

Mc Happy Family Foundation

Financial Statement

For the Year Ended December 31, 2021

and

Auditor's Report

NB ACCOUNTING



Audit Services

Auditor's Report

To The Director of Mc Happy Family Foundation

Opinion

I have audited the accompanying financial statements of **Mc Happy Family Foundation** which comprise the statement of financial position as at **December 31, 2021** and the related statement of activities for the year then ended, and a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **Mc Happy Family Foundation** as at **December 31, 2021** and its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Foundation in accordance with Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that is relevant to my audit of the financial statements and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibility of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Foundation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Foundation or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Foundation to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Mrs. Piyalug Leesin
Registration Number 3755

NB Accounting – Audit Services Co., Ltd.
Chiang Mai, Thailand
April 24, 2022

Mc Happy Family Foundation
Statement of Financial Position
As at December 31, 2021

Assets

	<u>Note</u>	<u>Baht</u>	
		<u>2021</u>	<u>2020</u>
Current Assets			
Cash and cash equivalents	4	16,345,998.89	13,454,884.21
Short - term investment	5	3,112,921.72	9,452,150.10
Other current assets		2,987,788.35	2,337,917.30
Total Current Assets		22,446,708.96	25,244,951.61
Non - Current Assets			
Fixed assets - net	6	1,457,795.30	9.00
Intangible assets - net	7	1.00	1.00
Total Non - Current Assets		1,457,796.30	10.00
Total Assets		23,904,505.26	25,244,961.61

The Accompanying Notes are an Integral Part of these Financial Statements.



(Mr.Vicha Poolvaraluk)

Chairman



Mc Happy Family Foundation
Statement of Financial Position
As at December 31, 2021

Liabilities and Fund Balance

	<u>Note</u>	<u>Baht</u>	
		<u>2021</u>	<u>2020</u>
Current Liabilities			
Accounts payable		1,009,245.94	1,154,429.75
Other current liabilities		1,849,397.76	829,905.61
Total Current Liabilities		2,858,643.70	1,984,335.36
Fund Balance			
Initial fund		200,000.00	200,000.00
House chairities fund		2,000,000.00	2,000,000.00
General fund			
Fund balance at the beginning of the year		19,592,948.17	19,783,706.94
Revenues over (under) expenditures		(1,375,536.31)	(190,758.77)
Fund balance at the end of the year		18,217,411.86	19,592,948.17
Unrealized gain on fair value of current investment	5	628,449.70	1,467,678.08
Total Fund Balance		21,045,861.56	23,260,626.25
Total Liabilities and Fund Balance		23,904,505.26	25,244,961.61

The Accompanying Notes are an Integral Part of these Financial Statements.

Vicha Poolvaraluk

(Mr.Vicha Poolvaraluk)
Chairman

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Mc Happy Family Foundation
Statement of Activities
For the Year Ended December 31, 2021

		Baht	
	Note	2021	2020
Revenues :			
Donation		8,751,961.17	8,655,879.20
Other income		3,142,819.05	9,998,824.85
Interest income		37,697.82	109,556.88
Total Revenues		11,932,478.04	18,764,260.93
Expenditures :			
Charity expenses	8	10,944,083.56	13,883,454.38
Fundraising costs	9	707,640.13	2,883,890.29
Administration Expenses	10	1,589,664.50	2,017,199.20
Total Expenditures		13,241,388.19	18,784,543.87
Revenues over (under) expenditures		(1,308,910.15)	(20,282.94)
Income tax expense		66,626.16	170,475.83
Total revenues over (under) expenditures		(1,375,536.31)	(190,758.77)

The Accompanying Notes are an Integral Part of these Financial Statements.



(Mr.Vicha Poolvaraluk)

Chairman

Mc Happy Family Foundation
Notes to Financial Statements
December 31, 2021

These financial statements had been authorized by The Director of the Foundation.

1. Organization and Activities

1.1 Legal Status and Address

Mc Happy Family Foundation has legally registered with the Ministry of Interior in accordance with the Civil and Commercial Laws on July 16, 2001, as at February 9, 2012, the foundation has changed its legal name from Ronald McDonald House Charities Foundation to Mc Happy Family Foundation. The office is located at 97/11 Big C tower 5th Floor, Rajdamri Road, Lumpini, Pathumwan, Bangkok, Thailand.

1.2 Nature of Foundation's Activities

Mc Happy Family Foundation was established with the following objectives:

- To provide relief to illness children in both physical and mental as well as needy families for use in the treatment of diseases or disorders.
- To support research for children's educational development, research for the disease or disorder of the children's physical and mental and prevention and treatment of various diseases.
- To provides temporary help center or shelter for children's families or children with physical and mental illness during receiving treatment in hospitals because of the far distance from their homes.
- To provide support to act for public interest or cooperate with other charitable organizations to promote education and culture.
- Not to involve in any political activities.

