27</b>
<b>NON - CURRENT ASSETS</b>			
Deposit for office rental		118,200.00	104,194.00
<b>TOTAL NON - CURRENT ASSETS</b>		<b>118,200.00</b>	<b>104,194.00</b>
<b>TOTAL ASSETS</b>		<b>15,054,331.41</b>	<b>16,653,453.27</b>
<b>FUNDS BALANCE AND LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Other current liabilities	6	5,753,709.09	8,335,867.15
<b>TOTAL CURRENT LIABILITIES</b>		<b>5,753,709.09</b>	<b>8,335,867.15</b>
<b>TOTAL LIABILITIES</b>		<b>5,753,709.09</b>	<b>8,335,867.15</b>
<b>FUNDS BALANCE</b>			
Retained Earnings		8,317,586.12	3,873,494.98
Net Surplus / (Deficit) for the year		983,036.20	4,444,091.14
<b>TOTAL FUNDS BALANCE</b>		<b>9,300,622.32</b>	<b>8,317,586.12</b>
<b>TOTAL FUNDS BALANCE AND LIABILITIES</b>		<b>15,054,331.41</b>	<b>16,653,453.27</b>

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*Handwritten signature of Ms. Orawan Saowapat*

Ms. Orawan Saowapat  
(Country Program Director)

*Handwritten signature of Ms. Sela Mao*

Ms. Sela Mao  
(Finance Manager)

**FRIENDS-INTERNATIONAL THAILAND  
STATEMENT OF INCOME AND EXPENSES  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Notes	Unit : Baht	
		2023	2022 (Restated)
<b>INCOME</b>			
Donor funding	7	17,789,279.44	13,053,468.95
Private donations		166,536.00	4,525,096.25
Consultancy income		50,380.64	778,664.76
Other income		27,661.50	132,371.96
<b>TOTAL INCOME</b>		<b>18,033,857.58</b>	<b>18,489,601.92</b>
<b>EXPENSES</b>			
Personnel Costs	8	7,789,327.72	6,402,498.64
Direct Costs	9	5,576,068.57	3,309,655.43
Equipment / Asset Costs	10	111,042.00	276,396.27
Indirect Costs	11	1,973,434.08	1,698,040.27
Travel & Training	12	588,507.48	548,881.72
Headquarters Support		1,012,441.53	1,810,038.45
<b>TOTAL EXPENSES</b>		<b>17,050,821.38</b>	<b>14,045,510.78</b>
<b>NET SURPLUS / (DEFICIT) FOR THE YEAR</b>		<b>983,036.20</b>	<b>4,444,091.14</b>
Funds balance brought forward		8,317,586.11	3,873,494.97
<b>CLOSING FUNDS BALANCE</b>		<b>9,300,622.31</b>	<b>8,317,586.11</b>

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Ms. Orawan Saowapat  
(Country Program Director)



*Ms. Sela Mao*

Ms. Sela Mao  
(Finance Manager)

**FRIENDS-INTERNATIONAL THAILAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**1 GENERAL INFORMATION**

- Status** : Friends-International Thailand ("FI") ("The Organisation")
- Address** : 87 / 6 (Sukhumvit 36) Napha Sap Soi 5, Khlong Tan, Khlong Toei, Bangkok, Thailand
- Objectives** : Since 1994, FI's vision is a future where all children are safe from all forms of abuse and become functional productive citizens of their country, contributing to a more peaceful, equitable and sustainable world. FI's mission is to work with all members of society (children, youth, families, communities) to:
- SAVE LIVES protecting children and youth from all forms of abuse
  - BUILD FUTURES: supporting marginalized urban children and youth to become functional, productive citizens of their countries

FI aims to achieve this by:


- Protecting urban children and youth from all forms of abuse within the scope of the International Convention of the Rights of the Child
- Reintegrating marginalized urban children and youth so they become actively involved in the development of their society
- Preventing children and youth from engaging in risky behaviour and/or dangerous situations that compromise their futures
- Improving the way Organisations work by promoting innovative and effective approaches with the active participation of the children and youth
- Influencing all tiers of society to provide supportive environments and adopt positive behaviour changes

FI has developed creative, innovative, and holistic programs, building networks, supporting youth-led projects, and establishing solid protection and support services within Organisations, communities and all tiers of society while aiming to become self-sustainable through its social enterprises.

