

Wedu (Thailand) Foundation

Financial statements for the year ended

31 December 2020

and

Independent Auditor's Report



Independent Auditor's Report

To the Board of Wedu (Thailand) Foundation

Opinion

I have audited the financial statements of Wedu (Thailand) Foundation (the "Foundation"), which comprise the statement of financial position as at 31 December 2020, the related statement of income and expenses and changes in funds for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at 31 December 2020 and its income and expenses for the year then ended in accordance with the Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). 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 Foundation in accordance with the Code of Ethics for Professional Accountants 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 TFRS for NPAEs, 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 Foundation'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 Foundation 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 TSAs 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.

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 TSAs, 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 Foundation'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 Foundation'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 Foundation 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.




(Pimporn Sirichareonsub)
Certified Public Accountant
Registration No. 12083

Fides Audit Co., Ltd.
Bangkok
15 October 2021


Wedu (Thailand) Foundation
Statements of financial position

Assets	Note	31 December	
		2020	2019
		<i>(in Baht)</i>	
<i>Current assets</i>			
Cash and cash equivalents	4	319,749.45	1,031,516.49
Receivables from related parties		34,641.70	1,680,719.18
Other current assets		2,482.48	53,573.92
Total current assets		356,873.63	2,765,809.59
<i>Non-current assets</i>			
Receivables funds for education	5	2,810,410.66	2,225,516.07
Equipment	6	31,380.37	70,589.19
Deposit		-	93,750.00
Other non-current assets		-	56,097.27
Total non-current assets		2,841,791.03	2,445,952.53
Total assets		3,198,664.66	5,211,762.12

Foundation Chairman.....

 (Mr. Mario Ferro)

Wedu (Thailand) Foundation
Statements of financial position (continued)


Liability and funds	<i>Note</i>	31 December	
		2020	2019
		<i>(in Baht)</i>	
Liability			
<i>Current liabilities</i>			
Other payables		126,514.55	66,126.79
Other current liabilities		6,208.61	12,473.37
Total current liabilities		132,723.16	78,600.16
Non-current liabilities			
Long term loan	7	2,810,410.66	3,524,782.48
Total non-current liabilities		2,810,410.66	3,524,782.48
Total liabilities		2,943,133.82	3,603,382.64
Fund			
Initial capital fund		200,000.00	200,000.00
Accumulated revenue over (under) expenditure		55,530.84	1,408,379.48
Total fund		255,530.84	1,608,379.48
Total liabilities and fund		3,198,664.66	5,211,762.13

Foundation Chairman 

(Mr. Mario Ferro)

Wedu (Thailand) Foundation
Statements of income and expenses

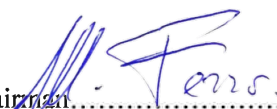
		For the year ended	
		31 December	
	<i>Note</i>	2020	2019
		<i>(in Baht)</i>	
<i>Revenue</i>			
Donation income	8	4,705,361.97	11,032,381.36
Contribution income		53,193.93	8,292.00
Interest income		1,686.78	6,589.51
Other income		292,119.94	6,386.26
Total revenues		<u>5,052,362.62</u>	<u>11,053,649.13</u>
<i>Expense</i>			
Donation to students		-	40,529.61
Administrative expenses		730,563.22	3,348,480.92
Program expenses	9	5,674,479.36	7,588,867.09
Total expenses		<u>6,405,042.58</u>	<u>10,977,877.62</u>
Revenue over (under) expenditure before income tax		<u>(1,352,679.96)</u>	<u>75,771.51</u>
Income tax expense		(168.68)	(2,126.78)
Revenue over (under) expenditure for the year		<u><u>(1,352,848.64)</u></u>	<u><u>73,644.73</u></u>

Foundation Chairman, .....
 (Mr. Mario Ferro)

Wedu (Thailand) Foundation
Statement of Changes in Fund Equity

	Capital fund	Accumulated excess of income over (under) expenses <i>(in Baht)</i>	Total fund
For the year ended 31 December 2019			
Balance as at 1 January 2019	200,000.00	1,334,734.75	1,534,734.75
Excess of income over expenses for the year	-	73,644.73	73,644.73
Balance as at 31 December 2019	200,000.00	1,408,379.48	1,608,379.48
For the year ended 31 December 2020			
Balance as at 1 January 2020	200,000.00	1,408,379.48	1,608,379.48
Excess of income over expenses for the year	-	(1,352,848.64)	(1,352,848.64)
Balance as at 31 December 2020	200,000.00	55,530.84	255,530.84

Foundation Chairman

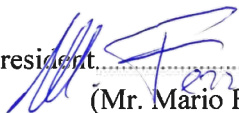


(Mr. Mario Ferro)

Wedu (Thailand) Foundation
Notes to financial statements.
For the year ended 31 December 2020

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Foundation President


(Mr. Mario Ferro)

Wedu (Thailand) Foundation
Notes to financial statements.
For the year ended 31 December 2020

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Directors of the Foundation.

