



**สมาคมสโมสรนักลงทุน**  
Investor Club Association

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**20<sup>th</sup>**  
*Anniversary*

**Annual Report 2012**  
รายงานประจำปี

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### Message from the Chairman of the Investor Club Association

The issuance of the “machinery and equipment release letter” through the Electronics Machine Tracking System or eMT in the middle of 2012, was very well received by Members and Service Users.

The results have been both impressive and productive, starting with testing the system, followed by pre-launch orientation and training sessions for the new system to actual launch and application.

Establishment of this new system is only part of the various initiatives by your Investor Club Association during the year which also included matters related to investments, as well as continual increase in quality and efficiency in its services such as the preparation and launching the material release letter through the Raw Material Tracking System (RMTS-2011) as well as issuing invoices electronically in 2013, and redesigning the website with new features.

The Association also carried out surveys through independent reputable third parties with Members to get feedbacks and comments regarding the satisfaction level of our services and for recommendations. We would like to thank all our respondents for their cooperation and contribution which the management will take into serious consideration to continue to improve the Association.



Finally, and on behalf of the Board of Directors of the Investor Club, I would like to thank all our Members for entrusting the Board of Directors in the management of the Association, and give assurances that we shall strive for the continual improvements of the Club.

Mr. Chackchai Panichapat  
The Chairman



**“The Investor Club Association (IC) was established in 1993 as a center for both Thai and foreign investors and entrepreneurs to meet and exchange investment information, as well as offering services to facilitate investments, along with advisory and training.”**

The Investor Club was authorized by the Board of Investment, to undertake document issuance service for raw material importing and stock balancing through the computerize Raw Materials Tracking System (RMTS) and the Electronic Machine Tracking System (eMT) thereby significantly increasing the efficiency of the process as well as reducing logistic costs to the promoted companies and lead-times related to imports of machinery, equipment and raw materials

IC also developed and introduced trainings and seminars for investors, entrepreneurs and other interested parties. Curriculums include proper BOI Procedures Required after Receiving Investment Promotion Approval, Customer Services, Organizational Management, Organizational Development, Human Resources Development, etc. for efficiency and effectiveness.

In order to assure that the IC can deliver quality services, with transparency and with verification, the Investment Club underwent the certification for ISO 9002 : 1994 and continuing to ISO 9001 : 2008 certification 2003 IC achieved

the ISO 9001 : 2000 quality standard certified by SGS (Thailand) Co, Ltd., for the second time, demonstrating IC’s continuous commitment to service quality.

The IC continues to improve and expand its services to Members in terms of range, timeliness and efficiency. This is evidence during the past 10 years in which the IC has made many improvements in its technology architecture, such as the Electronics Machine Tracking System (eMT) in 2005, and in 2008 channeling information through the Electronic Mail, introducing the fax server for the Import online, and RMTS data via the USB Port

In 2011 the IC improved the system in the issuance of a document concerning the release and and stock balancing of raw material accounts through the computer system or RMTS-2011 in order to link with the information systems of the Customs Department and other efforts to meet the requirements of service users in every aspects.

With regards to online information service the IC initiated a new service called the “Investment Window” on its website as an additional channel to deliver updated news and beneficial information to investors.

In addition, the IC also developed an efficient and up to date service to increase the eMT counter service (new) to serve machinery importers who may have difficulties with handling documents by themselves in order to facilitate and reduce errors during operations.

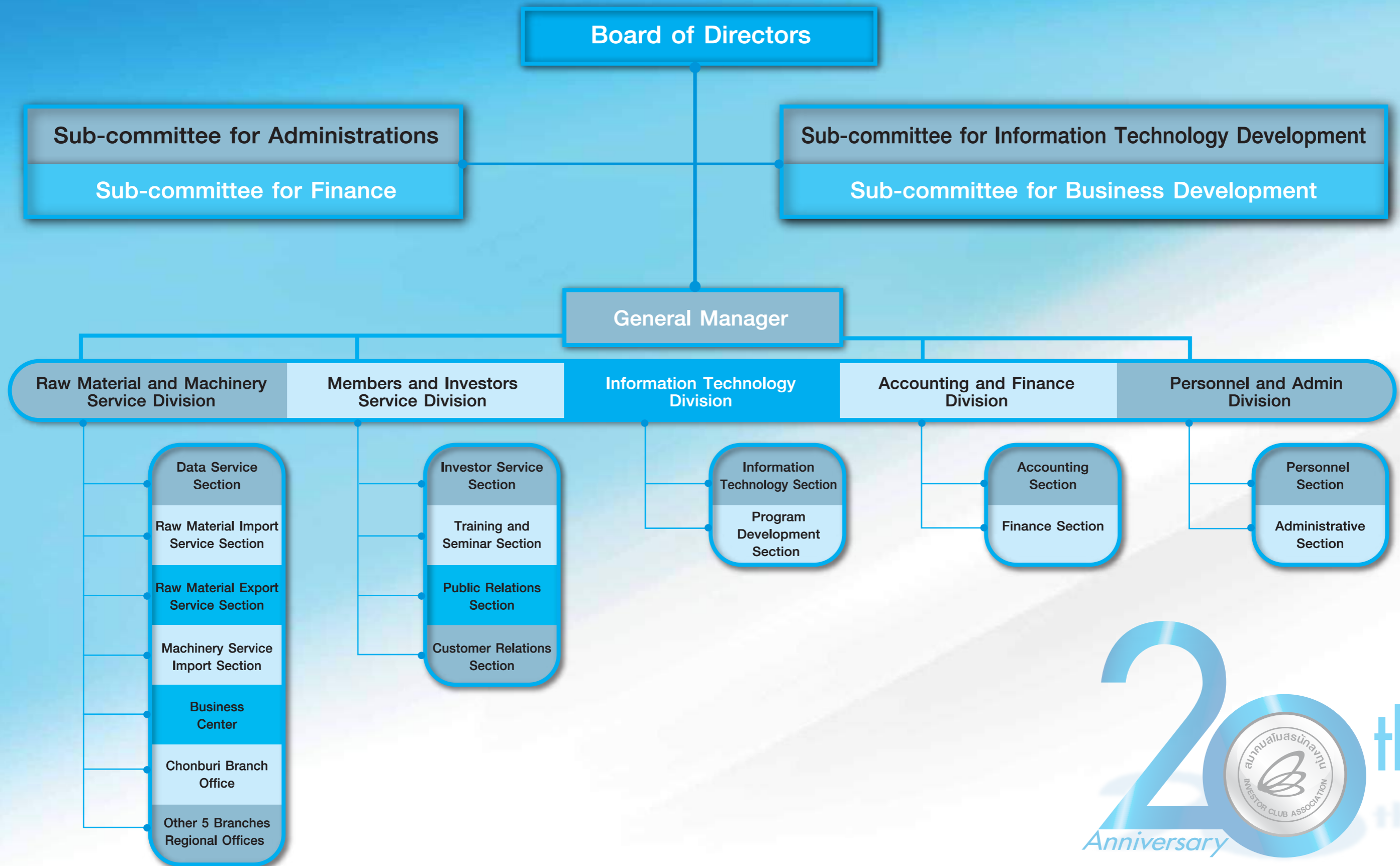
IC still embraced the Corporate Social Responsibility (CSR) activities in the far provinces in education under the theme “Supporting the Thai education of Thailand in the wilderness”. with a budget of Baht 3,000,000 in 2009. Following that, during the 2 year period 2010-2011 under the project “Laying foundation, building righteousness people for his Excellency the King”, and with a budget of Baht 7,000,000 to which was added significant contributions from members who wished to participate, the IC was able continued with educational programs covering over 40 schools as well as assisting in maintaining three temples under the religious project to repair old temples.

Currently, the IC has over 1,300 members, and over 4,000 service users, offering services throughout The country through 6 provincial branches namely Chiang Mai, Nakhon Ratchasima, Khon kaen, Cholburi, Songkhla and Surat Thani, plus a sub-branch at the Suvarnabhumi International airport. The IC offers all its facilities namely its staff, modern tools and technology, to serve its members and Service users

**The objectives of the Investor Club Association are as follows**

1. To be a center for investors to meet and exchange investment information,
2. To gather and disseminate investment information in Thailand and abroad,
3. To provide services and facilitate investors,
4. To provide consultation services with regards to investment,
5. To provide training and seminar for improving skills and competencies of human resources in the business sector and in the general public
6. To cooperate and coordinate with other related agencies for benefits of investors,
7. To promote activities beneficial to members and society,
8. Not to be involved in any political activities.







