

THE ASIA AND PACIFIC SEED ASSOCIATION

FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

DHARMNITI AUDITING CO., LTD.

REPORT OF THE AUDITOR

To DIRECTORS
THE ASIA AND PACIFIC SEED ASSOCIATION

I have audited the accompanying financial statements of The Asia and Pacific Seed Association which comprise the statement of financial position as at December 31, 2015 and the related statement of income, and expense changes in fund balance for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the 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.

Auditor's Responsibility

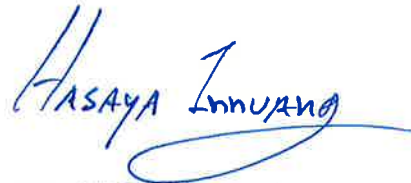
My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with the Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Asia and Pacific Seed Association as at December 31, 2015 and the results of its operations and the changes in fund balance for the year then ended in accordance with the Financial Reporting Standards for Non-Publicly Accountable Entities.



(Miss Hasaya Innuang)

Certified Public Accountant

Registration No. 9625

Dharmniti Auditing Company Limited

Bangkok, Thailand

June 6, 2016

2016/0751/0307

THE ASIA AND PACIFIC SEED ASSOCIATION
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2015

	Note	USD	
		2015	2014
ASSETS			
Current assets			
Cash and cash equivalents	3	342,132	1,065,604
Short-term investments	4	74,382	75,499
Trade accounts receivable		5,776	43,797
Other accounts receivable	5	-	6,478
Accrued interest income		11,355	15,897
Advance to the conference	11	-	-
Other current assets		4,803	34,466
Total current assets		438,448	1,241,741
Non-current assets			
Long-term investments	6	1,922,289	1,946,167
Deposit used for guarantee	7	6,019	6,510
Equipment	8	69,100	92,444
Intangible assets	9	37,472	49,075
Deposits		7,376	8,076
Total non-current assets		2,042,256	2,102,272
TOTAL ASSETS		2,480,704	3,344,013

Notes to the financial statements form an integral part of these statements

THE ASIA AND PACIFIC SEED ASSOCIATION
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2015

LIABILITIES AND FUND BALANCE

	Note	USD	
		2015	2014
Current liabilities			
Trade accounts payable		36,019	5,756
Membership and subscription fees received in advance	10	187,662	226,525
Advertisement fees in magazine and member sponsor received in advance		16,822	22,861
Accrued expenses - AVRDC project		39,411	217,998
Accrued expenses	12	37,884	680,514
Other current liabilities		52,361	49,359
Total current liabilities		370,159	1,203,013
Non-current liabilities			
Employee benefit obligations	14	-	3,391
Total non-current liabilities		-	3,391
TOTAL LIABILITIES		370,159	1,206,404
Fund balance			
Fund - General		2,056,369	2,081,369
Fund - Sponsored Program		54,176	56,240
Total fund balance		2,110,545	2,137,609
TOTAL LIABILITIES AND FUND BALANCE		2,480,704	3,344,013

Notes to the financial statements form an integral part of these statements

THE ASIA AND PACIFIC SEED ASSOCIATION
STATEMENT OF INCOME AND EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2015

	Note	USD	
		2015	2014
Income			
Annual fees		406,843	376,885
Congress income		922,800	1,044,853
Other event income		277,773	120,000
Advertising fees		76,037	62,405
Interest income		15,086	19,923
Gain on exchange rate		-	8,425
Other income		799	9,623
Total Incomes		<u>1,699,338</u>	<u>1,642,114</u>
Expenses			
Member programs		18,965	9,463
Asian Seed Magazine publication cost		35,476	29,095
Conference expenses		847,665	885,585
Employee benefits expenses		399,431	327,193
Travel and international meeting expenses		18,399	28,429
Vehicle expenses		6,417	10,595
Maintenance fees		2,567	3,901
Depreciation and amortization	8, 9	44,320	32,409
Communication expenses		17,533	13,729
Postage fees		9,037	6,660
Office supplies and stationery fees		4,970	5,472
Bank charges		18,410	7,572
Professional fees		169,468	40,075
Committee meetings fees		47,766	64,753

