

BUSINESS

AustChamThailand
Business | Connections | Community

ANNUAL REPORT 2018

CONNECTION

COMMUNITY

AustChamThailand

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Vision	AustCham is Business, Connections, Community
Mission	AustCham will continue to build and strengthen relationships and effectively advocate and represent the mutual business interests of its members and associated communities
Identity	Inclusive Responsive Collaborative Respected

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President's Report



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Brenton Mauriello - President

It is my honour and pleasure to provide the President's report for 2018/19. I am pleased to state that the affairs of your chamber are in good order, and that the chamber continues to grow and prosper.

The Chamber's efforts in advocacy, education, hospitality, digital technology, manufacturing and membership engagement were ever more effective, reflecting greater participation by our members and the excellent efforts of the Board Directors responsible for the sub-committees. It has been a specific objective of the Chamber to re-establish and reinvigorate the sub-committees and we are now witnessing the fruits of those efforts.

Advocacy, led by Chris Larkin, with the Board of Trade and Thai Government agencies, is proof of the healthy relations we have with the Thai government and other business organisations, and the value we bring to policy making. This is of particular importance as we seek to influence discussions on ANZFTA, AFTA and other bilateral and multilateral agreements during 2019 and beyond. Of further note we had twelve of our Members join the Customs Alliance in 2018, and plan to continue working with the Thai Customs Department in 2019.

Our objective to dramatically heighten engagement with our Eastern Seaboard, Phuket and Chiang Mai members is also having positive outcomes. Frank Holzer has championed our engagement on the Eastern Seaboard and we have had several workshops, forums and networking events that have reinvigorated our

Macquarie who gives us his insights into finance and advocacy; Peter Emblin who keeps the Chamber's money safe; and Susan Kahwati who has provided a vital link to the Embassy and Austrade. In essence, I can report that your Board is working cohesively and effectively, with your interests at its core.

Thanks must also go to the Australian Embassy, His Excellency Paul Robilliard (who has now left), and his team have been consistent supporters and advocates for the Chamber and we value their contribution. We continue to engage extensively with the Embassy and we welcome and look forward to working with our new Ambassador H.E. Allan McKinnon.

You may recall in my last President's report, I noted our desire to expand our working relationships with other Australian–Thai focused organisations.

I am proud to report that we have been successful in establishing the

Advance Australia Council (AAC) under the chairmanship of John Hancock OA. Independent member organisations such as the Australian Alumni, ANZGW, Hands Across the Water, Thailand Tigers, the Australian International School, and TATSC are committed to meeting regularly to discuss how collectively we may better support each other and enhance Brand Australia.



Similarly, I can also confirm that we have been successful in establishing the Foreign Chambers Alliance (FCA). This alliance between the Australian, American, British and German Chambers, seeks to coordinate efforts where we have interests in common. This has already proving successful and I must thank the respective Presidents, as well as their Executive Directors, for their vision and support of this important initiative. We are confident that by combining our efforts we will have greater impact in bringing about positive change that will impact all our members.

I thank the staff of AustCham and particularly the efforts of Brendan Cunningham, our Executive Director, who has done an amazing job since joining us. The team continues to deliver exceptional services to our members while ensuring that our limited resources are put to best use. As you will learn from the Treasurer's report, those resources continue to grow with funds secured ahead of budget. The Board has resolved to allocate those funds to increasing services in CSR, Alumni and developing our communication tools.

Our sound financial footing is also due to the magnificent support we have from our sponsors, to whom we extend our thanks. Our platinum sponsor, Blackmores; our gold sponsors, Minor, BlueScope and Rugby School; as well as all our silver and bronze sponsors provide the financial security which allows our Chamber to deliver quality services to our members. As members, I ask you to support those businesses that support AustCham in any way you can!

Also, a thank you to the Directors of the Board. They give their time freely for the betterment of the entire Australian-Thai business community; no small ask from time-poor business leaders. Special thanks go to Angus Kent and Charles Wrightman who will be stepping down as they have served the chamber for six consecutive years. As President, I assure you that all Directors are engaged and contribute fully to the Chamber, and their support and commitment has been a source of strength in 2018/9.

Finally, while standing for re-election to the Board, I shall not be seeking the position of President for the coming year. I believe it appropriate that the Board benefits from new leadership and ideas. Naturally I offer my continued support and in my role as President of AustCham ASEAN I can assure members your interests will be at the forefront of my efforts.