**Mr. Chackchai Panichapat**  
President



**Mr. Sombat Premprabha**  
First Vice President



**Mr. Pongsak Angsupun**  
Second Vice President



**Ms. Chutaporn Lambasara**  
Third Vice President



**Mr. Suraporn Simakulthorn**  
Director



**Mr. Pairot Sompouti**  
Director



**Mr. Suchart Phisitvanich**  
Director



**Mr. Vittaya Praisuwan**  
Director



**Ms. Sudjit Inthaiwong**  
Director



**Ms. Sisirak Busayarat**  
Director



**Mr. Thamrong Mahajchariyawong**  
Director



**Ms. Vasana Mututanont**  
Director



**Ms. Warubon Sukasame**  
Director



**Mr. Jesada Sornsuk**  
Director



**Ms. Chitra Kulvanich**  
Director



**Dr. Atchaka Sibunruang**  
Director



**Ms. Hirunya Suchinai**  
Director



**Mr. Itthimon Awsinthusiri**  
Director



**Mr. Chokedee Kaewsang**  
Director



Mr. Seksan Ruangwohan  
Director



Ms. Sirirat Sutheeptham  
Director



Mr. Ajarin Pattanapanchai  
Director



Ms. Duangjai Asawachintachit  
Director



Mr. Apichart Lee-Issaranukul  
Director



Mr. Nathapong Baimonta  
Director



Ms. Supanee Vachiraprakansakul  
Director and Information



Mr. Sukhavichai Dhanasundara  
Director and Public Relations



Mr. Kumnuan Sripongphund  
Director and Registrar



Ms. Patchanok Kornkamolpruek  
Director and Treasurer



Mr. Songsak Limbanyen  
Director and Secretary

### The main responsibilities are

1. Authorized to issue regulations for all members, and which shall not violate this provision
2. Hire, appoint and dismiss Club Employees
3. Hire and appoint an Advisory Committee, and Sub-Committees. The Committees shall exist no longer than the appointed term
4. Authorized to call for General Annual Meeting and Extraordinary General Meeting
5. Hire and appoint other Committee members that are not stated in this provision
6. Empowered to carry out administrative works of the Club to facilitate fulfillment of Investor Club Objectives as stated in the provisions
7. Carry on overall business as well as oversee the financing and assets of the Club
8. Empowered to call for an Extraordinary General Meeting upon request initiated by not less than one-fifth of the total members indicating the intention to hold an Extraordinary General Meeting, the Meeting shall be held within 30 days from the date of receiving the letter by submitting a letter of intention
9. Responsible for accounts, financial and administrative documents which shall be accurate and conformed to well-known principles. Members have the right to question with said document and audit when requested
10. Responsible for documenting Meeting Minutes as a record which shall be sent to members for acknowledgement
11. Perform any other duties as assigned by these provisions





### The Sub-committee for Administrations

- |                                    |                 |
|------------------------------------|-----------------|
| <b>1. Ms. Chutaporn Lambasara</b>  | <b>Chairman</b> |
| 2. Mr. Sombat Premprabha           | Member          |
| 3. Ms. Sudjit Inthaiwong           | Member          |
| 4. Mr. Pairoi Sompouti             | Member          |
| 5. Mr. Songsak Limbanyen           | Member          |
| 6. Mr. Apichart Lee-Issaranukul    | Member          |
| 7. Mr. Kumnuan Sripongphund        | Member          |
| 8. Ms. Patchanok Kornkamolpruek    | Member          |
| 9. General Manager, IC Association | Secretary       |

### The main responsibilities are

1. To supervise and monitor the Association's operations in accordance with the Board of Directors' policies.
2. To approve the budget and operating expenses of the Association and with regards to the Office of the Board of Investment. Any expenses other than the above-mentioned require approval from the Board of Directors.

### The Sub-committee for Finance

- |   |                     |
|---|---------------------|
| <b>1. Mr. Pongsak Angsupun</b>          | <b>Chairman</b>     |
| 2. Mr. Kumnuan Sripongphund             | Member              |
| 3. Ms. Patchanok Kornkamolpruek         | Member              |
| 4. Ms. Sisirak Busayarat                | Member              |
| 5. Mr. Boonkul Changsirivathanathamrong | Member              |
| 6. General Manager, IC Association      | Secretary           |
| 7. Chief, Accounts and Finance Division | Assistant Secretary |

### The main responsibilities are

1. To set policy and administer the accounting aspects of the Association.
2. To administer the financial aspect of the Association in accordance with the Board of Directors' resolutions.
3. To provide suggestions and recommendations on financial and accounting policies of the Association to the sub-committee for Administrations and the Board of Directors.
4. To screen and approve the Association's financial report for submission to the Board of Directors.
5. To formulate rules and procedures governing financial and accounting aspects of the Association.

### The Sub-committee for Business Development

- |  |                     |
|--|---------------------|
| <b>1. Mr. Sukhavichai Dhanasundara</b>               | <b>Chairman</b>     |
| 2. Mr. Suchart Phisitvanich                          | Member              |
| 3. Mr. Vittaya Praisuwan                             | Member              |
| 4. Ms. Sudjit Inthaiwong                             | Member              |
| 5. Ms. Sisirak Busayarat                             | Member              |
| 6. Ms. Supanee Vachiraprakansakul                    | Member              |
| 7. Ms. Sirirat Sutheeptham                           | Member              |
| 8. General Manager, IC Association                   | Secretary           |
| 9. Chief, IC Members and Investors Services Division | Assistant Secretary |

### The main responsibilities are

1. To suggest and supervise activities related to the development of IC's new businesses and knowledge enhancement to IC members and clients.
2. To develop and create activities to support and facilitate investors, members and interested parties, to promote investment in Thailand and abroad.
3. To review suggestions, recommendations and complaints regarding the services and operations of IC in order to propose guidelines for the improvement of services to the sub-committee for Administrations and the Board of Directors.
4. To screen the operational plans and budgets, related to the sub-committee's activities.
5. To recommend and oversee IC's administration to strengthen efficiency of the services and therefore increase customer satisfaction.

### The Sub-committee for Information Technology Development

- |  |                     |
|--|---------------------|
| <b>1. Mr. Pairoi Sompouti</b>                    | <b>Chairman</b>     |
| 2. Ms. Ajarin Pattanapanchai                     | Member              |
| 3. Mr. Pichit Viwatrujirapong                    | Member              |
| 4. Mr. Chiraphon Thapthimhin                     | Member              |
| 5. Ms. Naruemon Siravanadorn                     | Member              |
| 6. Mr. Chaicharearn Atibaedya                    | Member              |
| 7. Mr. Nathapong Baimonta                        | Member              |
| 8. Information Technology Division Manager (BOI) | Member              |
| 9. Mr. Wera Chaiwerawattana                      | Member              |
| 10. General Manager, IC Association              | Secretary           |
| 11. Chief, Information Technology Division       | Assistant Secretary |

### The main responsibilities are

1. To administer, and update IT development of the IC Association, both hardware and software, and to increase the capacity and efficiency of the operation for its clients.
2. To provide recommendations to improve the IT development to the Sub-committee of Executive Directors and the Board of Directors.
3. To scrutinize and approve not more than Baht. 10,000,000 for each IT project relating to IC and/or BOI activities, and submit the approved projects to the Sub-committee of Finance in order to allocate the amount accordingly.





**Membership**

Investor Club members were rewarded with a number of benefits ranging from IC E-Newsletter, Investment Promotion Magazine, Thailand Investment Review, BOI Notification, Regulation and Policy updates to Training Calendar etc.

Club members also have the privileges to attend Member Relation events including 7 complimentary lectures sessions annually, discounts on field trips, seminars admission fee and Investor Club-published books, complimentary use of Computer room, document translation service, translators, obtain financial statement and membership certification when applying for “Licensed Exporter” at Revenue Department.

**Member Level**

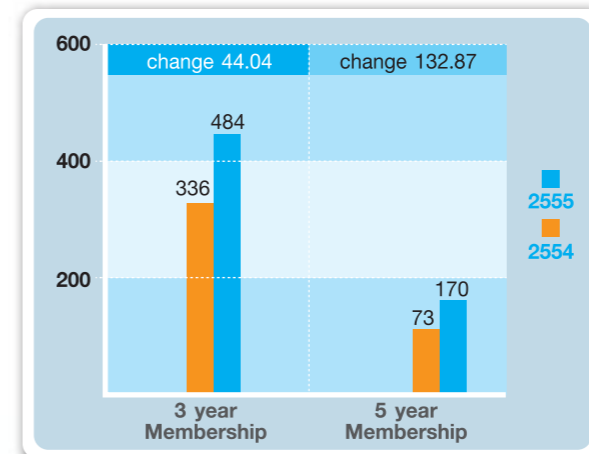


**Number of members**

As of 31 December 2012, the total number of members was 1,481 made up of

- Corporate members 1,452 companies
- Individual members 29 persons

This included 484 members under the 3-year membership category which was an increase over last year’s figure of 136 members or 40.04 %, and 170 members under the 5-year membership category, an increase of 97 members or 132.87 % over last year’s figure (2011)



**Activities organized for members**

In 2012, 1,640 members participated the following activities

**Seminars**

Seminars on various subjects are provided free-of-charge for members, of which 1,561 have attended as follows

- Procedures and due diligence related to the legal aspects of the Customs Department and preparing for operating under the ASEAN Economic Community (AEC)
- Due diligence in preparing accounts for promoted companies
- Procedures for obtaining permission to stay in the Kingdom for personnel of promoted companies
- Strategies to manage organizational innovations to enhance competitiveness under the ASEAN Economic Community (AEC)
- Negotiation strategies and purchasing with professional efficiency
- Procedures for exercising promotion privilege for corporate income tax exemption for promoted companies
- Dissect the world’s logistics and Reduce costs for conquer the AEC







### Factory Visits

IC has arranged for 44 members to visit successful factories as follows

- IRPC Public Co., Ltd
- Nahm Sanitaryware Co., Ltd

### Special Activities for 3-year and 5-year Members

The IC organized a special visit to the following organizations related to Import-Exports for companies with 3-year and 5-year memberships in which 35 members participated

- Laemchabang Deep Sea Port Authority and Tower



### Raw Materials and Electronic Machine' service users (RMTS and eMT)

Service users are companies who receive the promoted company status and need approval letters to exercise benefits as granted in the promotion certificate in order to bring in machinery and raw materials at reduced or duty free rates for manufacturing and selling to domestic and international market.

#### Number of users

As of 31 December 2012, Total of 5,961 customers used RMTS and eMT service.

#### Activities organized for users

In 2012, 3,952 service users participated in the following activities

#### Q&A Clinic

The Investment Club established the Investment FAQ Clinic called "RMTS and eMT System" to assist operators follow proper steps as indicated in various provisions which took place in Bangkok, Chonburi, Nakhonratchasima and Chaing Mai. There were totally 371 participants under following topics

- Guidelines to raw materials maximum stock balance adjustment
- Guidelines to raw material releasing through RMTS and Import Online services
- Guidelines to database service, raw material list and production formula
- Guidelines to eMT Online



### Activities for service users to meet service providers

The Association organized BOI and IC Networking events for **members and clients to meet with BOI and IC management** to get up dated information, share ideas for improvements, and get better understanding of procedures. Four events were organized with participation of BOI management from investment sectors 1 – 4 meeting with 177 participating members and clients.