1.3 Income Tax

Since Mc Happy Family Foundation is not prescribed as public charity organization or institution under a Notification of the Ministry of Finance in accordance with the Revenue Code Section 47(7)(b), it is subject to pay income tax on gross income before the deduction of any expenses as follows:

1. Income that are subject to income tax are:

- 1.1 Income from business e.g. rental income
- 1.2 Income from selling of goods and/or service
- 1.3 Income from capital gain e.g. interest income, dividend income, etc.

2. Income that are exempt from income tax are:

- 2.1 Registration and subscription fee
- 2.2 Money or property received as donation or gifts



(Mr. Vicha Poolvaraluk)
Chairman





2. Basis of Financial Statement Preparation

2.1 The Foundation prepares its statutory financial statements in Thai Baht and in Thai language in conformity with Thai Financial Reporting Standards for Non-Publicly Accountable Entities announced by The Federation of Accounting Professions during 2011.

For the convenience of the readers, the English translation of financial statements have been prepared from the statutory Thai language financial statements which are issued for domestic reporting purposes.

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

3. Significant Accounting Policies

3.1 Cash and Cash Equivalents

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

3.2 Short - Term Investment

Short - term Investment are stated at fair market value.

Any resulting gain or loss is recorded to an unrealized gain or loss account that is reported as a separate line item under Fund Balance section of the Statement of Financial Position. The gain or loss for this securities will be reported on a Statement of Activities when the securities are sold.

3.3 Fixed Assets

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is charged to current year operation and is calculated by reference to their costs on a straight-line method over the following estimated useful lives:

Office equipment	5 Years
Intangible assets	3 Years

3.4 Revenues and Expenses Recognition

Revenues and expenses are recognized on the accrual basis.

(Mr. Vicha Poolvaraluk)
Chairman

4. **Cash and Cash Equivalents**

	Baht	
	2021	2020
Cash on hand	109,094.84	142,455.27
Cash at bank		
Current account	1,427,757.49	862,913.44
Saving account	5,520,689.89	6,793,795.84
Fixed deposit – maturity of 3 months	9,288,456.67	5,655,719.66
Total	16,345,998.89	13,454,884.21

5. **Short - Term Investment**

	Baht	
	2021	2020
Open – End Fund	2,484,472.02	7,984,472.02
Unrealized gain	628,449.70	1,467,678.08
Total	3,112,921.72	9,452,150.10






(Mr. Vicha Poolvaraluk)
Chairman

6. Fixed Assets - Net

	In Baht			Balance as at December 31, 2021
	Balance as at December 31, 2020	Movement during the year		
		Additions	Deductions	
At cost				
Furniture, fixture and office equipment	363,015.00	-	-	363,015.00
Vehicle	-	1,740,000.00	-	1,740,000.00
Total	363,015.00	1,740,000.00	-	2,103,015.00
Accumulated depreciation				
Furniture, fixture and office equipment	363,006.00	-	-	363,006.00
Vehicle	-	282,213.70	-	282,213.70
Total	363,006.00	282,213.70	-	645,219.70
Net	9.00			1,457,795.30
Depreciation expenses for the year 2021				282,213.70
Depreciation expenses for the year 2020				1,806.49

7. Intangible Assets - Net

	In Baht			Balance as at December 31, 2021
	Balance as at December 31, 2020	Movement during the year		
		Additions	Deductions	
At cost				
Software and website	133,750.00	-	-	133,750.00
Total	133,750.00	-	-	133,750.00
Accumulated amortization				
Software and website	133,749.00	-	-	133,749.00
Total	133,749.00	-	-	133,749.00
Net	1.00			1.00
Amortization expenses for the year 2021				-
Amortization expenses for the year 2020				-





(Mr.Vicha Poolvaraluk)
Chairman

	Baht	
	2021	2020
8. <u>Charity Expenses</u>		
House program	8,304,413.33	9,321,076.10
Care mobile program	2,214,394.45	3,453,694.88
Playroom program	225,275.78	908,683.40
Other charity expenses	200,000.00	200,000.00
Total	10,944,083.56	13,883,454.38
9. <u>Fundraising Costs</u>		
Activity cost	536,312.00	2,783,145.39
Bank charge	82,528.13	100,744.90
PR Expense for fundraising	88,800.00	-
Total	707,640.13	2,883,890.29
10. <u>Administration Expenses</u>		
Travelling expenses	46,817.41	52,102.27
Professional fee	40,000.00	40,000.00
Public relation & Communication	219,918.68	522,480.00
Depreciation and amortization	282,213.70	1,806.49
Other	1,000,714.71	1,400,810.44
Total	1,589,664.50	2,017,199.20

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Vicha Poolvaraluk

(Mr.Vicha Poolvaraluk)

Chairman