I trust that my tenure as President has had a positive impact on the Chamber. I am pleased that our Chamber has grown from 330 to 400 members, that we have led the establishment of the FCA, the Advance Australia Council and that our Chamber has secured great leadership with Brendan.

As one of the oldest and now, I believe, the largest Australian Chambers in ASEAN it has been my privilege to have worked with such a dedicated Board of Directors, AustCham office team and of course you, our members. I wish you all the success you deserve, and I hope that your businesses grow and prosper.

March 2019



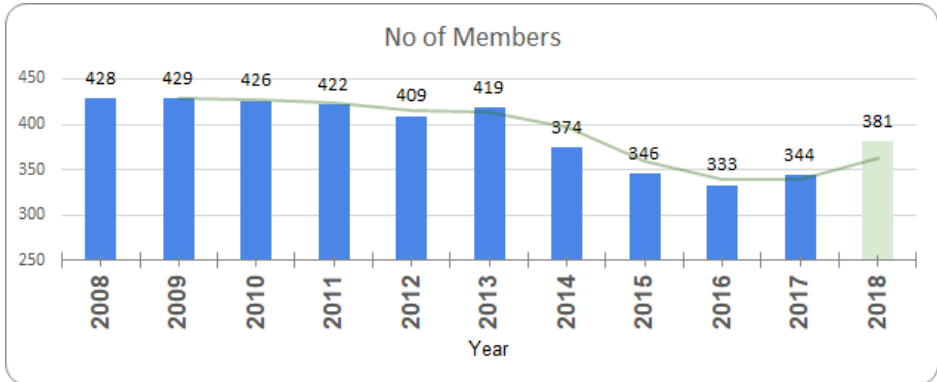
Treasurer's Report

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Peter Emblin - Treasurer

It is my honour to present to AustCham members their Chamber's financial report for the year 2018.

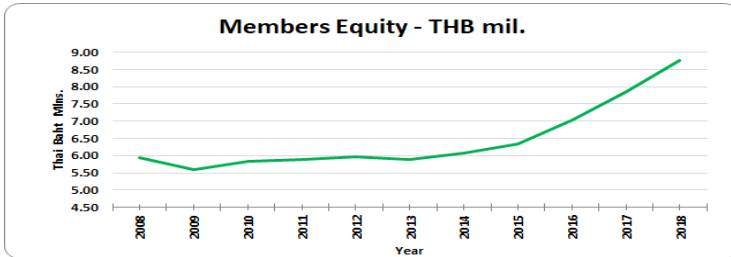
The key to the Chamber is membership and we saw member numbers rise to 381 from 344, an 11% increase which contributed to an increase of 8% in membership income. The reason for this difference in growth between member numbers and membership revenue was the push to capture more members from Growth Areas, Multi Business discounts, Young Alumni, individuals, a referral plan and an early renewal programme. This result put us 3.7% above budget and was done without raising the price of membership fees, which have remained the same since 2013.



Your Chamber is a Not-for-Profit entity and the Board and staff have worked over the years to put the Chamber on a solid financial footing. We have been working to a soft target of having sufficient cash reserves to provide funding to keep the Chamber running for six months without any revenue from events or sponsors. We met this target in 2018 and, as such, the Board has discussed a number of ways that it can now look to utilize the 2018 surplus for members' benefit, rather than just adding to cash reserves.

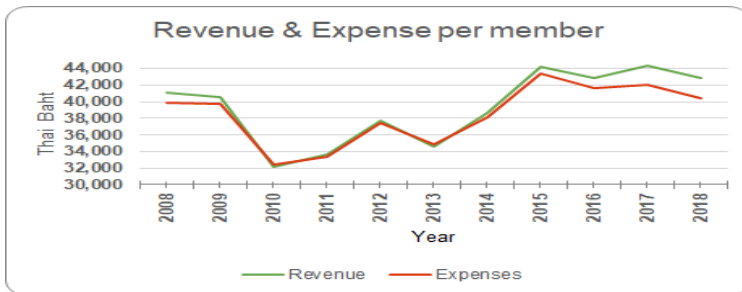
Our forecast surplus for the year was 22,000 THB but the audited Financial Statements for the 2018 year show an operating surplus of 914,262 THB significantly above our forecast and 2017's 810,581 THB surplus. The largest contributions to the surplus being above budget were the outperformance of the AFL Grand Final, Sundowners (even though we did not change entry prices for members) and joint networking functions with other Chambers.