### Promotion activities for Workshops and launching the eMT Online system

The IC initiated various promotion activities for Workshops on the eMT Online for service users to orientate themselves on the process to apply the system and how to prepare data accordingly both in Bangkok and the provincial branches. A total of 3,397 people participated.

### Trainings and seminars

In 2012, IC carried out trainings and seminars covering more than 50 core courses, which can be categorized into 3 following groups

#### Public Training

with 4,066 participants

#### In house Training

with 426 participants at the following companies

1. Taymax Wire Rope Industries Corp Co., Ltd.
2. DENSO International Asia Co., Ltd.
3. Sonish Starch Technology Co., Ltd.
4. Thai Otsuka Pharmaceutical Co., Ltd.
5. Honda Automobile (Thailand) Co., Ltd.
6. Inoue Rubber (Thailand) Public Co., Ltd.
7. LG Electronics (Thailand) Co., Ltd.
8. Thai Woo Ree Engineering Co., Ltd.
9. Thai NOK Co., Ltd.
10. E P E (Thailand) Co., Ltd.
11. Aisin Thai Automotive Casting Co., Ltd.
12. PTT Global Chemical Public Co., Ltd.
13. Regal Jewelry Manufacture Co., Ltd.
14. Chem - Trend Trading (Thailand) Co., Ltd.



**Purchasing, Logistic and Supply Chain courses**

jointly executed with Alpha Management Consultant Limited in 51 training sessions with 109 participants.



**Business Forum**

Investor Club organized Business Forum through collaboration with affiliates and distinguished entities comprise of

1. Jointly with IRPC PLC, Charoenpokphan Foods PLC, and Kiatnakin Bank PLC organized an Investment Forum seminar on the topic **“Taking advantage of the ASEAN Economic Community : AEC”** in English which had 80 participants.



2. Jointly with the BOI for a Seminar at the **“SUBCON THAILAND 2012”** on the topic of **“Incentives for the imports of machinery and equipments”** with 93 participants.

3. Jointly with NIDA organized an academic panel on **“The Direction of Thai Investments in 2012 in the aftermath of the Flood”** which was attended by 397 participants.

4. Jointly with Reed Tradex Limited, the Club set out seminar in subject of **“How BOI assists in Machinery and Equipment cost Reduction”** at the Manufacturing Expo 2012 and Metalex 2012 fairs. There were 157 participants



**Investor Service**

In 2012, IC has provided investor services as follows

**1. Business and Investment Data**

- Launched “Investment Window” as part of www.ic.or.th and update content in weekly basis or as appropriate
- Archived and publicized announcements from relevant government agencies such as BOI, Department of Customs, Department of Exports Promotions (DEP), Excise Tax Department and the Thai Industrial Standard Institute (TISI), for example



**2. Investor Services**

- Supporting services for foreign delegations and investors surveying or investigating investment opportunities such as Council for the Development of Cambodia (CDC) from Cambodia and The Myanmar Investment Commission (MIC) from Myanmar to learn about the IC’s operations
- Multi-language document translation service for investors
- Rental Computer Training Room with state-of-the-art computers and equipments

# Raw Materials Tracking System (RMTS) Service And Electronics Machine Tracking System (eMT) Service



## Raw Materials Tracking System (RMTS) Service

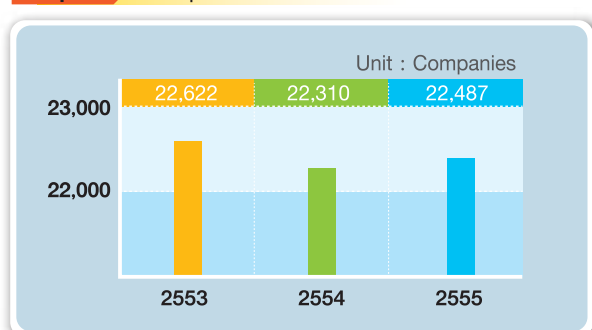
The IC provides services for companies receiving promotion status from the Board of Investment with regards to importing and exporting raw materials under the Investment Promotion Act with the issuance of material release letter for exercising raw material import benefits, as well as stock balance adjustments in the event of exports for on-processing with the Customs Department.

The issuance of the “material release letter and maximum stock balance adjustment” is carried under modern computerized processes using latest software programs which were designed specifically for this type of application. This process therefore has the highest reliability, and speed thus allowing the IC to issue documents used for import of raw materials within 3 hours, and update the balance of the raw material stock account within 3 days counting from the time of request.

### Number of RMTS Service Users

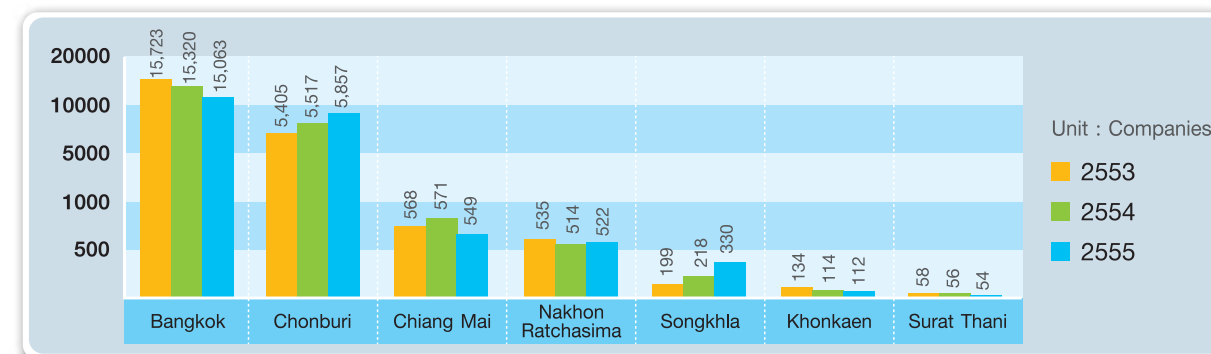
In 2012, there were 22,487 companies annually and 1,874 monthly deploying Raw Material Tracking System Document Issuance service, compared with 22,310 annually and 1,859 monthly in 2011. And in 2010, there are 22,622 companies and 1,855 monthly. This indicated increase of 177 companies or 0.79 percent when compared with 2011. (Detail in Graph 1)

**Graph 1** Comparison of the Number of RMTS users



There were 15,063 client companies from Bangkok (or 1,255 companies/month on average) followed by Chonburi office with 5,857 companies (or 488 companies/month on average), and Chiang Mai office with 549 companies (or 46 companies/month on average), respectively. (Detail in Graph 2)

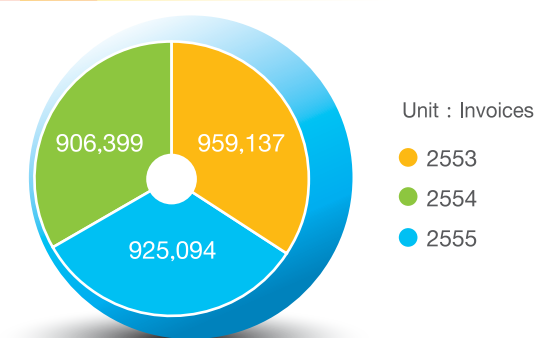
**Graph 2** Number of RMTS users in Bangkok office and 6 regional offices



## Number of Imported Raw Materials Invoices processed through IC

There were 925,094 copies of Import Tax Invoice attached with Raw Material Imported through IC during 2012 or 77,091 monthly. In 2011, there were 906,399 copies annually or 75,533 monthly. And in 2010, there were 959,137 copies annually and 79,928 monthly. (Detail in Graph 3) This reflects 18,694 increase in number of invoices or 2.06 percent increase rate.

**Graph 3** Comparison of Number of Imported Raw Materials Invoices processed through IC

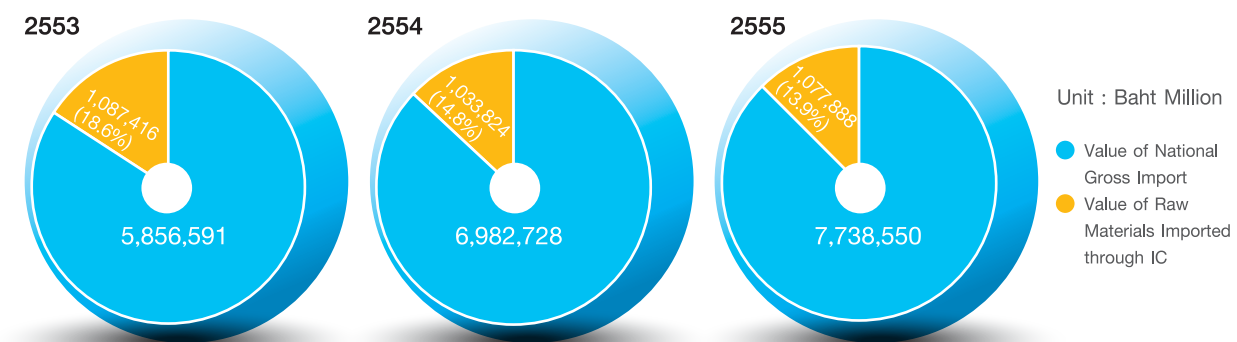


**Remark** The number of Import Duty Invoice refers to the number of requests for regular Import Duty Exemption, and the number of requests for a Duty Refund in the case of using bank guarantee and the pre-paid import duty submitted for approval through IC.

## Value of Raw Material Imported through IC

In 2012, value of Imported Raw Materials which were processed through IC was 1,077,888 Million Baht or 89,824 Million Baht per month. The value in 2011 was 1,033,824 Million Baht or 86,152 Million Baht per month; and for 2010 the value was 1,087,416 Million Baht or 90,618 Million Baht per month (Detail in Graph 4). In comparison, there was increase in value of 44,064 Million Baht or 4.26 inpercentage.

