

THAILAND ENVIRONMENT FOUNDATION

STATUTORY FINANCIAL STATEMENTS

31 DECEMBER 2010



AUDITOR'S REPORT

To the Board of Directors of Thailand Environment Foundation

I have audited the accompanying balance sheets as at 31 December 2010 and 2009, and the related statements of revenues and expenditures and changes in fund balances for the years then ended of Thailand Environment Foundation. The Foundation's management is responsible for the correctness and completeness of information in these financial statements. My responsibility is to express an opinion on these financial statements based on my audits.

I conducted my audits in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audits provide a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position as at 31 December 2010 and 2009, and the revenues and expenditures for the years then ended of Thailand Environment Foundation in accordance with generally accepted accounting principles.

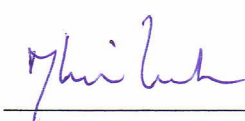
S. Ung-ariporn

Sukhumaporn Wong-ariporn
Certified Public Accountant (Thailand) No. 4843
PricewaterhouseCoopers ABAS Limited

Bangkok
19 April 2011

Thailand Environment Foundation
Balance Sheets
As at 31 December 2010 and 2009

	Notes	2010			2009	
		Operating fund Baht	Sponsored program fund Baht	Capital and reserve funds Baht	Total all funds Baht	Total all funds Baht
Assets						
Current assets						
Cash and deposits at banks	4	46,904,268	62,340,077	44,006,052	153,250,397	137,831,891
Available for sale investment	5	-	-	-	-	7,853,680
Government bonds due within one year	6	-	-	12,000,000	12,000,000	-
Sponsorship receivables		-	14,847,978	18,500	14,866,478	15,302,144
Funds receivable		12,886,411	-	9,428,449	22,314,860	8,132,273
Other current assets		311,525	1,256,751	776,651	2,344,927	2,204,098
Total current assets		60,102,204	78,444,806	66,229,652	204,776,662	171,324,086
Non-current assets						
Government bonds, net	6	-	-	15,000,000	15,000,000	27,000,000
Restricted cash	7	-	523,275	-	523,275	196,000
Long-term investment	8	6,200,000	-	-	6,200,000	-
Intangible assets, net	9	2,268	47,967	-	50,235	5,736
Property, building and equipment, net	10	36,341,310	925,100	-	37,266,410	40,866,614
Total non-current assets		42,543,578	1,496,342	15,000,000	59,039,920	68,068,350
Total assets		102,645,782	79,941,148	81,229,652	263,816,582	239,392,436
Liabilities and fund balances						
Current liabilities						
Advances received from sponsors		1,243,105	43,218,590	-	44,461,695	45,288,847
Accounts payable		266,063	1,186,489	3,226	1,455,778	1,656,231
Accrued expenses		721,736	4,386,493	141,793	5,250,022	4,055,405
Funds payable		-	22,314,860	-	22,314,860	8,132,273
Total current liabilities		2,230,904	71,106,432	145,019	73,482,355	59,132,756
Fund balances						
Unrestricted funds		100,414,878	-	20,962,839	121,377,717	114,375,474
Restricted funds	11	-	8,834,716	60,121,794	68,956,510	65,849,871
Fair value changes of available for sale investment	5	-	-	-	-	34,335
Total fund balances		100,414,878	8,834,716	81,084,633	190,334,227	180,259,680
Total liabilities and fund balances		102,645,782	79,941,148	81,229,652	263,816,582	239,392,436

Director 

Director 



Thailand Environment Foundation
Statements of Revenues and Expenditures
For the years ended 31 December 2010 and 2009