This resulted in Members' Equity growing to 8.78M THB in 2018, compared to 7.85M THB in 2017. Members' equity is held as fixed deposits of approx. 3.5M THB to fund the Chamber's day-to-day operations and 5.25M THB is held in deposits with financial institutions as working capital.



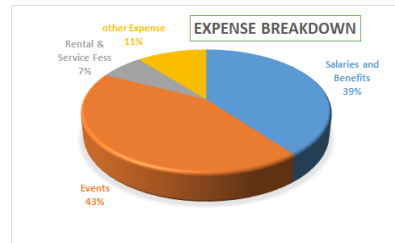
The cash position in the accounts of 10.17M THB reflects 1.19M THB the Chamber is holding in trust for fellow Australian Institutions such as Hellfire Pass, Convoy for Kids and the Australian-New Zealand Women's Group (ANZWG).

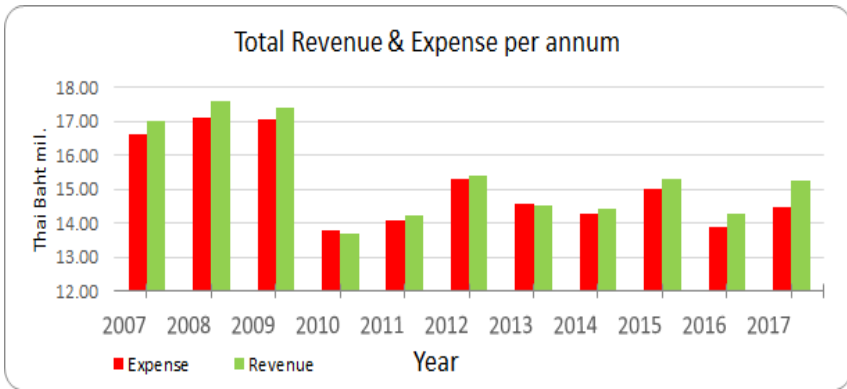
2018 Revenue was split 39% from Membership and registration fees, 43% from Events and 17% Sponsorship. Expenditure was split 47% for the cost of



supporting members via staff costs, rental etc and 42% for the cost of hosting events. Revenue Growth exceeded the rise in costs at 6.8% versus 6.5%.

The Chamber's biggest cost is salaries, and these rose by 9.6% as we added more staff to assist members.





Total Assets grew from 10.2M THB to 10.6M THB, slightly lower than the surplus due to the decreased value of leasehold improvements.

Sponsors are pivotal to the Chamber and I ask you to continue to support them.

In concluding my report as Treasurer, I would like to thank the Chamber's staff for their support, and their diligence in protecting members' interests and delivering financial stability. Also, I would like to thank all members for their faith in me as their Treasurer.

On behalf of the Board I would like to thank all the Chamber members for their support and engagement whether as an ordinary member, a sponsor or as a participant in an event. I believe that the Chamber's financial condition remains strong, its governance process is strong, members' interest are well managed, and that this Treasurer's Report and associated Financial statements truly reflect the financial position of the Australian-Thai Chamber of Commerce.

Audited Financials

Australian-Thai Chamber of Commerce

Statement of Financial Position as at December 31, 2018 (all figures in Thai Baht)

ASSETS

CURRENT ASSETS	2018	2017
Cash and cash equivalents	6,107,026	5,640,121
Short-term investments at Financial Institutions	3,500,000	3,500,000
Accounts receivable	87,500	42,000
Other current assets	480,091	186,002
Total Current Assets	10,174,617	9,368,123
NON-CURRENT ASSETS	2018	2017
Leasehold improvements and equipment-net	419,277	620,207
Intangible assets –net	30	623
Other deposits	273,745	252,446
Total Non-Current Assets	693,052	873,276
TOTAL ASSETS	<u>10,867,669</u>	<u>10,241,399</u>

