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Adjustment of Compliance Rules in Response to COVID-19 Measures

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Measures of the Department of Business Development of Thailand

The Ministry of Public Health classified COVID-19 as a dangerous communicable disease that falls within the purview of the 2015 Communicable Disease Act. Accordingly, the Thai Government has requested cooperation from all Departments to refrain from organizing or requiring activities that create a high risk for the spread of disease, such as the holding of meetings.

As this directive affects the ability of persons to comply with legislation governing a range of different legal entities, the Department of Business Development has issued information to enable legal entities to meet their compliance obligations.

1. Where a legal entity is unable to arrange a meeting, or the meeting is delayed beyond what is permitted by legislation

Legal entities that are affected by the measures to prevent the spread of COVID-19 are able to delay the time their meeting should be held. After the meeting has been conducted, the legal entity must prepare a clarification letter stating why the meeting could not be held or why it was delayed.

The clarification letter must be addressed to the registrar of the Department of Business Development and signed by the authorized director.

- ✓ Limited and public limited companies should submit the clarification letter along with the book of shareholders.
- ✓ Trade associations and chambers of commerce should submit the clarification letter along with the balance sheet.

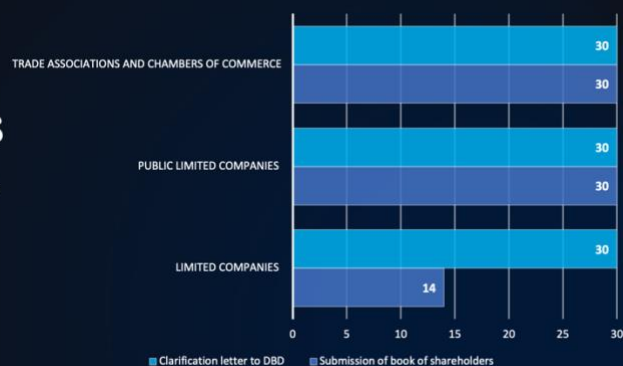
Table 1: Channels for Submitting the Clarification Letter

Channel 1: Website (recommended channel)	Channel 2: Walk-in	Channel 3: Via post office
Access the Department of Business Development website www.dbd.go.th and submit the details under clarification form for those affected by the spread of COVID-19, which is a Google Form and attach the clarification letter (in either a PDF or JPEG format).	Walk-ins should be submitted where the legal person's headquarters is situated. For those in Bangkok, it should be submitted to the Business Information Division of the Department of Business Development at Nonthaburi province or to the Business Development District Office 1-6. For those in other provinces, it should be submitted to the Provincial Commercial Office.	The letter must be sent via registered mail, and addressed to: Department of Business Development 563, Sanambin Nam road, Bang Kraso district, Amphoe Mueang, Nonthaburi province 11000.

Table 2: Adjusted Timelines as a Result of COVID-19-related Measures

Timelines required by law prior to COVID-19-related measures	Adjusted timelines as a result of COVID-19-related measures
Private limited companies must hold a shareholder meeting within four months of the end of the accounting period. A copy of the book of shareholders must be submitted within 14 days of the shareholder meeting and the financial statements must be submitted within one month of the shareholder meeting.	There is no timeframe for the shareholder meeting but the copy of the book of shareholders must be submitted within 14 days of the shareholder meeting and the financial statements must be submitted within one month of the shareholder meeting. A clarification letter must be submitted to the Department of Business Development in either one of the three channels <u>after conducting the meeting</u> .
Public limited companies must hold a shareholder meeting within four months of the end of the accounting period. A copy of the book of shareholders must be submitted within one month of the shareholder meeting and the financial statements must be submitted within one month of the shareholder meeting.	There is no timeframe for the shareholder meeting but the copy of the book of shareholders must be submitted within one month of the shareholder meeting and the financial statements must be submitted within one month of the shareholder meeting. A clarification letter must be submitted to the Department of Business Development in either one of the three channels <u>after conducting the meeting</u> .
For trade associations and chambers of commerce , meetings must be conducted within 120 days counting from the end of the accounting year and the balance sheet must be submitted within 30 days from the date of the meeting.	For trade associations and chambers of commerce, there is no deadline for the meeting, but a clarification letter must be submitted after the meeting is conducted and the balance sheet must be submitted within 30 days from the date of the meeting.

Adjusted Timelines as a Result of COVID-19-related Measures



2. Where the legal entity is a registered partnership, a corporation that is established under foreign laws that is doing business in Thailand, or a joint venture as defined by the Revenue Code, and where such legal entity is not able to conduct and submit financial statements to the Department of Business Development within 5 months from the end of the accounting period.

For legal persons that have an accounting period from 31 October 2019 to 31 March 2020, financial statements must be submitted within 31 August 2020.

Table 3: Extending the Time for Submitting Financial Statements

Type of Legal Entity	Original Timeframe	Extended Timeframe
Registered partnership or a corporation that is established under foreign laws that is doing business in Thailand or a joint venture as defined by the Revenue Code.	Submit financial statements to the department within 5 months from the end of the accounting period.	For legal persons that have an accounting period ending from 31 October 2019 to 31 March 2020, financial statements can be submitted by 31 August 2020 without issuing a clarification letter.

3. Channels for accessing knowledge development in accounting professions (CPD) program for accountants where in-class training is not feasible

There are a total number of 6 courses that can be accessed for free and that count towards the CPD hours. Registrations should be made via www.dbdacademy.dbd.go.th between April – June 2020 and the training courses will be available between April – September 2020.

Table 4: Online Training Courses available under the CPD Program

Course	Accounting Hours	Other Hours
Course 1: Accounting Information 1	3	3
Course 2: Accounting Information 2	9	0
Course 3: Code of Ethics and Financial Reporting Standards for businesses that do not have a public interest	7	0
Course 4: Financial Statement Analysis	7	0
Course 5: Cash Flow Statement	7	0
Course 6: Cost Accounting Theory	6	0

For inquiries on corporate compliance, statutory regulations or financial reporting duties, please address your request to Legal Department or Accounting & Tax Advisory Department info@mahanakornpartners.com

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