

**TCI Global (Thailand) CO., LTD.**

**Financial statements  
for the year ended 31 March 2015  
and Independent Auditor's Report**

## **Independent Auditor's Report**

### **To the shareholders and directors of TCI Global (Thailand) Co., Ltd.**

I have audited the accompanying financial statements of TCI Global (Thailand) Co., Ltd., which comprise the statements of financial position as at 31 March 2015 the statements of income and changes in shareholder's equity 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 Thai Financial Reporting Standards for non-public accountability 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 as at 31 March 2015 and the financial performance for the year then ended of TCI Global (Thailand) Co., Ltd. in accordance with Thai Financial Reporting Standards for non-public accountability entities.

### **Emphasis of Matter**

I draw attention to Note 2 to such financial statements which indicate that the Company has suffered recurring operating losses. As at 31 March 2015, the Company has total liabilities in excess of total assets and has a capital deficiency. These conditions indicate the existence of an uncertainty which could give rise to doubt as the Company's ability to continue as a going concern. However, the Company's management confirms to providing financial support to the Company and believes that the Company is able to continuing its operation. Accordingly, such financial statements do not include any adjustments relating to the realization of the carrying value and classification of the assets or the amount and classification of liabilities that might be necessary should the Company be unable to continue its operations as a going concern.



(Ms. Athisha Jintakanon)  
Certified Public Accountant  
Registration No 5558  
8 April 2015

9/96 Soi Ramintra 5 Yang 25,  
Arnusouwaree, Bangkhen, Bangkok

TCI Global (Thailand) Co., Ltd.  
Statement of Financial position  
As at 31 March 2015

	Note	<u>2015</u>	<u>Unit : Baht</u> <u>2014</u>
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	7	350,132.91	65,182.91
Trade and other accounts receivable		1,221,716.96	2,227,837.16
Other current assets	8	3,473,212.51	3,463,707.00
Total Current assets		<u>5,045,062.38</u>	<u>5,756,727.07</u>
<b>Non Current Assets</b>			
Long-term loan to	5	-	315,507.00
Other non-current assets	9	2,616,979.00	2,616,979.00
Total Non Current Assets		<u>2,616,979.00</u>	<u>2,932,486.00</u>
<b>Total Assets</b>		<u><u>7,662,041.38</u></u>	<u><u>8,689,213.07</u></u>

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

TCI Global (Thailand) Co., Ltd.  
Statement of Financial position  
As at 31 March 2015

		<i>Unit : Baht</i>	
	Note	<u>2015</u>	<u>2014</u>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current Liabilities</b>			
Trade and other accounts payable		52,200.80	154,567.00
Other current liabilities		-	-
<b>Total Current liabilities</b>		<u>52,200.80</u>	<u>154,567.00</u>
<b>Non Current Liabilities</b>			
Loan to related companies	6	9,151,551.70	9,361,392.70
<b>Total Non Current Liabilities</b>		<u>9,151,511.70</u>	<u>9,361,392.70</u>
<b>Total Liabilities</b>		<u>9,203,752.50</u>	<u>9,515,959.70</u>
<b>Shareholders' Equity</b>			
Share capital			
170,000 ordinary shares of Baht 100 each (2010 : 20,000 ordinary shares of Baht 100 each)			
		<u>17,000,000.00</u>	<u>17,000,000.00</u>
Issued and fully paid-up capital			
170,000 ordinary shares of Baht 100 each			
		17,000,000.00	17,000,000.00
Retained earnings (deficit)		<u>(18,541,711.12)</u>	<u>(17,877,363.63)</u>
<b>Capital Deficiency</b>	2	<u>(1,541,711.12)</u>	<u>(877,363.63)</u>
<b>Total Liabilities and shareholders equity</b>		<u>7,662,041.38</u>	<u>8,638,596.07</u>

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

TCI Global (Thailand) Co., Ltd.  
Statement of Financial position  
For the year ended 31 March 2015

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		<i>Unit : Baht</i>	
	<i>Note</i>	<i>2014</i>	<i>2014</i>
<b>Revenues</b>			
Other Incomes		<u>762,544.40</u>	<u>762.91</u>
Total Incomes		<u>762,544.40</u>	<u>762.91</u>
<b>Expenses</b>			
Operating Expenses		<u>1,426,891.89</u>	<u>41,386.00</u>
Total Expenses	<i>8</i>	<u>1,426,891.89</u>	<u>41,386.00</u>
<b>Net Loss for the year</b>		<u><u>(664,347.49)</u></u>	<u><u>(40,623.09)</u></u>

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

TCI Global (Thailand) Co., Ltd.  
Statement of Financial position  
For the year ended 31 March 2015

	<i>Unit : Baht</i>		
	<i>Issued and Fully paid</i>	<i>Retained Earnings (deficit)</i>	<i>Total</i>
<i>Note</i>			
<b>Balance as at 1 April 2013</b>	17,000,000.00	(17,836,740.54)	(836,740.54)
Net Loss for the year	-	(40,623.09)	(40,623.09)
<b>Balance as at 31 March 2014</b>	<u>17,000,000.00</u>	<u>(17,877,363.63)</u>	<u>(877,363.63)</u>
<b>Balance as at 1 April 2014</b>	17,000,000.00	(17,877,363.63)	(877,363.63)
Net Loss for the year	-	(664,347.49)	(664,347.49)
<b>Balance as at 31 March 2015</b>	<u>17,000,000.00</u>	<u>(18,541,711.12)</u>	<u>(1,541,711.12)</u>

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

TCI Global (Thailand) Co., Ltd.  
Notes to Financial Statements  
For the year ended 31 March 2015

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**1. General Information**

TCI Global (Thailand) Company Limited ("Company") is a limited company and is incorporated and domiciled in Thailand. The address of its registered office is as below:

The Company's office locates on 999/9 The Offices at Central World 29th floor, Room 2985 G, Rama 1 Road, Kweang Pathum Wan, Khet Pathum Wan, Bangkok.