LIABILITIES AND MEMBER EQUITY

CURRENT LIABILITIES	2018	2019
Deferred membership fees and other income	337,040	372,016
Accrued expenses	330,706	357,777
Hellfire Pass Fund	76,121	142,869
Community Project Fund	309,587	312,261
Convoy Project fund	129,880	973,050
The Australian-New Zealand Woman's Group Fund	675,735	0.00

Total Current Liabilities	1,859,069	2,157,973
NON-CURRENT LIABILITY	2018	2017
Provision for employee retirement benefit	240,558	229,646
TOTAL LIABILITIES	2,099,627	2,387,619
MEMBER EQUITY	2018	2017
Balance at beginning of year	7,853,780	7,043,199
Operating surplus	914,262	810,581
Balance at end of year	8,768,042	7,853,780
TOTAL LIABILITIES AND MEMBER EQUITY	<u>10,867,669</u>	<u>10,241,399</u>

Statement of Revenue and Expenses for the year ended December 31, 2018

REVENUES	2018	2017
Membership and registration fees	6,321,114	5,870,495
Event income	7,053,069	6,456,547
Sponsorship income	2,820,000	2,875,000
Interest income	59,254	66,599
Other income	73,984	4,579
Total Revenues	16,327,421	15,273,220
EXPENSES	2018	2017
Cost of events	6,478,793	6,285,791
Staff salaries and benefits	6,003,147	5,479,958
Rental and service fees	1,028,278	986,995
Depreciation and amortization	241,822	244,688
Other expenses	1,661,119	1,465,227
Total Expenses	15,413,159	14,462,639
OPERATING SURPLUS	<u>914,262</u>	<u>810,581</u>

2018-2019 Board of Directors



Brenton Mauriello
President



Wayne Williams
Vice President



M.L. Laksasubha Kridakon
Vice President



Charles Wrightman
Vice President



Peter Emblin
Treasurer



Stuart Kelly
Director



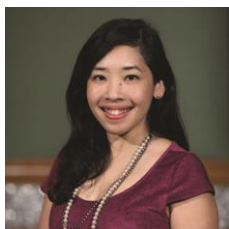
Angus Kent
Director



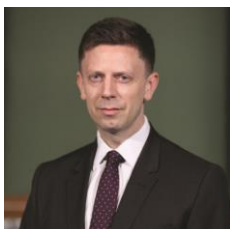
Chris Larkin
Director



Benjamin Krieg
Director



Apiradee Bunyalekha
Director



James Evans
Director



Frank Holzer
Director



Susan Kahwati
Ex-Officio Director

AustCham Committees 2018

Communications	Stuart Kelly, David Norcross, Rob Hall, James Iles
Australian Alumni	Brenton Mauriello, M.L. Laksasubha Kridakon, Apiradee Bunyalekha
CSR	Stuart Kelly, James Evans, James Andrews
Chamber Governance / Legal	James Evans
Advocacy	Chris Larkin, James Evans, Peter Emblin, Angus Kent
Customs	Chris Larkin, Jock Tulloch, Hendrik Van Asselt, Sirapop Kitcharoen, Mike Griffis, Tanva Mahitivanichcha, Suthad Setboonsarng,
Hospitality and Tourism	Wayne Williams, M.L. Laksasubha Kridakon, Benjamin Krieg, Alan Polivnick, Peter Lucas
Digital, IT & Innovation	Stuart Kelly, Dwight Willis, Rapee Rojvirasingh
Education	Apiradee Bunyalekha, Varaporn Sumala, Rob Kawada
Manufacturing	Frank Holzer, Trevor Dick, Mike Griffis, Simon Shale, Ken Brookes, Nicholas Duke
Major Events	
i. AustCham Ball	Wayne Williams, Benjamin Krieg
ii. AFL Grand Final	Wayne Williams, Benjamin Krieg, David Shields
iii. AustCham Golf	Charles Wrightman, Wayne Williams

2018 Corporate Sponsors

AustCham thanks the 2018 Corporate Sponsors whose support was fundamental to the numerous events and activities conducted by the Chamber.



AustCham Business

In 2018, the following business briefings & luncheons were held by AustCham.