	Notes	2010			2009	
		Operating fund Baht	Sponsored program fund Baht	Capital and reserve funds Baht	Total all funds Baht	
Revenues						
Sponsorships for research activities		-	107,364,334	18,500	107,382,834	87,771,809
Membership fee income		5,500	8,637,306	-	8,642,806	7,061,093
Other income	12	1,272,081	3,041,223	1,763,523	6,076,827	5,270,387
Total revenues		1,277,581	119,042,863	1,782,023	122,102,467	100,103,289
Expenditures						
Salaries and related staff costs		12,312,678	28,522,682	1,646,108	42,481,468	41,472,582
Sub-contracts for researches		250,882	12,218,017	47,000	12,515,899	8,316,971
Rental expense		88,625	3,119,906	15,024	3,223,555	2,214,721
Utility Expenses		913,472	12,326	-	925,798	903,774
Communication Expenses		741,325	2,271,986	43,246	3,056,557	2,799,967
Travelling and related costs		246,363	7,110,063	86,070	7,442,496	5,511,517
Meeting and seminar expenses		541,432	15,579,271	142,970	16,263,673	10,451,490
Publication expenses		152,932	6,692,211	63,996	6,909,139	5,408,476
Promotional materials		44,106	2,165,087	10,960	2,220,153	866,509
Library expenses		96,052	42,764	-	138,816	135,109
Stationery supplies		1,129,610	718,868	1,542	1,850,020	2,159,332
Bank charges and duty stamps		139,266	196,396	264	335,926	263,575
Professional consulting and audit fees		344,500	323,000	-	667,500	356,490
Media expenses		-	139,100	-	139,100	637,700
Field expenses		-	283,913	5,000	288,913	101,236
Amortisation and depreciation charges	9, 10	4,450,430	742,486	-	5,192,916	5,629,496
Contributions for project activities		13,100	5,362,556	440,700	5,816,356	5,017,093
Miscellaneous expenses		1,707,178	705,622	112,500	2,525,300	2,608,368
Total expenditures		23,171,951	86,206,254	2,615,380	111,993,585	94,854,406
Excess of revenues over (under) expenditures		(21,894,370)	32,836,609	(833,357)	10,108,882	5,248,883

The notes to the financial statements on pages 5 to 16 are an integral part of the financial statements.

Thailand Environment Foundation
 Statements of Changes in Fund Balances
 For the years ended 31 December 2010 and 2009

	Notes	2010			2009	
		Operating fund Baht	Sponsored program fund Baht	Capital and reserve funds Baht	Total all funds Baht	Total all funds Baht
Fund balances brought forward		100,449,212	8,245,500	71,564,968	180,259,680	174,976,462
Excess of revenues over (under) expenditures		(21,894,370)	32,836,609	(833,357)	10,108,882	5,248,883
Fund transfers						
- completed projects	13	21,894,371	(32,247,393)	10,353,022	-	-
Fair value changes of available for sale investment	5	(34,335)	-	-	(34,335)	34,335
Fund balances carried forward		<u>100,414,878</u>	<u>8,834,716</u>	<u>81,084,633</u>	<u>190,334,227</u>	<u>180,259,680</u>

The notes to the financial statements on pages 5 to 16 are an integral part of the financial statements.

1 General information

Thailand Environment Foundation (“the Foundation”) was established on 24 February 1993 as a non-profit making organisation and aims at playing a catalytic role in promoting close cooperation among government, private sector, and a coalition of NGOs, medias and academia. The Foundation conducts policy research and action-oriented research for protection of the environment and promoting Thailand’s long-term policy on the environment.

The address of its registered office is as follows:

16/151, Muang Thong Thani, Bond Street, Tambon Bangpood, Amphur Pakkred, Nonthaburi 11120.

Thailand Environment Foundation was declared to be a public charity No. 322 in accordance with the Ministry of Finance’s notification dated 14 October 1997.

The financial statements for the year ended 31 December 2010 have been approved by the Foundation’s Board of Directors on 19 April 2011.

2 Accounting policies

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

2.1 Basis of preparation

The financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, designated as applicable to non-public companies.

The Foundation has chosen not to apply TAS No.7 “Cash Flow Statements”, TAS No. 24 “Related Party Disclosures” and TAS No.107 “Financial Instruments; Disclosure and Presentation”. The application of these standards is not mandatory for non-public entities that is in accordance to the notification which is complied with the Accounting Profession Act B.E. 2547.