**Graph 4** Comparison of Value of Raw Material Imported Processed through IC VS. Value of National Gross Import



**Remark** \* Value of Imports Source : Office of the Under Secretary, Ministry of Commerce and Customs Department  
\*\* Figures in brackets are percentage of imports figures through IC of value of National Gross Import

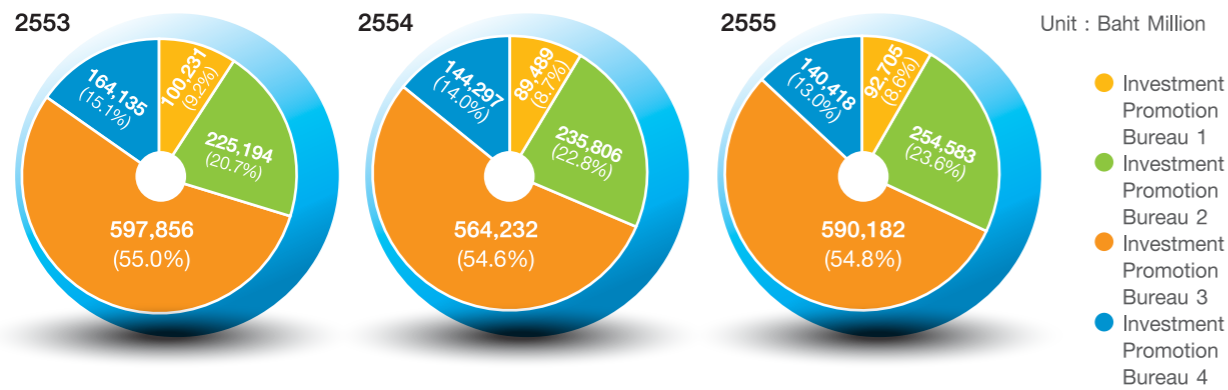
# Raw Materials Tracking System (RMTS) Service And Electronics Machine Tracking System (eMT) Service

The document issuance used for importing raw material processed through IC in 2012 valued Baht 1,077,888 million led by the imported value of electronics and electrical industries totaled Baht 590,182 million followed by mining, ceramics, basic metals, metal products, chemical, paper, plastic, services and public utilities, agro-Industry and light industry respectively.

When compare Value of Imported Raw Material categorized by Industry in 2011 with 2012, it revealed that value of electronic and electrical industries increased by 25,950 Million Baht. Increases were also seen in the mining, ceramics, basic metal, agriculture products, agriculture-derived products, chemical, paper and plastic, service and public utilities compared to previous year (Detail in Graph 5).



**Graph 5** Imported Value of Raw Materials processed through IC in 2012 classified by Sector

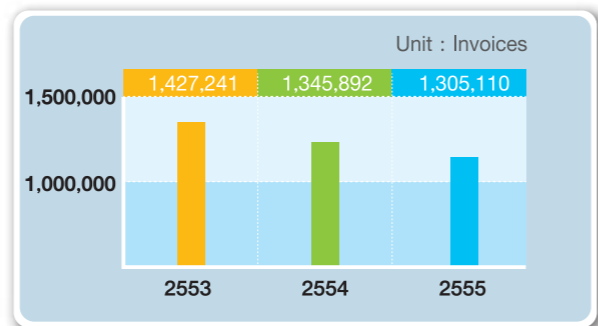


**Remark** \* Based on Investment Promotion Bureaus in Bangkok  
 Investment Promotion Bureau 1: Agro-Industry and Light Industry  
 Investment Promotion Bureau 2: Metals, Metal Products, Machinery and Transport Equipments  
 Investment Promotion Bureau 3: Electronics and Electrical Industries  
 Investment Promotion Bureau 4: Chemical, Paper, Plastic, Services and Public Utilities  
 \*\* Figures in brackets are percentage of imports figures based on respective Investment Promotion Bureaus

## Number of Export Certificate "Blue Corner" processed through IC

In 2012, there were 1,305,110 copies of Finished and Semi-Finished Goods Export Declaration paperwork or 108,759 copies per month compared with 1,345,892 annually and 111,158 copies per month in 2011. In 2010, there are 1,427,241 copies annually and 118,937 per month. There was 40,705 decrease in number of Blue-Corner Export Certificate copies or 3.02 in percentage. (Detail in Graph 6)

**Graph 6** Comparison of Number of Export Certificate processed through IC

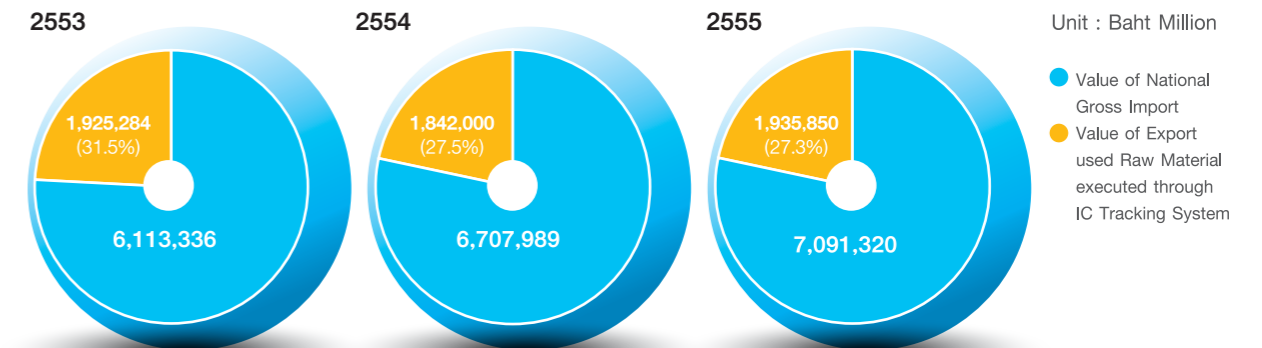


**Remark** export data represents figures that companies cleared their Export Declaration Paperwork through IC's Tracking System only.

## Value of Export used Raw Material executed through IC Tracking System

In 2012, total value export used Raw Material that were processed through IC Tracking System was 1,935,850 Million Baht or average 161,321 Million Baht per month, compared with 1,842,000 and average 153,500 Million Baht per month in 2011. In 2010, the values were 1,925,284 Million Baht and 160,440 Million Baht average per month. This was a increase of 93,850 Million Baht in value and 5.10 percent from 2010. (Detail in Graph 7)

**Graph 7** Comparison of Value of export used Raw Material executed through IC Tracking System VS. Value of National Gross Export

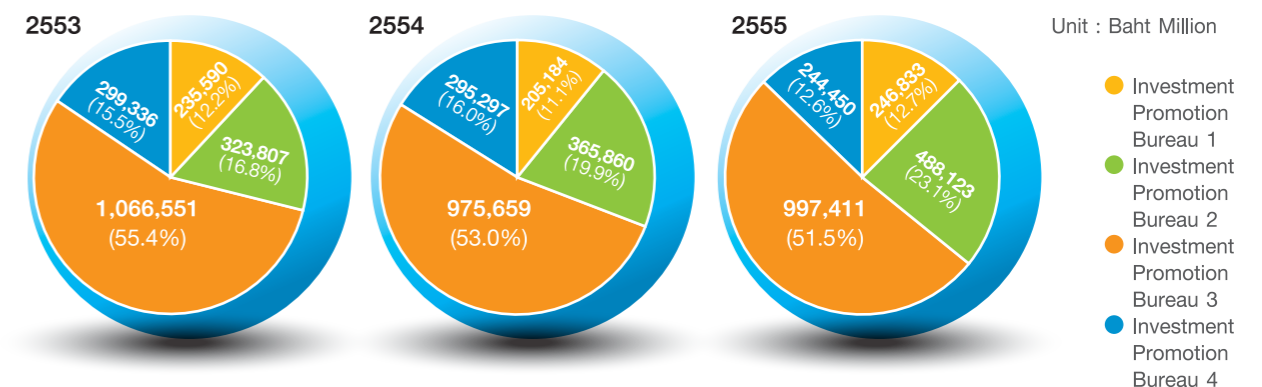


**Remark** \* Value of Imports Source: Office of the Under Secretary, Ministry of Commerce and Customs Department  
 \*\* Figures in brackets are percentage of imports figures through IC of value of National Gross Import

Total exported value of the raw material processed through IC in 2012 was Baht 1,935,850 million led by the exported value of electronics and electrical industries which totaled Baht 997,411 million followed by mining, ceramics, basic metals, metal products, chemical, paper and plastic, services and public utilities, agro-industry and light industry respectively.

Comparing export values categorized by Industry of 2011 with 2012, those of Electronic and Appliance increased by 21,752 Million Baht. Other industries reflect the same rising trend with different rates. (Detail in Graph 8)

**Graph 8** Comparison of Value of export used Raw Material executed through IC Tracking System in 2012 classified by Industrial Sector



**Remark** \* Based on Investment Promotion Bureaus in Bangkok  
 Investment Promotion Bureau 1: Agro-Industry and Light Industry  
 Investment Promotion Bureau 2: Metals, Metal Products, Machinery and Transport Equipments  
 Investment Promotion Bureau 3: Electronics and Electrical Industries  
 Investment Promotion Bureau 4: Chemical, Paper Plastic, Services and Public Utilities  
 \*\* Figures in brackets are percentage of imports figures based on respective Investment Promotion Bureaus

# Raw Materials Tracking System (RMTS) Service And Electronics Machine Tracking System (eMT) Service



สมาคมนักลงทุน



## Machinery and equipment release letter through the Electronic Machine Tracking (eMT Online)

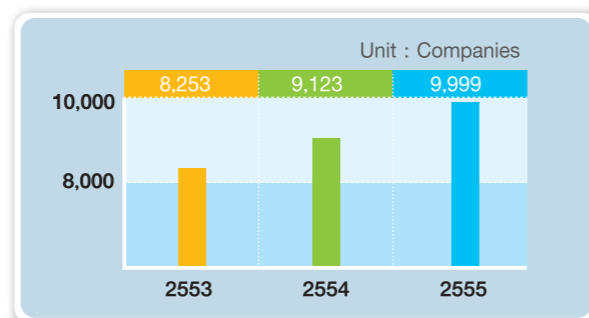
IC provides services for exercising privileges enjoyed by promoted companies under the Board of Investment in relation to importation of machinery and equipment in accordance to the Investment Promotion Act by the issuance of the “machinery and equipment release letter” for on-processing with the Customs Department.