Keynote speakers for AustCham luncheons:



Khun Duangjai
Asawachintachit,
Secretary General - BOI
"BOI Policies and Plans
for attracting
Investment in 2018"



Dr Luxmon Attapich –
Deputy Secretary General, -
International Cooperation
Management, from the
Eastern Economic Corridor
Office (EECO)



H.E. Dr. Pichet
Durongkaveroj, Minister of
Digital Economy and
Society

Australian Government connections



Queensland University of
Technology Creative
Enterprise Australia
networking with AustCham
members



Austrade, Australian
Institute of Company
Directors, and AustCham
hosted a breakfast briefing
on Global Trends that
Disrupt Boards



Federal Budget update
2018: insights into the
budget and its implications
for Australian businesses
and Australian expats

Launch of Digital Workshop series

On Thursday 22 November 2018, AustCham Thailand organized the first episode of our Digital Workshop Series on “B2B Storytelling on Social Media” at Glowfish Sathorn.



Eastern Seaboard Factory Tours & Business Briefings

AustCham held Factory tours with Senior Aerospace (August) and ARB (November). Presentations at Hemeraj Industrial Estate were conducted by Visy Packaging (June) and Linfox International Group (September), and a Member briefing was held prior to July ESB Sundowners on Issues Faced by Manufacturing Entities in Thailand.



Phuket Business Briefings

Phuket hosted Business Briefings featuring Central Retail’s Expansion Developments and Opportunities on the Island (August) and Phuket’s Hotel & Tourism Industry Expectations from the Marine Industry (September).



AustCham Connections

Bangkok Sundowners & Member Briefings

Date	Venue Sponsor	Corporate Sponsor	Member Briefing
7 February	Mode Sathorn	RSM Thailand	Investments issues in Australia
7 March	Grand Hyatt Erawan	Meinhardt Thailand	AGM
4 April	Pullman Bangkok Hotel G	South Australian Government	ASEAN-Australia update
2 May	SO Sofitel Bangkok	Rugby School Thailand	New Members Orientation
6 June	Hilton Hotel Sukhumvit Bangkok	Linfox International Group	Shifting Safety Culture in the Workplace
4 July	AVANI Riverside Bangkok Hotel	Minor International	Tourism Development in Thailand
1 August	Novotel Bangkok Sukhumvit 20	Bluescope Thailand	Developing the Thai Workforce
5 September	Sofitel Bangkok Sukhumvit	Bumrungrad International Hospital	Dealing with Stress in the Workplace
3 October	Park Hyatt Bangkok	Dot360, Lexicon, Mad Appe, Move Ahead Media, Primal, Weber Shandwick	Launch of the Digital Workshop Series
7 November	Banyan Tree Bangkok	Asiania International Consulting, Skoolzine	Australian Universities Connect
28 November	Australian Ambassador's Residence	dwp	Ambassador's Farewell



ESB Sundowners

AustCham, in collaboration with partner chambers, held its joint chambers ESB Sundowners at the Ocean Marina Yacht Club, Pattaya, sponsored by Rugby School (March), and Hotel Baraquda Pattaya, sponsored by AFG (July).



Phuket Sundowners

AustCham, in collaboration with partner chambers, held joint chambers Phuket Sundowners at Squires Loft Patong (March), the Novotel Phuket Phokeethra, sponsored by The Coffee Club (May and August), and Phuket Boat Lagoon, sponsored by Wine Pro (September). All events were supported by Lady Pie Phuket and media partner The Phuket News.



Chiang Mai Sundowners

Chiang Mai Sundowners was held in June at the Chiang Mai Exhibition & Convention centre with special thanks to major sponsors Blackmores Thailand and AirAsia.



AustCham Community

Corporate Social Responsibility (CSR)

AustCham is proud to have provided assistance to charitable projects again in 2018. At the AustCham Ball, we raised 109,782 THB, and a further 128,430 THB at the AFL Grand Final, also 143,000 THB from Bangkok Sundowners for the causes selected by our members.

In total, AustCham members helped the Chamber CSR program to raise 381,000 THB.

The following six causes were supported from the monies raised:

❖ Sister Joan Foundation	70,000 THB
❖ Operation Smile	70,000 THB
❖ The Mechai Pattana School	70,000 THB
❖ Mercy Centre	70,000 THB
❖ Born to Live	70,000 THB
❖ Chom Foundation	30,000 THB

Community Events



ANZAC Day 2018

On Wednesday 25 April 2018, AustCham Thailand together with the Australian community and those on tour, took our annual trip to Kanchanaburi for ANZAC Day, a truly special day. All gathered to pay their respects to men and women in our Armed Forces by attending the Dawn Service at Hellfire

Pass, followed by the Memorial Wreath Laying Service at Kanchanaburi War Cemetery.