FI began its Thailand operations in 2005, and today works in Bangkok, Aranyaprathet and Chonburi, in close collaboration with The Royal Thai Government.



  
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Ms. Orawan Saowapat  
(Country Program Director)

  
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Ms. Sela Mao  
(Finance Manager)

**FRIENDS-INTERNATIONAL THAILAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENT**

This financial statements are prepared in accordance with accounting standards under the Act BE 2547 and have been made financial statement presentation to comply with the requirements of the Department of Business Development dated issue 28 September 2011 regarding the condensed form should be included in the financial statements B.E. 2554 that issued under the Accounting Act BE 2543.

During the year 2023, the Thai Federation of Accounting Professions (TFAC) declared the implementation of revised financial reporting standards for Non-publicly Accountable Entities (NPAEs). These standards, which became effective for accounting periods beginning on or after 1 January 2023, have been enhanced to ensure greater completeness and provide additional accounting treatment options, while maintaining simplicity in practice. However, these standards have no material impact on the Organisation's financial statements.

The preparation of financial statements in conformity with TFRS for NPAEs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

**3 SIGNIFICANT ACCOUNTING POLICIES**

**3.1 CHANGE IN ACCOUNTING POLICY**

During the fiscal year 2023, the Organisation amended its policy on the basis of accounting from the 'modified cash basis' to accruals basis of accounting, in order to better reflect the financial position, results of operations, and cash flows. In accordance with this change in accounting policy the Organisation has restated the financial statements for prior periods (2021 and 2022) presented herein. The restated financial statements are included for comparative purposes, and the adjustments made have been explained as follow.

	Unit : Baht		
	31 December 2022		
	Before Restated (Modified Cash Basis)	Restated (Adjustment)	After Restated (Accruals Basis)
<b>Statement of Financial Position</b>			
Earned Income	-	1,083,740.31	1,083,740.31
Employee Liabilities (STL)	-	(190,691.15)	(190,691.15)
Unearned Income	-	(7,908,608.57)	(7,908,608.57)
Accumulated revenue over (under) expenditure, brought forward for this year	(7,932,711.36)	4,059,216.38	(3,873,494.98)
<b>Statement of Income &amp; Expenses</b>			
Net (deficit) / surplus for the year 2022	(7,400,434.16)	2,956,343.02	(4,444,091.14)

Ms. Orawan Saowapat  
 (Country Program Director)



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**FRIENDS-INTERNATIONAL THAILAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**3.2 INCOME**

**Income from Donations**

Donor funding from restricted grants is only recognised when “earned” regardless of when the grant instalments are paid, i.e. a) for the period in which expenses for the related grant are recognised for which the grant is intended to compensate and b) where grant conditions are met. Where the grant instalments have been received, but not recognised or utilized, they are presented in the Statement of Financial Position as a current liability under “Unearned Income”. Where grant instalments have not been received, are committed and utilized in advance of payment, they are presented in the Statement of Financial Position as a current asset under “Earned Income”.

**Private donations**

Private donations are recognised when they are deemed receivable. An private donation is deemed to be receivable when actually received from individuals, companies, organisations or institutions which are not covered by specific grant agreements with terms & conditions. Donations in kind, if any, are recognised at fair value when received using a reliable estimate of the cost of the donated goods or services

**Other income**

The income from service fees for consultancy is recognised upon receipt of payment.

**Interest income**

Interest income earned for deposit at bank shall be recognized as revenue when received rather than when earned.