During the past 5 years the IC has continually improved the process of the issuance of letters for exercising machinery and equipment release electronically and now, service users can process their application for machinery and equipment releases on line by themselves through the eMT Online system, as well as be able to track the progress of this application themselves anytime. The IC has improved its services so that service users enjoy best convenience and saving time as they no longer have to come to the IC offices to process or follow-up on their applications.

### Number of eMT Service Users

Number of Electronic Machinery Tracking Document Issuance users in 2012 was 9,999 companies or 833 companies monthly, compared with that in 2011 which was 9,123 companies and 760 companies respectively, and there were 8,253 companies annually or 688 companies monthly in 2010. This represented an increase of 876 in number of companies or 9.60 percent. (Detail in Graph 9)

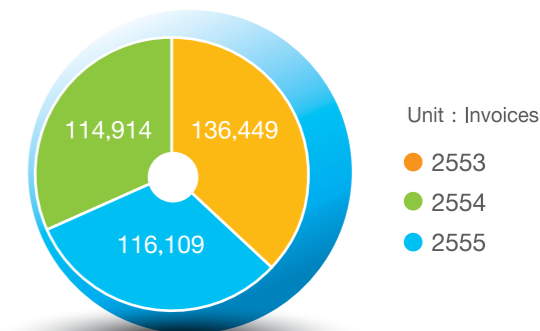
Graph 9 Comparison of Number of eMT Service Users



## Number of Machinery Imported Invoices processed through IC

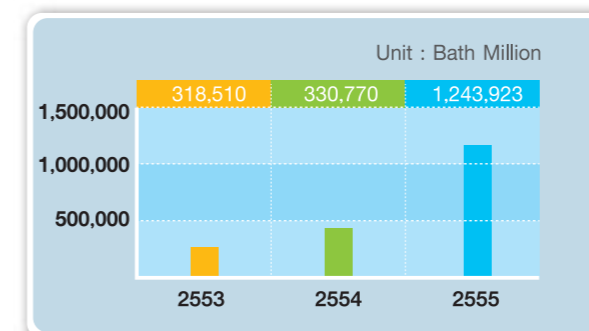
In 2012, there were 116,109 invoices of machinery imported that were executed through IC with Import Tax Declaration paperwork or 9,676 average invoices per month, compared with those of 2011 which were 114,914 or 9,576 average invoices per month and for 2010 it was 136,449 invoices with average 11,371 invoices per month. This indicated an increase of 1,195 in number of Machinery Imported Invoices or 1.04 in percentage. (Detail in Graph 10)

Graph 10 Comparison of Number of Machinery Imported Invoices processed through IC



Remark The number of Import Duty Invoice refers to the number of requests for regular Import Duty Exemption, and the number of requests for a Duty Refund in the case of using bank guarantee and the pre-paid import duty submitted for approval through IC.

Graph 11 Comparison of Value of Machinery Imported through IC in 2011-2012



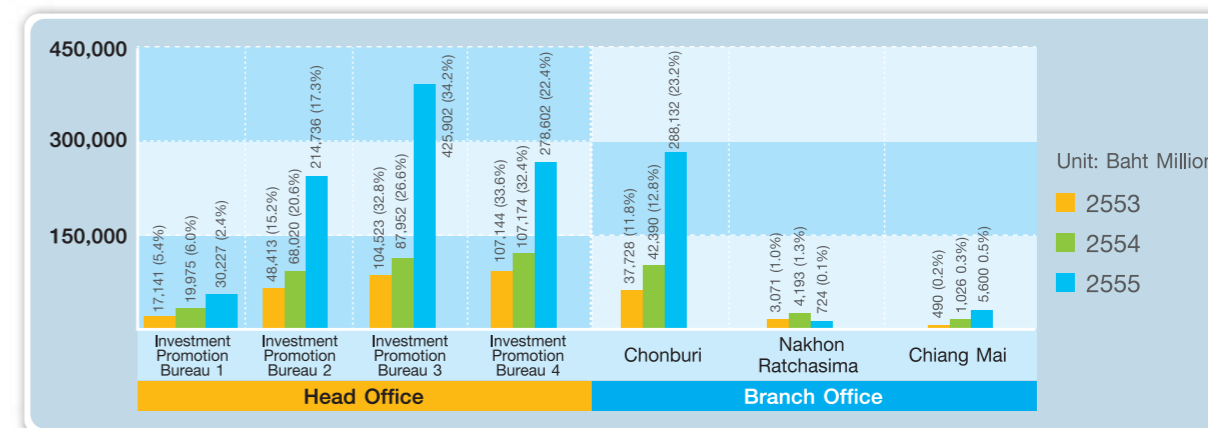
## Value of Imported Machinery processed through IC

In 2012, total value Machinery Imported processed through IC was 1,243,923 Million Baht or average 103,660 Million Baht per month, compared with 330,770 Million Baht and average 27,564 Million Baht in 2011. In 2010, the values were 318,510 Million Baht and 16,542 Million Baht average per month. The 2012 figures showed an increase of 913,153 Million Baht in value or 276.07 percent from 2011. (Detail in Graph 11)

## Total value of Machinery Imported through IC categorized by Investment Promotion Bureau 1-4

In 2012, total value of Machinery Imported through IC categorized by Investment Promotion Bureaus 1 – 4 at Bangkok Head Office was 949,467 Million Baht, and at Regional Branch offices in Chonburi, Nakorn Ratchasima and Chiang Mai provinces was 294,456 Million Baht. (Detail in Graph 12)

Graph 12 Value of Machinery Imported through IC classified by Investment Promotion Bureau 1 - 4



Remark \* Based on Investment Promotion Bureaus in Bangkok 1 - 4  
 Investment Promotion Bureau 1: Agro-Industry and Light Industry  
 Investment Promotion Bureau 2: Metals, Metal Products, Machinery and Transport Equipments  
 Investment Promotion Bureau 3: Electronics and Electrical Industries  
 Investment Promotion Bureau 4: Chemical, Paper Plastic, Services and Public Utilities  
 \*\* Figures in brackets are percentage of imports figures based on respective Investment Promotion Bureaus



## Service Improvement

Seeking to expedite Tracking System Document Issuance service administered in more efficient and time-saving manners, IC undertook the following improvements

1. Launching the fully integrated eMT Online system, in Bangkok, and the regional branches in Chonburi, Chiang Mai and Nakhon Ratchasima with efficient direct links to the Customs Department with regards to imports of machinery and equipment and demonstrating the continuing developments in customer service.

2. Developing and continuing to improve the raw materials release and stock balancing through the computerize system (RMTS) by being able to link directly with the Customs Department on the RMTS-2011 system

3. Adding the Counter Service eMT Online in Bangkok offering greater convenience and time saving to customers



## Human Resource Development

The IC continues to give high importance to human resources development and capacity building and skills through continuing education and training on service quality to create sustainable customer satisfaction. These are carried out by in house training in four key issues

- Problem solving and decision making
- Internal Quality Audit
- Service standards
- The use of the eMT Online

In terms of Outside Trainings, Investor Club assigned employees to specialized Institutes for 36 training topics in the fields of Competitive Strategy in Marketing under current Economic conditions, JD Based KPIs and Competency, improving the potential capability of the organization through applying ICT solutions, and internal audit processes to improve organizational efficiency. Including Management, Human Resource Development, Accounting, Finance and Information Technology.

Currently, IC employs 176 persons, 6 persons more than the previous year (2011). There are 141 staffs working at the Bangkok head office, 26 at the Chonburi office and 9 staffs at 5 the regional offices including Suvarnabhumi Airport.

## Information Technology Development

In 2012, the development and improvement made on IT system in the Association were as follows

### IT Services

- IT developments in both software and hardware
- Monitoring and supervising the computer and internet system usage in the IC to be in accordance to the IT policy
- Controlling, improving and data recording of all ICs services in the IT system efficiency
- Set the features and specifications for computers and servers for the new eMT
- Set the features and specifications for Access Switch for the project to improving the Network





- Establish the IC Web Service to include all the IC's URL Web Service
- Taking care of the IC's Website and improving the efficiency in offering its services
- Testing the equipment and system for inter-phasing with the RMTS-2011 where it links with the Customs Department
- Data collection of the Import Online for the SAN Storage for efficiency and security

#### Information Technology Development

- Developing the RMTS-2011 Online System for data transfer related to raw materials release and stock balancing (Import & Export) with the Internet
- Develop the RMTS-2011
- Harmonizing the CCSs systems
- Develop the cost breakdown of the new eMT by branches and separating the Counter Service
- Developing the online registration process for training/orientation in machinery and equipment release through the new eMT
- Develop the issuance of invoices (download invoice) and records of payments status through the ICs website
- Develop the data base for imports and exports statistics from the Customs Department for the purposes of raw materials stock balancing as well as imports and exports data of the operators

#### Security System

- Set the emergency plan for the RMTS in the event of crisis
- Install Automatic anti-virus system on Computer network in order to keep the network away from unlikely mishap at all-time or loss of data
- Follow-up and supervise computer system as well as internet usage according to IC's policy



#### IC Website

www.ic.or.th is most accessible and time-saving communication channel which enables investors to keep track their request for Raw Material Tracking Document Issuance, Machinery and Equipments release documentation, as well as publicized Trainings and Seminars programs organized regularly by IC quickly 24 hours using modern technology.

The IC increased the capability to disseminate more information through having the English language added to its website for foreign investors to access and use its services as well as improving links to more trading and investment information.