Notes to the financial statements form an integral part of these statements

THE ASIA AND PACIFIC SEED ASSOCIATION
STATEMENT OF INCOME AND EXPENSES (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

	Note	USD	
		2015	2014
Public relations expenses		20,726	8,646
Miscellaneous		9,001	10,341
Rental fee		25,130	26,127
Entertainment and donation expenses		-	73
Hiring Expenses		17,782	8,086
Loss on exchange rate		8,230	-
Income tax		3,045	3,254
Total Expenses		1,724,338	1,521,458
EXCESS OF INCOME OVER (UNDER) EXPENSES FOR THE YEAR		(25,000)	120,656

Notes to the financial statements form an integral part of these statements

THE ASIA AND PACIFIC SEED ASSOCIATION
STATEMENTS OF CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2015

	USD		
	General Fund	Sponsored Program Fund	Total
Beginning balance as at January 1, 2014	1,960,713	56,225	2,016,938
Excess of income under expenses for the year	120,656	15	120,671
Ending balance as at December 31, 2014	2,081,369	56,240	2,137,609
Excess of income under expenses for the year	(25,000)	(2,064)	(27,064)
Ending balance as at December 31, 2015	2,056,369	54,176	2,110,545

Notes to the financial statements form an integral part of these statements

**THE ASIA AND PACIFIC SEED ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

1. GENERAL INFORMATION

The Asia and Pacific Seed Association was registered as an association in Thailand on April 23, 1996, with the following objectives.

- 1.1 Establish Asia-Pacific forum for the exchange of experience and the formulation of positions and recommendations on seed policy issues and improved seed sector performance.
- 1.2 Stimulate technical and economic cooperation among seed enterprise in the Region for improvement of the seed trade and supply of quality seed in respective countries.
- 1.3 Establish mechanism among its members for the systematic interchange of information and experience on various aspects of cultivar development and seed production, conditioning, quality control, and marketing.
- 1.4 Establish and maintain appropriate relationships with the United Nations Food and Agriculture Organization (FAO), the International Seed Trade Federation (FIS), the International Seed Testing Association (ISTA), and other international or regional organizations pursuing similar or related objectives.

The Association is located at 50, Rooms No 725, 726 and 732 (7th Floor), Institute of Food Research & Product Development Amornbhumratana Building, Kasetsart University, Phaholyothin Road, Chatuchak District, Bangkok. The Association's registered office is located in the Seed Division, Department of Agriculture Extension, No. 2143/1 Phaholyothin Road, Chatuchak District, Bangkok.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis for preparation of financial statements

The Association prepares its statutory financial statements in Thai language in conformity with accounting standards and practices generally accepted in Thailand.

The financial statements have been prepared in accordance with the accounting standards prescribed by Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with the financial reporting standards for Non-Publicly Accountable Entities. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for limited company, issued under the Accounting Act B.E.2543.

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**THE ASIA AND PACIFIC SEED ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015**

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The financial statements are prepared in US dollar since major transactions have been incurred in this currency.

The financial statements in Thai language are the official statutory financial statements of the Association. The financial statements in English language have been translated from such financial statements in the Thai language.

2.2 Revenue and expense recognition

Revenue from annual membership fees is recognized based on the membership period by the straight-line method.

Services income is recognized when finish service.

Other income and expenditure are recognized on an accrual basis.

2.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at bank, and highly liquid short-term investments with an original of three months or less and excluded restricted deposit used for guarantee.

2.4 Trade accounts receivable

Trade accounts receivable are initially recognized by the invoice amount and subsequently measured at the remaining amount less an allowance for doubtful accounts (if any) based on a review of all outstanding amounts at year end. The allowance for doubtful accounts is the difference between the carrying amount of trade accounts receivable and the amount expected to be collectible. Bad debts are immediately recognized in the statement of income and expenses as part of expenses.

Allowance for doubtful accounts

The Association provides allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of all receivables. The estimated losses are based on a review of the current status of each receivable by considering the ability to repay debt and the amount expected to be paid from the debtor.