**3.3 EXPENSES**

Expenditure incurred consists of personnel costs, direct costs, indirect costs, travel & training, Headquarters support, and equipment/assets with a value below THB 35,000. Expenditure is only recognised for the period to which it relates.

**3.4 FOREIGN CURRENCY**

The financial statements are presented in Thai Baht (THB), which is also the functional currency of the Organisation. Transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. Exchange differences on monetary items are recognized in the statement of income and expenditure in the period in which they arise.



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**FRIENDS-INTERNATIONAL THAILAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**3.5 EQUIPMENT / ASSET COSTS**

Equipment purchased for less than THB 35,000, are directly charged to the project expenses. Property and equipment for THB 35,000 or more, will be capitalized and depreciated in accordance with the Organisation's financial policies.

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost. Residual value is assumed to be THB 0.

Depreciation of equipment is charged to profit or loss on a straight-line basis over the estimated useful lives of the individual assets as follows:

Office & IT equipment	4	years
Furniture, Machinery and Other equipment	5	years
Vehicles	10	years
Intangible assets	10	years
Construction & Building works (owned properties)	10	years

If there is an indication that there has been a significant change in the depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.


Disposals are recorded when the assets are scrapped or sold. Cost of maintenance is expended as incurred.

**4 CASH AND CASH EQUIVALENTS**


	Unit : Baht	
	2023	2022
Cash on hand	76,936.00	1,357.00
Petty Cash - Aranyaprathet office	3,223.00	-
Cash in bank	14,809,346.23	15,397,984.59
<b>Total</b>	<b>14,889,505.23</b>	<b>15,399,341.59</b>

**5 OTHER CURRENT ASSETS**

Prepayments	17,783.32	-
Accrued and earned income	-	1,131,917.68
Other current assets	28,842.86	8,000.00
<b>Total</b>	<b>46,626.18</b>	<b>1,139,917.68</b>


  
 Ms. Orawan Saowapat  
 (Country Program Director)



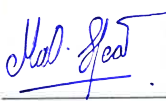
  
 Ms. Sela Mao  
 (Finance Manager)

**FRIENDS-INTERNATIONAL THAILAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Unit : Baht	
	2023	2022
<b>6 OTHER CURRENT LIABILITIES</b>		
Related parties	142,673.25	178,326.52
Employee Liabilities (STL)	-	190,691.15
Unearned Income	5,498,929.26	7,908,608.56
Other current liabilities	112,106.58	58,240.92
<b>Total</b>	<b>5,753,709.09</b>	<b>8,335,867.15</b>
<b>7 DONOR FUNDING</b>		
Avery Denisson Foundation	-	381,615.11
The Cold Mountain Fund of RCF Social Finance	1,028,811.03	966,967.24
World Childhood Foundation	2,538,914.74	2,444,125.08
Credit Suisse APAC Foundation Limited	3,681,959.26	2,627,485.26
Asian Development Bank	2,761,107.38	2,230,618.68
The Regent Capital Trust Corporation Ltd as Trustee of the Kwok Foundation	238,272.00	123,065.22
Gisela Stichting	365,387.14	571,356.47
Skoll Foundation	906,660.00	124,500.00
UNICEF Thailand	-	33,618.50
The Intrepid Foundation	30,415.08	10,574.54
Albrecht Kiesow Foundation	3,892,880.39	3,198,698.91
Anonymous (OFF)	293,482.33	340,843.94
Deutsche Bank AG	55,448.00	-
FI Suisse / Canton de Geneve	1,995,942.09	-
<b>Total</b>	<b>17,789,279.44</b>	<b>13,053,468.95</b>
<b>8 PERSONNEL COSTS</b>		
International staff	786,500.00	458,710.00
National staff	6,634,551.56	5,712,756.46
Health insurance	206,460.55	120,935.44
Consultancy / professional fees	61,748.00	14,366.50
Recruitment costs	41,193.50	26,090.31
Severance / Indemnity Pay	58,874.11	54,859.07
Staff COVID Testing	-	14,780.86
<b>Total</b>	<b>7,789,327.72</b>	<b>6,402,498.64</b>