In addition, IC website is clearly one of virtual information sources of Trade and Investment-related topics enriched with either domestic or international Economics Analysis released from several entities and offered through "Investment Windows". The Website was designed to be Investors' archival and searching tools. Moreover, there were newly-added e-mail news update services available to all members and subscribers.

In 2012, there were in total 745,839 page views (click) of the Investor Club Website or an averaging 62,153 page views per month.

#### Electronic Mail

IC initiated the electronic mail system for communicating news and activities of IC and related organizations to members and customers.

#### Information and Publications

To thoroughly publicize IC services and activities to members and customers, IC had produced followings

#### IC E-Newsletter

IC Newsletter is a bi-monthly electronic newsletter sent directly to members and customers. It covers various topics e.g. range of IC services, contacts for IC services, information on IC's organization and development of partnerships and links with other related agencies, economic data, CSR activities and special interview with executives from various industries to establish members and service users' understanding and to provide useful information.



# Two Decades of Sustainable Development



**2013**  
Twenty Years Anniversary  
of the Investor Club Association, IC continually  
develops the services with modern technology  
to facilitate members and investors



**1993**

The first launch of  
The Investor Club Association  
is document issuance service for raw  
material importing and stock balancing  
through the computerize Raw Materials  
Tracking System (RMTS) at the office  
of the Board of Investment (BOI)



**1996**

IC's office was moved  
to 16th floor of Rasa Tower



**1998**

Has opened Head Office at  
TP&T Tower 12,16 floor until now.  
And the first IC regional office  
is Laemchabang branch  
at Chonburi province



**1999**

Later IC regional office  
was opened at  
Chiang Mai province



**2000**

The next IC  
regional offices were  
opened at  
Nakhonratchasima  
province and  
Songkhla province



**2001**

IC started a service for  
document issuance of  
machinery and equipment  
importing through  
the computerize Machine  
Tracking System (MCTS)  
and another IC regional  
office was opened at  
Surat Thani province



**2005**

IC developed  
the issuance of a document  
concerning the release  
of machinery and equipment  
through the Electronic Machine  
Tracking System (eMT)  
to replace Machine  
Tracking System (MCTS)



**2012**

IC improved the issuance of a document  
concerning the release of machinery and  
equipment through the **Electronic Machine  
Tracking Systems (eMT online)** as well as the  
release and stock balancing of raw material  
accounts in order to link with the information  
systems of the Customs Department through  
the **Raw Materials Tracking System 2011  
(RMTS-2011)**



**2010**

IC added diversified data  
transferring channels for  
Raw Materials Tracking System  
(RMTS) via use of USB Port



**2009**

IC arranged the Corporate  
Social Responsibility activities  
(CSR) in order to give  
educational support  
and has continued these  
activities so far



**2007**

IC set up Call Center  
service to facilitate  
the customers about  
questions and IC services



**2006**

IC has launched Investor  
Service Section (ISS)  
in order to transfer  
the data for raw materials  
release through **"Import Online"**  
system instead of Modem system





## Unified cooperation for assisting the Flood Victims of 2010

The devastating flood covered a large area of many provinces around Bangkok causing great suffering to many people as well as damaging many houses, factories and paddy fields with huge economic losses.

The IC donated the sum of 1,000,000 Baht to the victims through the Foundation of H.R.H. Princess Sirindhorn on November 4th 2010.

Corporate Social Responsibility Activities (CSR BY IC)

## IC Plan for the year 2013

In 2013, IC Association aims to provide the following services

### Quality Management

IC will continuously pursue its quality policy which is *"To provide service in issuing document for releasing machinery, raw material and for balancing raw material account as well as organizing training, seminar and other activities to assure customers of quality, transparency, punctuality and accurate service according to customers' need"*

### Service

- Increase the urgent information disseminating channels to include the SMS
- Organize training session for use of the RMTS-2011 for service users at every branch location
- Set up a Problem Solving Clinic related to the eMT Online and the RMTS-2011 for service users free of charge
- Organize a seminar to give information regarding the RMTS-2011
- Organize training sessions on the eMT Online for service users and IC staffs in all regional offices, as well as launching the eMT Online
- Organize visits to operators by IC staff to exchange information and get feedbacks from service users of the raw materials release and stock balancing as well as release of machinery and equipment
- Organize meetings between the IC and the Customs Department to exchange information and ideas for improved cooperation
- Develop a new format for the IC Website, both Thai and English, to look better, be more user efficient and having higher performance speed
- Increase free seminars for Members by organizing them in industrial estates and nearby areas, such as the Bang Pa-in and the Laemchabang industrial estates in order to increase opportunities and benefits to provincial members
- Organizing programs for new members to introduce IC's services and activities as well as informing the unique benefits for members



- Organize networking events for members and customers to interact with BOI ( BOI Networking) to share ideas or seek clarifications on certain issues
- Add new training and seminar topics which are of practical benefit to members
- Organized CSR (Corporate Social Responsibility) activities with opportunities for members and customers to participate
- Organizing visits to IC branches to discuss the problems and issues related to IC's services related to raw material and machinery and equipment releases and giving advice accordingly
- Organizing meetings among the management, division chiefs and team leaders to exchange information and ideas on IC's services as well as clarify each unit's role and functions for better understanding to reduce mistakes, inefficiencies and to increase the efficient and effective performance of the Association
- Organizing semi-annual training, orientation and testing of staff and employees to improve competency and efficiencies

### Human Resources Development

Increase the efficient performance for the launch of the RMTS-2011 by organizing skill development training for each unit, such as the staff handling the Q & A Help Desk for this system, staff at the Counter Service, and training instructors to establish confidence in the new system, and meet the needs of the service users in terms of efficiency and speed.

The IC will continue to focus on the development of the quality of life of employees by some relocation and improving the work place environment with more space which will result in better performance from staff and environment for visiting members and customers

### Technology for services

- Develop the RMTS-2011 and the eMT system further by use of the Digital Signature to raise the level of service
- Launch improvement to Data Center
- Establish the Disaster Room Site in the event of future crisis
- Increase the Internet link to all provincial branches in preparation for launching the RMTS-2011
- Joint inter-department effort to develop the IC Website for increase efficiency
- Improve the Data backup system for greater protection again data loss
- Develop the applications to use IC's services Online
- Develop the applications for attending training session Online
- Source alternative equipment and software for the server
- Acquire appropriate Software and Hardware to carry out the Club's operations more efficiently
- Enhanced IT personnel skills to obtain necessary knowledge and skills required for the Club's missions



# Financial 2011



# Independent Auditor's Report

## To the Members of Investor Club Association

I have audited the accompanying financial statements of Investor club Association, which comprise the statement of financial position as at 31 December 2012, and the statement of revenue and expenditure, statement of changes in accumulated capital, 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 Thai Financial Reporting Standards for Non-Public 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 Thai 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 Investor Club Association as at 31 December 2012, and its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Certified Public Accountant (Thailand)  
Registration No. 1681

8 Soi 4, Seree 2, Ramkhamhaeng Road,  
Suan luang district, Bangkok 10250  
4 February 2013

### Investor Club Association Statements of Financial Position As at 31 December 2012 and 2011

Assets	Notes	2012 Baht	2011 Baht
<b>Current assets</b>			
Cash and cash equivalents	3	4,790,931.03	10,775,242.57
Temporary investments	4	89,389,446.95	128,569,310.37
Trade receivables - net	5	10,381,983.17	9,113,577.84
Other current assets	6	4,154,085.80	2,379,444.55
<b>Total Current Assets</b>		<b>108,716,446.95</b>	<b>150,837,575.33</b>
<b>Non-current assets</b>			
Long - term Investments	7	161,816,997.56	97,466,784.91
Property, plant and equipment, net	8	15,009,269.36	23,092,853.61
Intangible assets-net	9	11,915,759.18	11,605,940.69
Fixed deposit pledged as collateral		1,972,000.00	4,972,000.00
Deposits		82,588.32	530,877.61
<b>Total non-current assets</b>		<b>190,796,614.42</b>	<b>137,668,456.82</b>
<b>Total assets</b>		<b>299,513,061.37</b>	<b>288,506,032.15</b>

..... Chairman  
(Mr. Chackchai Panichapat)


..... Treasurer  
(Ms. Patchanok Kornkamolpruek)

The accompanying notes are an integral part of the financial statements.

Investor Club Association  
Statements of Financial Position  
As at 31 December 2012 and 2011

Liabilities and Accumulated capital	Notes	2012 Baht	2011 Baht
<b>Current liabilities</b>			
Income tax payable	14	2,585,758.39	2,340,148.08
Accrued expenses		6,807,024.37	11,094,067.29
Current portion of liability under financial lease agreement due within one year	10	581,971.41	3,187,473.62
Advance service fees		9,202,374.04	8,349,795.26
Other current liabilities	11	3,742,093.07	3,163,206.91
<b>Total current liabilities</b>		<b>22,919,221.28</b>	<b>28,134,691.16</b>
<b>Non-current liabilities</b>			
Retirement benefit obligations	12	11,259,750.38	9,469,253.63
Other non-current liabilities	13	1,688,900.00	1,186,800.00
<b>Total non-current liabilities</b>		<b>12,948,650.38</b>	<b>10,656,053.63</b>
<b>Total Liabilities</b>		<b>35,867,871.66</b>	<b>38,790,744.79</b>
<b>Accumulated capital</b>		<b>263,645,189.71</b>	<b>249,715,287.36</b>
<b>Total Liabilities and Accumulated capital</b>		<b>299,513,061.37</b>	<b>288,506,032.15</b>

  
..... Chairman  
(Mr. Chackchai Panichapat)

  
..... Treasurer  
(Ms. Patchanok Kornkamolpruek)

The accompanying notes are an integral part of the financial statements.