The financial statements have been prepared under the historical cost convention except the investment in available for sale security which is valued by a fair value at a market price as at the balance sheet date.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to make 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 amounts of revenues and expenses in the reported periods. Although these estimates are based on management’s best knowledge of current events and actions, actual results may differ from those estimates.

2 Accounting policies (Cont'd)

2.1 Basis of preparation (Cont'd)

Comparative figures on balance sheet as at 31 December 2009 have been adjusted to conform with changes in presentation in the current year. Short-term investment which represented fixed deposits with maturity periods more than three months but not over one year of Baht 99,476,302 has been included in cash and deposits at banks. Restricted cash of Baht 196,000 has been reclassified from current assets to non current assets. Such reclassifications do not affect the total assets at the year end.

An English version of the financial statements have been prepared from the statutory financial statements that are in Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.2 Accounting Standards for Non-Publicly Accountable Entities

On 24 December 2010, the Federation of Accounting Professions (FAP) issued an announcement No. 62/2553 : the clarification on accounting standards for Non-Publicly Accountable Entities (NPAEs). The announcement requires NPAEs to apply the existing accounting standards that NPAEs currently adopt until the FAP announces the accounting standards for NPAEs. The accounting standards for NPAEs are expected to be released in 2011. The Foundation is considered as a NPAE according to definition of the NPAEs as stated in FAP's announcement.

2.3 Fund accounting

To ensure observance of limitations and restrictions placed on the use of the resources available to Thailand Environment Foundation, the financial statements are maintained in accordance with the principles of "fund accounting". The purposes of the funds maintained by the Foundation are as follows:

Operating fund: represents funds available for general operating purposes. The operating fund is generally supported at the rates 30% of gross revenues of the completed projects from the sponsored program fund. In case the general basis of the allocation is not appropriate, the allocation is depended on the judgment of the Foundation's management. The allocation is made when cash is received (Note 13).

Sponsored program fund: represents funds for research activities, field activities, seminars, workshops, conferences, symposia, or training, supported by donors or other outside agencies.

2 Accounting policies (Cont'd)

2.3 Fund accounting (Cont'd)

Capital fund: represents the initial registered fund of the Foundation of Baht 5 million. Commencing from 1 January 1996, interest income derived from the capital fund has been included in the reserve fund.

Reserve fund: represents funds derived from contributions received from various sources and are accumulated as a reserve for future uses. Commencing from 1 January 1996, interest income derived from the reserve fund has been included in the reserve fund.

2.4 Revenues and expenditures

The financial statements of the Foundation have been prepared on an accrual basis. Sponsorships are recorded as revenues when due. Sponsorship income on a cost reimbursement program is recognised as income when direct contract costs are incurred. When sponsorships received exceed the income recognised for the year, the net balance is presented as advances received from sponsors, and vice versa, the net balance is presented as sponsorship receivables.

Membership fee income is recognised when due. Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the effective rate over the period to maturity.

The Foundation recognises expenditures on an accrual basis.

2.5 Investment in available for sale security

Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale; and are included in current assets unless management has expressed the intention of holding the investment for more than 12 months from the balance sheet date.

Purchases and sales of investments are recognised on the trade date, which is the date that the Foundation commits to purchase or sell the investments. Cost of investment includes transaction costs. Trading and available-for-sale investments are subsequently carried at fair value which measure at market value as of balance sheet date.

Changes in the fair value of investments classified as available-for-sale are recognised under fund balances.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the statement of revenues and expenditures. When disposing of part of the Foundation's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by weighting average carrying amount of the total holding of the investment.

2 Accounting policies (Cont'd)

2.6 Intangible asset

Expenditure on acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Those costs are amortised over their estimated useful lives of 3 years.

2.7 Property, building and equipment

Property, building and equipment are stated at historical cost less accumulated depreciation, except for land which is not depreciated.