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THE ASIA AND PACIFIC SEED ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

2.5 Short-term and long term investments

The short-term investment is the investment as the Association intended to hold for not more than 1 year which is fixed deposit account at bank due within 3 months. Fixed deposit account at bank due within 12 months which is the investment that the Association intended to hold for more than 1 year is presented as a separate item under non-current assets.

2.6 Equipment and depreciation

Equipment are stated at cost less accumulated depreciation and allowance on decline in value (if any).

Cost is initially recognized upon acquisition of assets along with other direct costs attributing to acquiring such assets in the condition ready to serve the objectives, including the costs of asset demolition, removal and restoration of the asset location, which are the obligations of the company (if any).

Depreciation of equipment is calculated by cost less residual value on the straight-line basis over the following estimated useful lives:

Office equipment	3 to 5 years
Vehicles	5 years

The Association has reviewed the residual value and useful life of the assets regularly.

The depreciation for each asset component is calculated on the separate component when each component has significant cost compared to the total cost of that asset.

Depreciation is included in determining income.

No depreciation is provided on equipment under installation.

Equipment are written off at disposal. Gains or losses arising from sale or write-off of assets are recognized in the statement of income and expenses.

2.7 Intangible assets

Intangible assets are stated at cost less accumulated amortization and allowance on decline in value (if any). Intangible assets are amortized in the statement of income and expenses on a straight-line basis over their estimated useful lives from the date that they are available for use. The estimated useful lives are as follows:

Software license	3	years
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THE ASIA AND PACIFIC SEED ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

2.8 Foreign currencies transactions

Transactions in foreign currencies during the year are translated to US dollar at the foreign exchange rates ruling at the dates of transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to US dollar at the referenced exchange rates announced by Bank of Thailand prevailing at that date. Foreign exchange differences arising on translation are recognized in the statements of income and expense.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to US dollar using the foreign exchange rate ruling at the dates of the transactions.

2.9 Employee benefits

Short-term employment benefits

The Association recognizes salary, wage, bonus and contributions to provident fund as expenses when incurred.

Post-employment benefits (Defined contribution plans)

The Association and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Association. The fund's assets are held in a separate trust fund and the Association's contributions are recognized as expenses when incurred.

2.10 Corporate Income tax

Under the Revenue Code, the Association has to pay corporate income tax at the rate 2% and 10% of income before deducting expenses for certain types of income in addition to the registration fee or fees received from members and the money or property received from donations and providing for the appeal which are exempt from tax.

THE ASIA AND PACIFIC SEED ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

2.11 Use of accounting estimates

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of income, expense, assets and liabilities and disclosure of contingent assets and liabilities. The actual results may differs from those estimates.

3. CASH AND CASH EQUIVALENTS

This account consisted of :

	In Baht		USD	
	2015	2014	2015	2014
<u>General Fund</u>				
Cash in hand				
Thai Baht	13,408	14,933	373	455
Taiwan dollar	-	-	17	17
USD dollar	-	-	9,900	-
Cash at banks				
Current account-Thai Baht	1,677,598	2,539,835	46,699	77,404
Savings account-US dollar	-	-	224,211	958,740
Savings account-Thai Baht	1,366,180	131,994	38,031	4,023
Total			319,231	1,040,639
<u>Sponsored Program Fund</u>				
Cash at banks				
Savings account-Thai Baht	822,676	819,186	22,901	24,965
Total			22,901	24,965
			342,132	1,065,604

THE ASIA AND PACIFIC SEED ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

4. SHORT-TERM INVESTMENTS

This account consisted of :

	In Baht		USD	
	2015	2014	2015	2014
Fixed deposit account - 3 months				
- Thai Baht	558,586	553,943	15,550	16,882
- US dollar	-	-	58,832	58,617
Total			74,382	75,499

As at December 31, 2015 and 2014, fixed deposit account at a local financial institution in Thai Baht at the interest rates of Baht 0.90% p.a. and Baht 1.10% p.a., respectively and fixed deposit account at local financial institution in USD at the interest rates of US\$ 0.35% per p.a. and US\$ 0.45% per p.a., respectively.

5. OTHER ACCOUNT RECEIVABLES

As at December 31, 2015 and 2014, other receivables included contributors who have pending payment for the APSA & AVRDC research project in the amount of US\$ 1,600.