Investor Club Association  
Statements of Revenue and Expenditure  
For the years ended 31 December 2012 and 2011

	Notes	2012 Baht	2011 Baht
<b>Revenue</b>			
Application and annual membership fees		3,866,275.00	3,303,025.00
Revenue from rendering services for issuing machinery and raw materials documents		103,428,948.49	100,569,883.36
Training and seminar income		13,482,500.00	11,141,400.00
Interest income		8,508,988.62	7,176,061.80
Income from other activities		2,453,573.60	3,674,371.63
<b>Total revenue</b>		<b>131,740,285.71</b>	<b>125,864,741.79</b>
<b>Expenditure</b>			
Membership expenses		3,369,240.93	2,099,812.59
Cost of rendering services for issuing machinery and raw materials documents		86,626,172.52	80,147,964.88
Training and seminar expenses		9,110,036.42	8,401,573.64
Administrative expenses		15,079,055.74	27,331,760.33
<b>Total expenditure</b>		<b>114,184,505.61</b>	<b>117,981,111.44</b>
Revenue over expenditure before finance costs and income tax		17,555,780.10	7,883,630.35
<b>Less</b> Finance costs		(387,678.45)	(152,196.41)
Revenue over expenditure before income tax		17,168,101.65	7,731,433.94
<b>Less</b> Income tax	14	(3,238,199.30)	(3,025,319.28)
<b>Revenue over expenditure for the year</b>		<b>13,929,902.35</b>	<b>4,706,114.66</b>


  
..... Chairman  
(Mr. Chackchai Panichapat)


  
..... Treasurer  
(Ms. Patchanok Kornkamolpruek)

The accompanying notes are an integral part of the financial statements.

**Investor Club Association**  
**Statements of Changes in Accumulated capital**  
**For the years ended 31 December 2012 and 2011**

	2012 Baht	2011 Baht
Beginning balance - as previously reported.	249,715,287.36	252,439,696.04
Cumulative effect of the change in accounting policy for employee benefits.	-	(7,430,523.34)
Accumulated capitals at the beginning of year - as adjusted.	249,715,287.36	245,009,172.70
Revenue over expenses for the year.	13,929,902.35	4,706,114.66
Ending balance	<b>263,645,189.71</b>	<b>249,715,287.36</b>

  
 ..... Chairman  
 (Mr. Chackchai Panichapat)

  
 ..... Treasurer  
 (Ms. Patchanok Kornkamolpruek)

The accompanying notes are an integral part of the financial statements.

**Investor Club Association**  
**Notes to the Financial Statements**  
**For the years ended 31 December 2012 and 2011**

**1. General Information**

Investor Club Association was registered and established on 13 July 1993. The objectives are as follows :

- 1.1 to be a meeting place for investors to exchange investment information,
- 1.2 to be an intelligence unit, which gather and distribute information of investment in Thailand and overseas,
- 1.3 to provide services and convenience to investors,
- 1.4 to provide consulting services with regard to investment,
- 1.5 to organize seminars and training workshops for developing knowledge and skills,
- 1.6 to cooperate and coordinate with other related agencies for the investors' benefits,
- 1.7 to promote activities beneficial to members and society, and
- 1.8 not to involve in any political activities.

Address : 1 TP & T Tower, 12<sup>th</sup> and 16<sup>th</sup> Floor, Vibhavadee Rangsit Road, Jatuchak, Jatuchak, Bangkok 10900, Thailand and has 6 branches as follows :

- |                             |                       |
|-----------------------------|-----------------------|
| 1) Chonburi Branch          | 4) Songkhla Branch    |
| 2) Chiang Mai Branch        | 5) Surat Thani Branch |
| 3) Nakhon Ratchasima Branch | 6) Khonkaen Branch    |

As at 31 December 2012 and 2011 The Association has a total membership of 1,481 and 1,336 members respectively.

**2. Significant accounting policies**

The principal accounting policies adopted in the preparation of these financial statements are set out below :


**2.1 Basis for preparation of the financial statements**


On 6 May 2011, the Federation of Accounting Professions (FAP) published the "Thai financial Reporting Standard for Non-publicly Accountable Entities" (TFRS for NPAEs). TFRS for NPAEs is effective for financial statements which periods beginning on or after 1 January 2011.

The financial statements have been prepared under the historical cost convention.

**2.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash on hand and all highly liquid cash at banks with an original maturity less than 3 months and not subject to withdrawal restrictions.

  
 ..... Chairman  
 (Mr. Chackchai Panichapat)

  
 ..... Treasurer  
 (Ms. Patchanok Kornkamolpruek)

**2.3 Temporary Investments**

Temporary investments consist of fixed deposits and investments in debt instruments with maturity not longer than 1 year.

**2.4 Trade receivables**

Trade receivables are stated at their invoice value less allowance for doubtful debts. The allowance for doubtful receivables is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

**2.5 Long – term Investments**

Long – term Investments consist of fixed deposits, government bond and investments in debt instruments with maturity longer than 1 year.

**2.6 Property, plant and equipment and depreciation**

Equipment is stated at cost less accumulated depreciation. Depreciation is charged to the statement of revenue and expenditure on a straight-line basis over the estimated useful lives of each part of an item of equipment. The estimated useful lives are as follows :

- Office equipment 5 years
- Computer and accessories 3-5 years
- Vehicles 5 years
- Leasehold improvements 5 years

No depreciation is provided for construction in progress.

**2.7 Intangible assets and amortization**

Intangible assets are stated at cost less accumulated amortization. Amortization is calculated by reference to their costs on the straight-line method over the estimated useful lives of 5 years.

**2.8 Long – term leases****Operating leases**

Leases in which substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating leases. Rentals applicable to such operating leases are charged to the statement of revenue and expenditure over the lease term.

**Finance leases**

Leases in which substantially all the risks and rewards of ownership other than legal title are transferred to Association is accounted for as finance leases. At inception, the fair value of the leased assets is recorded together with the obligation. The leased assets are depreciated using the straight-line method over their estimated useful lives. Interest or financial charge is recognized by effective interest rate method over the term of agreement. Interest or financial charge and depreciation are recognized as expenses in the statement of revenue and expenditure.

  
..... Chairman  
(Mr. Chackchai Panichapat)

  
..... Treasurer  
(Ms. Patchanok Kornkamolpruek)

**2.9 Provisions**

Provisions, are recognized when the Association 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.

An entity has an obligation under labor law in benefit payable under the plan for employees until retirement date. The maximum amount of obligation shall not exceed the amount of final salary payable for 10 months. The employees will receive the payment amount at retirement date. An entity estimated a provision at the end of reporting period.

**2.10 Recognition of revenue**

Application and annual membership fees are recognized in each year. Advance receipt of membership fees is recorded as liability. Services income are recognized when the services are completed. Sales of book are recognized when delivered. Interest income is recognized on an accrual basis.

**2.11 Employee benefits****(a) Short – term employee benefits**

Salaries, wages, bonuses, contributions to the social security fund and provident fund are recognized as expenses when incurred.

**(b) 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.

**Defined benefit plans**

The Association has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Association treats these severance payment obligations as a defined benefit plans. The obligation under the defined benefit plans is determined based on best estimates of management. For the first-time adoption of TAS 19 Employee Benefits in 2011, the Association elected to recognize the transitional liability, through an adjustment to the beginning balance of accumulated capital in 2011.

  
..... Chairman  
(Mr. Chackchai Panichapat)

  
..... Treasurer  
(Ms. Patchanok Kornkamolpruek)

### 2.12 Critical Judgments in applying Accounting Policies

The preparation of financial statements in conformity with generally accepted accounting principles also requires the Association's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. Accounting estimates are as follow :


- Depreciation and amortization  
Management is required to make judgments, estimates and assumption in determining the estimated useful lives and residual value of the assets.
- Allowance for doubtful accounts  
In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.


### 3. Cash and cash equivalents

	2012 Baht	2011 Baht
Cash on hand	207,269.25	270,784.00
Current accounts	186,122.51	(141,959.60)
Saving accounts	4,397,539.27	10,646,418.17
<b>Total</b>	<b>4,790,931.03</b>	<b>10,775,242.57</b>

### 4. Temporary investments

Temporary investments as at 31 December 2012 and 2011 represent fixed deposits will bear the interest rate of 2.8% – 4.13% per annum and 2.87% - 4.13% per annum respectively.

  
..... Chairman  
(Mr. Chackchai Panichapat)

  
..... Treasurer  
(Ms. Patchanok Kornkamolpruek)

### 5. Trade receivables - net

Trade receivables as at December 31, 2012 and 2011 classified by aging are as follow :

	2012 Baht	2011 Baht
Not yet due	8,778,725.75	7,203,141.99
Over due		
Less than 3 months	1,584,775.43	1,871,239.61
3 – 6 months	13,425.54	14,116.51
6 - 12 months	5,056.45	25,079.73
Over 12 months	-	-
<b>Total</b>	<b>10,381,983.17</b>	<b>9,113,577.84</b>


### 6. Other current assets


	2012 Baht	2011 Baht
Prepaid expenses	847,576.26	1,047,977.87
Purchase VAT suspense	270,101.77	456,126.10
Other receivables	703,224.90	321,420.96
Accrued interest	2,234,746.87	454,306.87
Advance payment	98,436.00	99,612.75
<b>Total</b>	<b>4,154,085.80</b>	<b>2,379,444.55</b>

### 7. Long – term Investments

	2012 Baht	2011 Baht
Fixed deposits 13 – 48 months	153,816,997.56	86,466,784.91
Government bond 60 months	5,000,000.00	5,000,000.00
Debentures 48 – 60 months	3,000,000.00	6,000,000.00
<b>Total</b>	<b>161,816,997.56</b>	<b>97,466,784.91</b>

As at 31 December 2012 and 2011 fixed deposits will bear the interest rate of 3.03% – 5.00% per annum and 2.75% – 4.01% per annum respectively. Government bond will bear the interest rate of 3.00%– 6.00% per annum. Debentures will bear the interest rate of 3.90% – 4.90% per annum and 3.20 %– 4.90% per annum respectively.