Depreciation is calculated on the straight-line basis to write off the cost of each asset to its residual value over the estimated useful life as follows:

Buildings and building improvements	5 and 20 years
Furniture and office equipment	3 and 5 years
Motor vehicles	5 years

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals of property and equipment are determined by comparing proceeds with the carrying amounts and are included in revenues or expenditures.

Repairs and maintenance are charged to the statement of revenues and expenditures during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Foundation. Major renovations are depreciated over the remaining useful life of the related asset.

2.8 Provisions

Provisions, which exclude the provisions relating to employee benefits, are recognised when the Foundation 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. Where the Foundation expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

3 Critical accounting estimates and judgements

Estimate, assumption and judgement are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstance.

During 2010, the Foundation made estimation relating to useful life of asset and judgement made on residual values for the property and equipment including intangible assets. However, the Foundation's management assessed and determined that there is no significant risk of causing a material adjustment to the carrying amount of asset from the estimation and judgement.

4 Cash and deposits at banks

	2010	2009
	Baht	Baht
Cash on hand	205	205
Deposits held at call with banks	190,610	152,805
Fixed deposits	<u>153,059,582</u>	<u>137,678,881</u>
Total deposits at banks	<u><u>153,250,397</u></u>	<u><u>137,831,891</u></u>

As at 31 December 2010, deposits held at call with banks and fixed deposits carry interest at the rates of 0.25% per annum, and between 0.65% per annum and 1.50% per annum, respectively (2009: 0.25% per annum, and between 0.65% per annum and 1.75% per annum, respectively).

5 Available for sale investment

	2010	2009
	Baht	Baht
Opening net book value	7,853,680	-
Investment during the year	-	7,819,345
Cash received from sales	(7,878,106)	-
Gain on sales	24,426	-
Fair value changes	<u>-</u>	<u>34,335</u>
Closing net book value	<u><u>-</u></u>	<u><u>7,853,680</u></u>

Available for sale investment represents investment in savings fixed income open end fund of a financial institution.

Thailand Environment Foundation
Notes to the Financial Statements
For the years ended 31 December 2010 and 2009

6 Government bonds

	2010	2009
	Baht	Baht
Government bonds	27,000,000	27,000,000
<u>Less</u> Government bonds due within one year	<u>(12,000,000)</u>	<u>-</u>
Government bonds, net	<u>15,000,000</u>	<u>27,000,000</u>

As at 31 December 2010, government bonds represent investment in 4 - 7 years savings bonds issued by the Bank of Thailand carrying interest at the rates between 3% - 4.25% per annum (2009: Government bond investment in 4 - 7 years savings bonds issued by the Bank of Thailand carrying interest at the rates between 3% - 4.25% per annum).

7 Restricted cash

The Foundation has pledged the fixed deposits with local banks as collateral for letters of bank guarantee issued by the local banks in respect of the research and field projects (Note 14).

8 Long-term investment

	2010	2009
	Baht	Baht
Fixed deposit with maturity period over one year	<u>6,200,000</u>	<u>-</u>

As at 31 December 2010, fixed deposits carry interest at the rates 1.50% per annum.

Thailand Environment Foundation
Notes to the Financial Statements
For the years ended 31 December 2010 and 2009

9 Intangible assets, net

	Computer software			
	2010		2009	
	Operating fund Baht	Sponsored program fund Baht	Total Baht	Total Baht
Year ended				
31 December				
Opening net book amount	3,873	1,863	5,736	148,321
Additions	-	49,540	49,540	4,815
Amortisation charge	(1,605)	(3,436)	(5,041)	(147,400)
Closing net book amount	<u>2,268</u>	<u>47,967</u>	<u>50,235</u>	<u>5,736</u>
As at 31 December				
Cost				
Less Accumulated amortisation	694,430 (692,162)	350,000 (302,033)	1,044,430 (994,195)	994,889 (989,153)
Net book amount	<u>2,268</u>	<u>47,967</u>	<u>50,235</u>	<u>5,736</u>

As at 31 December 2010, the original cost of fully amortised computer software that is still in use is Baht 978,732 (2009: Baht 582,904).