	USD	
	2015	2014
Other receivables	1,600	8,078
<u>Less</u> Allowance for doubtful account	(1,600)	(1,600)
Other receivables	-	6,478

Allowance for doubtful accounts is changed during the year are as follow:

	USD	
	2015	2014
Beginning balance	1,600	1,600
Increase	-	-
Decrease	-	-
Ending balance	1,600	1,600

6. LONG-TERM INVESTMENTS

As at December 31, 2015 and 2014, long-term investments represents fixed deposit account 12 months at a local financial institution. At the interest rate of US\$ 0.72, 0.75 and 0.97% p.a. and US\$ 0.97% per p.a., respectively.

THE ASIA AND PACIFIC SEED ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

7. DEPOSIT USED FOR GUARANTEE

As at December 31, 2015 and 2014, the Company has pledged its fixed deposit with a local commercial bank to secure of guarantee K - Payment Gateway.

8. EQUIPMENT

This account consisted of:

	USD			Balance, as at December 31, 2015
	Balance, as at January 1, 2015	Addition	Deduction	
<u>Cost</u>				
Office equipment	88,995	9,373	-	98,368
Vehicle	113,152	-	-	113,152
Total cost	202,147	9,373	-	211,520
<u>Less accumulated depreciation</u>				
Office equipment	(61,600)	(10,087)	-	(71,687)
Vehicle	(48,103)	(22,630)	-	(70,733)
Total accumulated depreciation	(109,703)	(32,717)	-	(142,420)
Equipment - net	92,444			69,100

	USD			Balance, as at December 31, 2014
	Balance, as at January 1, 2014	Addition	Deduction	
<u>Cost</u>				
Office equipment	81,772	7,223	-	88,995
Vehicle	113,152	-	-	113,152
Total cost	194,924	7,223	-	202,147
<u>Less accumulated depreciation</u>				
Office equipment	(52,624)	(8,976)	-	(61,600)
Vehicle	(25,472)	(22,631)	-	(48,103)
Total accumulated depreciation	(78,096)	(31,607)	-	(109,703)
Equipment - net	116,828			92,444

THE ASIA AND PACIFIC SEED ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

	USD	
	For the year ended December 31,	
	2015	2014
Depreciation for the years	32,717	31,607

As at December 31, 2015 and 2014, the Association has certain equipment with the original costs of US\$ 44,714 and US\$ 41,084, respectively, which have already been fully depreciated that are still in use in its operations.

9. INTANGIBLE ASSETS

This account consisted of:

	USD			
	Balance as at	Addition	Deduction	Balance as at
	January 1, 2015			December 31, 2015
<u>Cost</u>				
Software license	64,121	-	-	64,121
<u>Less Accumulated amortization</u>	<u>(15,046)</u>	<u>(11,603)</u>	<u>-</u>	<u>(26,649)</u>
Net	<u>49,075</u>	<u>(11,603)</u>	<u>-</u>	<u>37,472</u>

	USD			
	Balance as at	Addition	Deduction	Balance as at
	January 1, 2014			2014
<u>Cost</u>				
Software license	34,521	29,600	-	64,121
<u>Less Accumulated amortization</u>	<u>(6,243)</u>	<u>(8,803)</u>	<u>-</u>	<u>(15,046)</u>
Net	<u>28,278</u>	<u>20,797</u>	<u>-</u>	<u>49,075</u>

	USD	
	For the years ended December 31,	
	2015	2014
Amortization for the years	11,603	8,803

THE ASIA AND PACIFIC SEED ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

10. MEMBERSHIP AND SUBSCRIPTION FEES RECEIVED IN ADVANCE

This account consisted of :

	USD	
	2015	2014
Membership fees received in advance for the year 2015	-	161,442
Membership fees received in advance for the year 2016	118,509	49,601
Membership fees received in advance for the year 2017	43,911	14,507
Membership fees received in advance for the year 2018	21,162	855
Membership fees received in advance for the year 2019	4,080	-
Subscription fees received in advance	-	120
Total	187,662	226,525

11. ADVANCE PAYMENT FOR THE CONFERENCE

	USD	
	2015	2014
Advance payment for the conference	282,485	282,485
<u>Less</u> Allowance for doubtful account	<u>(282,485)</u>	<u>(282,485)</u>
Net	-	-