1 General information

Wedu (Thailand) Foundation (“the Foundation”) is a legal entity which was incorporated by registration with Secretary of Minister of Interior on August 13, 2014 with the register number Kor Tor 2474.

The registered address of the Foundation is as follow:
1054/14, New Petchaburi Road, Makkasan Sub-district, Ratchathewi District, Bangkok.

The principles of the Foundation are:

- To assist students in accessing financial support for educations
- To provide non-financial support in order to provide working opportunities and support the personal development of youth including raising awareness about the importance of supporting youth, especially female. Therefore, such support shall include consultation, mentorship, general support including supporting such persons to access to or connect with social work, etc;
- To carry out activities for public benefit or to cooperate with other charitable organizations for public benefit; and
- Not to carry out political related activities.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standard for Non-publicly Accountable Entities (TFRS for NPAEs); guidelines promulgated by the Federation of Accounting Professions (TFAC).

The financial statements are prepared and presented in Thai Baht. They are prepared on the historical cost basis except as stated in the accounting policies.

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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which estimates are revised and in any future periods affected.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements

Foundation President 
(Mr. Mario Ferro)

Wedu (Thailand) Foundation
Notes to financial statements.
For the year ended 31 December 2020

a) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognised in the statement of revenues and expenses.

b) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments.

c) Revenue and expense recognition

Revenues are recognized as actually received amount in the period except interest income which is recognized on the accrual basis.

Expenses are recognized as actually paid amount and authorized by the board of directors of the Foundation in the period except administrative expenses which are recognized on the accrual basis.

4 Cash and cash equivalents

	2020	2019
	<i>(in Baht)</i>	
Cash on hand	66.64	358,647.00
Cash at banks – saving accounts	319,682.81	672,869.49
Total	319,749.45	1,031,516.49

5 Receivables funds for education

Foundation provides financial support to students in the form of income sharing agreements, in accordance with the Foundation's objectives for educational and personal capability development as part of the "Investment in Education programme (FISA)". The financing is stipulated under contract between the Foundation and Students in the amount of US \$80,000, with the condition of contributing back to the foundation within 4 - 10 years after graduation and starts earning for the purpose of "paying it forward" and funding the education of more students afterwards.

Foundation President.....

(Mr. Mario Ferro)

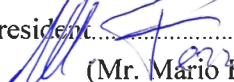
Wedu (Thailand) Foundation
Notes to financial statements.
For the year ended 31 December 2020

6 Equipment

	<u>Balance as at Dec 31, 2019</u>	<u>Increase</u>	<u>Disposal</u>	<u>Balance as at Dec 31, 2020</u>
	<i>(in Baht)</i>			
<u>Cost</u>				
Tool	11,043.50	-	(11,043.50)	11,043.50
Office equipment	136,861.12	-	(77,528.62)	136,861.12
Total	147,904.62	-	(88,572.12)	147,904.62
<u>Accumulated depreciation</u>				
Tool	(4,931.72)	217.16	(5,148.88)	-
Office equipment	(72,383.71)	13,390.86	(57,822.44)	(27,952.13)
Total	(77,315.43)	13,608.02	(62,971.32)	(27,952.12)
Net book value	70,589.19			31,380.37
Depreciation for the year	29,577.72			13,608.02

7 Long term loan

The Foundation has entered into contracts with foreign private organizations to fund the education of students in the “Future Income Sharing Agreement programme (FISA)”. Wedu is granted a subsidy with a condition of repayment of 90% of the principal amount within 10 years without interest rates.

Foundation President.....

 (Mr. Mário Ferro)

Wedu (Thailand) Foundation
Notes to financial statements.
For the year ended 31 December 2020

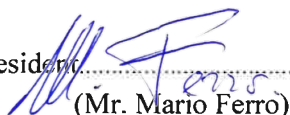
8 Donation income

	2020	2019
	<i>(in Baht)</i>	
US Mission to ASEAN	2,731,842.46	3,147,553.50
Wedu Limited	1,502,207.67	1,245,357.84
International Rescue Committee	220,084.00	563,670.00
Easyknit Charitable Foundation	157,600.00	-
Canada Fund for Local Initiatives	88,294.82	-
US Mission to Brunei	-	4,875,597.02
Others	5,333.02	1,200,203.00
Total	<u>4,705,361.97</u>	<u>11,032,381.36</u>

9 Program Expenses

	2020	2019
	<i>(in Baht)</i>	
Direct project expense	2,976,870.27	2,794,912.80
Professional services	1,575,564.98	471,453.34
Staff salary and related expense	1,056,848.78	4,246,212.56
Bank charge	65,195.33	76,288.29
Total	<u>5,674,479.36</u>	<u>7,588,867.09</u>

Foundation President


 (Mr. Mario Ferro)