Thailand Environment Foundation
Notes to the Financial Statements
For the years ended 31 December 2010 and 2009

10 Property, building and equipment, net

Operating fund

	Land Baht	Buildings and building improvements Baht	Furniture and office equipment Baht	Motor vehicles Baht	Assets under installation Baht	Total Baht
As at 1 January 2009						
Cost	9,569,200	32,986,140	10,469,858	1,701,847	5,500,000	60,227,045
<u>Less</u> Accumulated depreciation	-	(8,803,772)	(8,016,436)	(588,806)	-	(17,409,014)
Net book amount	<u>9,569,200</u>	<u>24,182,368</u>	<u>2,453,422</u>	<u>1,113,041</u>	<u>5,500,000</u>	<u>42,818,031</u>
For the year ended 31 December 2009						
Opening net book amount	9,569,200	24,182,368	2,453,422	1,113,041	5,500,000	42,818,031
Additions	-	100,000	1,221,322	-	-	1,321,322
Reclassification	-	5,500,000	-	-	(5,500,000)	-
Depreciation charge	-	(3,056,215)	(1,229,954)	(252,071)	-	(4,538,240)
Closing net book amount	<u>9,569,200</u>	<u>26,726,153</u>	<u>2,444,790</u>	<u>860,970</u>	<u>-</u>	<u>39,601,113</u>

Thailand Environment Foundation
Notes to the Financial Statements
For the years ended 31 December 2010 and 2009

10 Property, building and equipment, net (Cont'd)

	Land Baht	Buildings and building improvements Baht	Furniture and office equipment Baht	Motor vehicles Baht	Assets under installation Baht	Total Baht
As at 31 December 2009						
Cost	9,569,200	38,533,862	11,845,333	1,701,848	-	61,650,243
<u>Less</u> Accumulated depreciation	-	(11,807,709)	(9,400,543)	(840,878)	-	(22,049,130)
Net book amount	<u>9,569,200</u>	<u>26,726,153</u>	<u>2,444,790</u>	<u>860,970</u>	-	<u>39,601,113</u>
For the year ended 31 December 2010						
Opening net book amount	9,569,200	26,726,153	2,444,790	860,970	-	39,601,113
Additions	-	-	1,213,965	-	-	1,213,965
Disposal	-	-	(24,942)	-	-	(24,942)
Depreciation charge	-	(3,006,461)	(1,185,805)	(256,560)	-	(4,448,826)
Closing net book amount	<u>9,569,200</u>	<u>23,719,692</u>	<u>2,448,008</u>	<u>604,410</u>	-	<u>36,341,310</u>
As at 31 December 2010						
Cost	9,569,200	38,533,862	13,034,356	1,701,847	-	62,839,265
<u>Less</u> Accumulated depreciation	-	(14,814,170)	(10,586,348)	(1,097,437)	-	(26,497,955)
Net book amount	<u>9,569,200</u>	<u>23,719,692</u>	<u>2,448,008</u>	<u>604,410</u>	-	<u>36,341,310</u>

Thailand Environment Foundation
Notes to the Financial Statements
For the years ended 31 December 2010 and 2009