The company is principally engaged in the freight forwarding services business.

**2. Basic Assumption of Accounting**

As of 31 March 2015 the Company has total liabilities in excess of total assets and capital deficiency amounting to Baht 1,541,711.12. These conditions indicate an uncertainty which could give rise to doubt as to the Company's ability to continue as a going concern. However, the director and shareholders of the Company confirm to provide financial supporting to the Company. These financial statements have been prepared on the accounting basis that the Company will continue its operations as a going concern. Accordingly, such financial statements do not include any adjustments relating to the realization of the carrying value and classification of the assets or the amount and classification of liabilities that might be necessary should the Company be unable to continue its operations as a going concern.

**3. Basis of Financial Statement Preparation**

The significant accounting policies adopted in the preparation of these financial statement are set out as follows:

**Basis of preparation**

The company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the accounting Act B.E.2543, being those Thai Accounting Standard issued under the Accounting Profession Act B.E.2547.

The format of the primary financial statements is presented in accordance with the announcement of the Department of Business Development Regulation on the format of Financial Statement dated 28 Sept 2011.

The financial statements are prepared under the historical cost convention.

**Financial Reporting Standers for non-Publicly Accountable Entities**

The company is considered to be a non-Publicly Accountable Entities (NPAEs)

On 6 May 2011, the financial reporting standards for Non-publicly Accountable Entities were



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announced in the government gazette. The standards are effective annual periods beginning on or after 1 Jan 2011. NPAE's apply changes in accounting policies on the adoption of the financial reporting standards for NPAE's retrospectively.

When NPAE's do not want to apply the financial reporting standards for NPAE's, the entities shall prepare the financial statements in accordance with all Thai Financial Reporting Standards (all TFRSs) and apply the standards consistently.

The company's management has determined to apply the financial reporting standards for NPAE's in preparation of the financial statement starting from 1 Jan. 2011. The company's management has assessed the impact of the application of the financial statement being presented.

#### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

##### **4.1 Foreign currency translation**

Foreign currency translation is accounted for at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into Baht at the exchange rate ruling at that date. Gains and losses resulting from the settlement of such transaction and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

##### **4.2 Cash and cash equivalents.**

Cash and cash equivalents items include cash, bank deposits in the form of savings, current and fixed deposit not exceeding three months, all with no obligation commitment.

##### **4.3 Inventories.**

Inventories are stated at the lower of cost and net realizable value. Cost is determined by the FIFO method. Purchases comprise of both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and freight, less all attributable discounts, allowances or rebates. Provision is made, where necessary, for obsolete, slow-moving and defective inventories.

##### **4.4 Equipment.**

Equipment is recorded at cost. Cost's measured by the cash or cash equivalent price of obtaining the asset and bringing it to the location and condition necessary for its intended use. Equipment

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is presented in the statement of financial position at cost less accumulated depreciation.  
Depreciation is calculated on the straight line method over the estimated useful life of Five years.  
The company records depreciation as an expense in that period.

**4.5 Revenues and expenses recognition.**

Service income is recognized when service has been rendered.

Sale are recognized when title to the goods sold passes to the buyer, which is at the time when goods are dispatched to the customer.

Other income and expenses are recognized on the accrual basis.

**4.6 Use of accounting estimates.**

The preparation of financial statements to conform with generally accepted accounting principles requires the management in some circumstances, to make estimates and assumptions which would affect amounts relating to income , expenses , assets, liabilities and disclosure of data relating to contingent assets and liabilities. The actual results may differ from amounts already estimated.

**5. Long-term Loan To**

Long-term loan to a related oversea company is no interest charged with no security and no specified repayment date.

**6. Long-term Loan From**

Long-term loan from director and foreign related companies are no interest charged and has no security. There is no specified repayment date.

**7. Cash and cash equivalents**

	<i>Unit : Baht</i>	
	<u>2015</u>	<u>2014</u>
Cash on hand	1,576.03	1,576.03
Cash in bank	348,556.88	63,606.88
Total	<u>350,132.91</u>	<u>65,182.91</u>

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	<i>Unit : Baht</i>	
	<u>2015</u>	<u>2014</u>
<b>8. Other current assets</b>		
Refundable value added tax	<u>3,473,212.51</u>	<u>3,463,707.00</u>
Total	<u><u>3,473,212.51</u></u>	<u><u>3,463,707.00</u></u>
<b>9. Other non-current assets</b>		
Refundable deposit	259,254.00	259,254.00
Withholding tax deducted at source	<u>2,357,725.00</u>	<u>2,357,725.00</u>
Total	<u><u>2,616,979.00</u></u>	<u><u>2,616,979.00</u></u>
<b>10. Expenses by nature</b>		
Significant expenses by nature for the years are as follows:		
Consultant fee	254,500.00	-
Un-allowed expenses	1,010,308.00	-
Other expenses	<u>162,083.89</u>	<u>41,386.00</u>
Total	<u><u>1,426,891.89</u></u>	<u><u>41,386.00</u></u>