AFL GRAND FINAL FAMILY DAY 2018

The Coffee Club Thailand AFL Grand Final had an immense turnout with family and friends gathered together to enjoy each other's company while watching this great Australian sport. This would not have been possible without the sponsorship of The Coffee Club as well as Linfox, Malaysia Airlines and COVA; event supporters: Allied Pickfords Thailand, Beston Global Foods, Heineken, Lady Pie Phuket and Raja's Fashions. We would also like to thank all the raffle donors for the wonderful prizes and finally to Amari Watergate Bangkok for again putting on a great event.



THE GREAT AUSTRALIAN BASH 2018

We outdid ourselves with another night of festivities celebrating all things Australian at The Great Australian Bash! Held at the Sofitel Bangkok Sukhumvit, it started with a bang with Australia's Deni Hines singing the Australian national anthem. While the band and the DJ highlighted Australian music, guest enjoyed a delicious buffet of Australian food prepared by the Sofitel's Aussie Executive Chef accompanied by Australian wine. Thank you for our sponsor MQDC (Magnolia Quality Development Corporation) and event partners Qantas and The Coffee Club Thailand as well as event supporters The Barbecue Store Thailand, Beston Global Foods, Food Glorious Food, Wolf Blass Wines and Sofitel Bangkok Sukhumvit for making the night possible.



AUSTCHAM GOLF TOURNAMENT 2018

We would like to thank all the golfers who joined us at the beautiful Thana City Golf Course for The Duchess 2018 AustCham Golf Tournament. Despite the weather, everyone enjoyed networking followed by a delightful dinner and awards presentation.

Congratulations to all winners! Thank you to all the Hole Sponsors for your support too: Allied

Pickfords Thailand, ANZ Bank Thailand, Blackmores Thailand, The Duchess Hotel and Residences, GAC Thoresen Logistics Ltd., Linfox Thailand, Rose Marie Academy, Smart Digital Group, and Vinarco International and Manarco.



AUSTRALIAN ALUMNI AWARDS 2018



Held annually in June, the Awards continue to provide an opportunity to recognise and celebrate the significant achievements of alumni whose endeavours reflect the best of Australian education and Australian Alumni.

H.E. Mr Paul Robilliard, Australian Ambassador to Thailand, addressed guests, highlighting the Australian Government's commitment to fostering strong educational connections between Australia and Thailand through both the Global Alumni program and the New Colombo Plan.

Keynote speaker, Mr Peetachai 'Neil' Dejkrasak, CEO at Siam Organic Co., Ltd. and Jasberry Co., Ltd., a graduate from the University of Melbourne, providing an interesting and entertaining account of his Australian education experience and how it helped him grow his business to the success it is today.

The 2018 Alumni Awards recognised the achievements of four Alumni across five award categories.

The Award Recipients for 2018 were:

1. Australian Embassy Bangkok - Alumni of the Year

Professor Emeritus Dr. Mingsarn Santikarn Kaosa-ard; The Chair and Director of Public Policy Studies Institute Foundation, and the Chair of the Advisory Committee on Social and Economic Research of National Research Council of Thailand (NRCT); Alumnus from the Australian National University.

Dr. Bandid Nijathaworn; President and CEO of the Thai Institute of Directors; Alumni from La Trobe University;



2. Blackmores Thailand - Alumni Leadership Award

Associate Professor Dr. Bundit Fungtammasan; Senior Vice President for Research and Innovation at King Mongkut's University of Technology Thonburi (KMUTT); Alumnus from the University of New South Wales;



3. dwp - Alumni Entrepreneurial Award

Mr. Rutchasit Hiranyaphinant; Chief Executive Officer at Growlab Agritech Co., Ltd.; Alumnus from the Australian National University;



4. The Coffee Club Thailand – Alumni Community Engagement Award

Dr. Thira Woratanarat; Faculty of Medicine, Chulalongkorn University; Alumnus from the University of Newcastle



5. AustCham Thailand – Young Alumni Award

Ms. Purnima Ghogar Ruanglertrbutr; Bangkok Patana School, Secondary English Teacher; Alumnus from the University of New South Wales and the University of Melbourne.





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