10 Property, building and equipment, net (Cont'd)

Sponsored program fund

	Furniture and office equipment Baht	Motor vehicles Baht	Total Baht
As at 1 January 2009			
Cost	11,582,747	5,179,626	16,762,373
<u>Less</u> Accumulated depreciation	(10,011,433)	(5,170,082)	(15,181,515)
Net book amount	<u>1,571,314</u>	<u>9,544</u>	<u>1,580,858</u>
For the year ended 31 December 2009			
Opening net book amount	1,571,314	9,544	1,580,858
Additions	628,499	-	628,499
Depreciation charge	(934,312)	(9,544)	(943,856)
Closing net book amount	<u>1,265,501</u>	<u>-</u>	<u>1,265,501</u>
As at 31 December 2009			
Cost	12,091,752	5,142,626	17,234,378
<u>Less</u> Accumulated depreciation	(10,826,251)	(5,142,626)	(15,968,877)
Net book amount	<u>1,265,501</u>	<u>-</u>	<u>1,265,501</u>
For the year ended 31 December 2010			
Opening net book amount	1,265,501	-	1,265,501
Additions	425,041	-	425,041
Disposal	(26,393)	-	(26,393)
Depreciation charge	(739,049)	-	(739,049)
Closing net book amount	<u>925,100</u>	<u>-</u>	<u>925,100</u>
As at 31 December 2010			
Cost	12,490,400	5,142,626	17,633,026
<u>Less</u> Accumulated depreciation	(11,565,300)	(5,142,626)	(16,707,926)
Net book amount	<u>925,100</u>	<u>-</u>	<u>925,100</u>

Equipment of the sponsored program fund is the equipment acquired for specific projects and available for use by the Foundation at the completion of the projects except the respective sponsors specify for other particular purposes.

As at 31 December 2010, the original cost of fully depreciated property and equipment of operating fund and sponsored program fund that are still in use is amounting to Baht 24,531,829 (2009: Baht 23,041,582).

11 Capital and reserve fund balances - restricted

	2010	2009
	Baht	Baht
Capital fund	36,559,285	34,958,947
Reserve for building improvement fund	6,366,938	5,366,938
Reserve for staff educational fund	6,519,917	6,791,064
Reserve for staff medical welfare fund	1,256,710	1,086,475
Reserve for social services fund	8,110,561	8,046,035
Reserve for publication and communication fund	1,308,383	1,354,912
Total	<u>60,121,794</u>	<u>57,604,371</u>

Reserve for building improvement fund

The Foundation has established a reserve for building improvement fund since 2004. An appropriate amount of which is allocated from the operating fund.

Reserve for staff educational fund

The Foundation established a reserve for staff educational fund. An amount of Baht 1 million per annum or the available amount for the appropriation is allocated from the operating fund.

Reserve for staff medical welfare fund

The Foundation established a reserve for staff medical welfare fund. An appropriate amount of which is allocated from the operating fund.

Reserve for social services fund

In 2004, the Foundation established an initial fund for social services, which was allocated from the operating fund. Appropriate amounts of additional allocation to the fund are based on the Foundation's consideration.

Reserve for publication and communication fund

In 2007, the Foundation established a reserve for publication and communication fund. An appropriate amount of which is allocated from unrestricted funds under the capital and reserve fund.

Thailand Environment Foundation
Notes to the Financial Statements
For the years ended 31 December 2010 and 2009

12 Other income

	2010			2009	
	Operating fund Baht	Sponsored program fund Baht	Capital and reserve funds Baht	Total all funds Baht	Total all funds Baht
Interest income	488,366	203,538	1,608,645	2,300,549	2,661,787
Others	783,715	2,837,685	154,878	3,776,278	2,608,600
Total other income	1,272,081	3,041,223	1,763,523	6,076,827	5,270,387

13 Fund transfers - completed projects

Excess of revenues over expenditure of the completed projects from the sponsored program fund are allocated to the operating fund and capital and reserve funds at the rate of 30% of gross revenues. In case the general basis of the allocation is not appropriate, the allocation is depended on the judgment of the Foundation's management. The allocation is made when cash is received.

14 Contingent liabilities and Commitments

Contingent liabilities in respect of bank guarantees

As at 31 December 2010, the Foundation has contingent liabilities in respect of bank guarantees arising in the ordinary course of operating activity amounting to Baht 523,275 (2009: Baht 196,000). It is anticipated that no material liabilities will arise from the contingent liabilities. The letter of guarantee is collateralised by the pledge of the Foundation's fixed deposits (Note 7).

Operating lease commitment - where the Foundation is the lessee.

The Foundation has entered into an equipment lease agreement in 2010. The rental rate is a fixed rate per month. The period of the lease agreement is 5 years. This lease agreement results in the annual commitment of Baht 540,000. (2009: Nil).