Allowance for doubtful accounts is changed during the year are as follow :

	USD	
	2015	2014
Beginning balance	282,485	282,485
Increase	-	-
Decrease	-	-
Ending balance	282,485	282,485

THE ASIA AND PACIFIC SEED ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

12. ACCRUED EXPENSES

This account consisted of :

	USD	
	2015	2014
Accrued bonus	22,440	39,050
Accrued audit fee	4,965	2,718
Accrued rental office	3,924	2,069
Accrued travelling and overseas meeting	4,637	626,029
Others accrued expense	1,918	10,648
Total	37,884	680,514

13. SPONSORED PROGRAM FUNDS

On June 23, 2006, the Association has opened the separate bank saving accounts for each project fund in the amount of US\$ 45,704 (Baht 1,753,659) so that the Association's fund is clearly separated from the funds supported by the external organization.

For the years ended December 31, 2015 and 2014, the excess of income over (under) expense of each sponsored projects are as follows:

	Project/USD			
	ASTA	GNIS	IRRI	Total
<u>For the year 2015</u>				
Income				
Interest income	21	44	49	114
Gain on exchange rate	-	-	-	-
Total income	21	44	49	114
Expense				
Bank charges	-	(6)	-	(6)
Loss on exchange rate	(402)	(833)	(937)	(2,172)
Total expenses	(402)	(839)	(937)	(2,178)
Excess of income over (under) expense for the year	(381)	(795)	(888)	(2,064)
Cash at banks of Sponsored Program				
Fund at the beginning of the year	4,614	9,579	10,772	24,965
Cash at banks of Sponsored Program				
Fund at the ending of the year	4,233	8,784	9,884	22,901

THE ASIA AND PACIFIC SEED ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015

	Project/USD			Total
	ASTA	GNIS	IRRI	
<u>For the year 2014</u>				
Income				
Interest income	22	46	51	119
Gain on exchange rate	-	-	-	-
Total income	22	46	51	119
Expense				
Loss on exchange rate	(19)	(40)	(45)	(104)
Total expenses	(19)	(40)	(45)	(104)
Excess of income over (under) expense for the year	3	6	6	15
Cash at banks of Sponsored Program				
Fund at the beginning of the year	4,611	9,573	10,766	24,950
Cash at banks of Sponsored Program				
Fund at the ending of the year	4,614	9,579	10,772	24,965

14. EMPLOYEE BENEFIT OBLIGATIONS

The details of employee benefit obligations for the years ended December 31, 2015 and 2014, are shown as follows: .

	USD	
	2015	2014
Employee benefit obligations as at January 1,	3,391	3,335
<u>Add</u> Current service cost	-	-
<u>Less</u> Paid during the year	-	-
<u>Less</u> Decrease during the year	(3,391)	-
(Gain) loss on exchange rate	-	56
Employee benefit obligations as at December 31,	-	3,391

**THE ASIA AND PACIFIC SEED ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2015**

15. PROVIDENT FUND

The Association and its employees have jointly registered a provident fund scheme under Provident Fund Act B.E. 2530. The fund is contributed at the rate of 3-12 percent of their current basic salaries by both the Association and the employees. The fund is managed by Tisco Asset Management Company Limited and will be paid to the employees upon termination in accordance with the rules of the Association's staff provident fund.

For the years ended December 31, 2015 and 2014, the contributions for provident fund which are expensed in the statements of income and expense amounted to approximately US\$ 15,547 and US\$ 13,859, respectively.

16. COMMITMENTS AND CONTINGENT LIABILITIES

16.1 As at December 31, 2015, the Company has letters of guarantees issued by banks for the agreement of postal service with Thailand Post Co., Ltd. of Baht 10,000.

16.2 The Association has entered into an office leasing agreement for office with Kasetsart University. This agreement for a period of 3 years will terminate in 2017. Therefore, the Association will pay for the total rental and service fees as follows :

	USD
Payable within :	
1 year	19,198
2 to 5 year	3,200

17. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were authorized for issue by the authorized director of the Association on June 6, 2016.