  
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**FRIENDS-INTERNATIONAL THAILAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

	Unit : Baht	
	2023	2022
<b>9 DIRECT COSTS</b>		
Hygiene costs	305,639.62	237,684.00
Medical costs	401,423.06	261,829.08
IEC materials	1,286.00	44,600.27
Clothing for Beneficiaries	2,094.02	-
Non-formal education materials	-	198.00
Food / drink for beneficiaries	86,099.45	43,874.42
Family support	1,073,973.45	916,130.39
Harm Reduction Materials	6,808.00	10,907.00
Centre supplies	5,032.00	6,471.00
Other activity costs	764.00	2,160.00
Case Manager Travel	22,802.17	48,279.27
Recreational activity support	357,772.44	28,220.00
Outreach materials	17,029.00	17,077.00
School reintegration support	1,404,667.39	468,055.56
Vocational Training Materials / Referrals	122,576.83	-
Employment Activities	1,149,848.14	856,316.33
ChildSafe Materials / Activities	594,754.19	292,457.57
Foster Care Families	-	1,165.93
Staff Uniforms	-	38,295.30
Beneficiary Transport	19,510.06	3,585.21
Beneficiary Trainings / Meetings	3,988.75	15,992.10
Community Event Costs	-	9,932.00
Beneficiary COVID Testing	-	6,425.00
<b>Total</b>	<b>5,576,068.57</b>	<b>3,309,655.43</b>
<b>10 EQUIPMENT / ASSET COSTS</b>		
IT / computers	95,039.00	227,715.27
Furniture / Fittings	3,550.00	31,290.00
Inventory	12,453.00	13,891.00
Vehicles	-	3,500.00
<b>Total</b>	<b>111,042.00</b>	<b>276,396.27</b>

  
 Ms. Orawan Saowapat  
 (Country Program Director)




  
 Ms. Sela Mao  
 (Finance Manager)

**FRIENDS-INTERNATIONAL THAILAND**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**


	Unit : Baht	
	2023	2022
<b>11 INDIRECT COSTS</b>		
Communications	99,246.78	95,916.64
Transport / Gasoline / Maintenance	426,422.11	466,904.13
Maintenance / renovations	48,305.50	56,509.38
Office supplies	256,082.44	218,149.07
Rent	750,834.57	593,954.97
Utilities	80,587.25	43,425.32
Printing / Photocopying	11,424.15	27,073.50
Postage and shipping	13,795.35	20,033.37
Bank charges	35,611.01	25,348.27
External audits	150,000.00	80,000.00
Vehicle / building insurance	6,474.39	10,007.71
Advertising / Marketing	-	19,050.00
Subscriptions	2,590.01	6,888.42
Donor / Staff / Authority Relations	56,820.86	21,942.00
Other Expenses	35,239.66	12,837.49
<b>Total</b>	<b>1,973,434.08</b>	<b>1,698,040.27</b>
<b>12 TRAVEL &amp; TRAINING</b>		
International travel	81,106.68	35,807.81
National travel	417,409.02	501,423.65
Staff Training	27,239.50	2,497.00
Workshop / meeting	52,099.64	414.00
Exchanges / Exposure Trips	10,652.64	8,739.26
<b>Total</b>	<b>588,507.48</b>	<b>548,881.72</b>

**13 RECLASSIFICATION OF ACCOUNT**

Certain amounts in the financial statements for the year ended 31 December 2022 have been reclassified to conform to the current year's classification but with no effect to reported income, expenses or Allocated and unallocated funds.

  
 Ms. Orawan Saowapat  
 (Country Program Director)



  
 Ms. Sela Mao  
 (Finance Manager)