  
..... Chairman  
(Mr. Chackchai Panichapat)


  
..... Treasurer  
(Ms. Patchanok Kornkamolpruek)


## 8. Property, plant and equipment - net

(Unit : Baht)

	Office equipments	Computer and accessories	Vehicles	Leasehold improvement	Construction in progress	Total
<b>Cost :</b>						
As of December 31,2011	12,939,998.32	66,246,785.06	5,530,736.66	6,393,140.03	-	91,110,660.07
Additions	199,290.85	2,129,950.46	-	-	225,000.00	2,554,241.31
Disposals	(843,571.96)	(1,196,020.00)	-	-	-	(2,039,591.96)
As of December 31,2012	12,295,717.21	67,180,715.52	5,530,736.66	6,393,140.03	225,000.00	91,625,309.42
<b>Accumulated depreciation :</b>						
As of December 31,2011	10,690,097.73	48,753,388.80	3,450,486.83	5,123,833.10	-	68,017,806.46
Additions	667,157.18	9,105,026.88	538,706.94	322,499.17	-	10,633,390.17
Disposals	(839,156.57)	(1,196,000.00)	-	-	-	(2,035,156.57)
As of December 31,2012	10,518,098.34	56,662,415.68	3,989,193.77	5,446,332.27	-	76,616,040.06
<b>Net Book Value :</b>						
As of December 31,2011	2,249,900.59	17,493,396.26	2,080,249.83	1,269,306.93	-	23,092,853.61
As of December 31,2012	1,777,618.87	10,518,299.84	1,541,542.89	946,807.76	225,000.00	15,009,269.36
<b>Depreciation for the year</b>						
2012						10,633,390.17 Baht
2011						10,309,432.86 Baht

As at 31 December 2012, certain equipment, computer and accessory items have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to 70,391,416.50 Baht (2011 : 53,278,301.20 Baht)


  
 ..... Chairman  
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 ..... Treasurer  
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## 9. Intangible assets - net

(Unit : Baht)

	Computer Software	Computer software Under development	Total
<b>Cost :</b>			
As of December 31,2011	22,931,302.12	6,878,900.75	29,810,202.87
Additions	1,404,533.84	1,881,000.00	3,285,533.84
Transfer in (Transfer out)	8,559,900.75	(8,559,900.75)	-
Disposals	-	-	-
As of December 31,2012	32,895,736.71	200,000.00	33,095,736.71
<b>Accumulated amortization :</b>			
As of December 31,2011	18,204,262.18	-	18,204,262.18
Additions	2,975,715.35	-	2,975,715.35
As of December 31,2012	21,179,977.53	-	21,179,977.53
<b>Net Book Value :</b>			
As of December 31,2011	4,727,039.94	6,878,900.75	11,605,940.69
As of December 31,2012	11,715,759.18	200,000.00	11,915,759.18
<b>Amortization for the year</b>			
2012			2,975,715.35 Baht
2011			2,031,041.15 Baht

  
 ..... Chairman  
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## 10. Liabilities under finance lease agreement

	2012 Baht	2011 Baht
Liabilities under finance lease agreement	604,063.69	3,624,381.85
<u>Less</u> Future finance charges on finance lease agreement	(22,092.28)	(436,908.23)
Present value of liabilities under finance lease - Current portion due within one year	581,971.41	3,187,473.62

The Association entered into finance lease agreement covering its computer and computer software. The agreement's expiry is in 2012 and interest rate is 15.19% per annum. As at 31 December 2012 the Association still has one outstanding payment which will be paid in 2013. The right of assets acquired under finance lease will transfer to the Association when the last payment is completed.

## 11. Other current liabilities

	2012 Baht	2011 Baht
Accrued value added tax	572,886.25	681,866.91
Accrued withholding tax	437,761.73	456,694.85
Accrued social security	177,054.00	196,452.00
Sales VAT suspense	679,196.09	596,215.99
Others	1,875,195.00	1,231,977.16
<b>Total</b>	<b>3,742,093.07</b>	<b>3,163,206.91</b>

## 12. Retirement benefit obligation

Provision for long-term employee benefits as at 31 December 2012 and 2011, which is compensations on employee retirement, was as follow :

	2012 Baht	2011 Baht
Defined benefit obligation at the beginning of year	9,469,253.63	7,430,523.34
Current service cost	2,414,618.75	2,038,730.29
Benefit paid during the year	(624,122.00)	-
Defined benefit obligation at the end of year	11,259,750.38	9,469,253.63

  
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..... Treasurer  
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## 13. Other non-current liability

Other non-current liability is advance receipt of membership fees which is longer than 1 year.

## 14. Association income tax

The Association is liable to pay income tax from revenue before deduction of any expenses in accordance with the Revenue Code No. 250 B.E.2535 at the following rates

(1) income assessable according to Article 40 (1) - (7) 10 percent.

(2) income assessable according to Article 40 (8) 2 percent


The details of the income tax are as follows :

Year 2012	Taxable Income Baht	Rate (%)	Income tax Baht
Revenue from rendering services for issuing machinery and raw materials documents	103,428,948.49	2	2,068,578.97
Training and seminar income	13,482,500.00	2	269,650.00
Other income	2,453,573.60	2	49,071.47
Interest income	8,508,988.62	10	850,898.86
<b>Total annual income tax</b>			<b>3,238,199.30</b>
<u>Less</u> Withholding tax according to Article 3 tredecim			(652,440.91)
<b>Income tax payable</b>			<b>2,585,758.39</b>

Year 2011	Taxable Income Baht	Rate (%)	Income tax Baht
Revenue from rendering services for issuing machinery and raw materials documents	100,569,883.36	2	2,011,397.67
Training and seminar income	11,141,400.00	2	222,828.00
Other income	3,674,371.63	2	73,487.43
Interest income	7,176,061.80	10	717,606.18
<b>Total annual income tax</b>			<b>3,025,319.28</b>
<u>Less</u> Withholding tax according to Article 3 tredecim			(685,171.20)
<b>Income tax payable</b>			<b>2,340,148.08</b>

For revenue derived from application and annual membership fees, money, assets received from donation and contribution were not included in calculating the income for tax payment according to the Revenue Code Article 65 bis (13).

  
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..... Treasurer  
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## 15. Expenses by nature

Significant expenses by nature for the years ended 31 December 2012 and 2011 are as follows :

	2012 Baht	2011 Baht
Salary and other employee benefits	54,635,888.75	48,436,014.57
Depreciation and amortization	13,609,105.52	12,340,474.01
Costs of repair and maintenance of assets	6,940,858.50	5,544,858.25
Rental fee - Office	6,282,984.00	6,056,607.00
Office supplies	3,088,468.92	3,204,821.00

## 16. Bank guarantee


The Association had bank guarantee amounting to 1,773,295.02 Baht (2011 : 1,773,295.02 Baht) arising from the office lease contract.

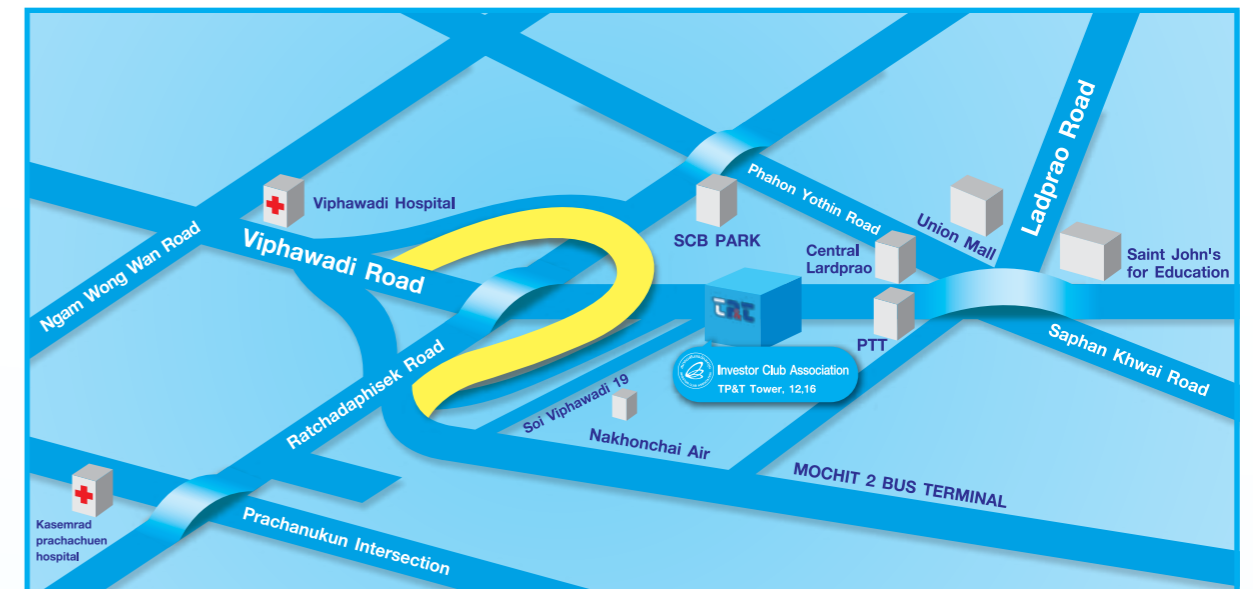
## 17. Reclassifications

Certain accounts in the financial statements for the year ended 31 December 2011 have been reclassified to conform to the current year's classification. The reclassifications are as follows :

	As previously reported Baht	As reclassified Baht
<b>Balance sheet</b>		
Advance service fees	6,706,895.26	8,349,795.26
Other current liabilities	4,806,106.91	3,163,206.91

  
..... Chairman  
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..... Treasurer  
(Ms. Patchanok Kornkamolpruek)



## Head Office and Branch Office Locations

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### Chonburi Branch

Regional Investment and Economic Center 4  
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Sukhumvit Road, Thambol Toongsukhla, Amphur  
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66 (038) 404051  
Fax. : 66 (038) 400047, 66 (038) 401879  
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