

**PERSATUAN KEBAJIKAN KASIH SEMADI (PPM-006-10-10022016)**  
**(Registered under the Societies Act, 1966)**

**FINANCIAL STATEMENTS**  
**31 DECEMBER 2021**

**PERSATUAN KEBAJIKAN KASIH SEMADI**  
**(Registered under the Societies Act, 1966)**  
**(Society No: PPM-006-10-10022016)**

**THE COUNCIL MEMBERS INFORMATION FOR 2021**

<b>President</b>	:	Mr. See Swee Poh
<b>Vice President</b>	:	Mr. Sammie Chan
<b>Secretary</b>	:	Ms. Onn Jia Li
<b>Assistant Secretary</b>	:	Ms. See Sswee Lai
<b>Treasurer</b>	:	Mrs. Chua Chin Ching
<b>Assistant Treasurer</b>	:	Ng Moi Cheng
<b>Committee Members</b>	:	Tan Wei Kiong : See Long Wei : Ong See Siang
<b>Auditors</b>	:	S. F. Lee & Co. (AF: 0670) No.5-3, Udarama Complex, Jalan 1/64A, Off Jalan Ipoh, 50350 Kuala Lumpur. Tel: 03-40410540 Fax: 03-40410586
<b>Principal Banker</b>	:	Maybank Islamic Berhad
<b>Registered Office</b>	:	Block N-7-02, The Gamuda Biz Suites, Persiaran Anggerik Vanilla, 40460 Shah Alam, Selangor Tel: 03-51316107
<b>Principal Place of Operation</b>	:	Block N-7-02, The Gamuda Biz Suites, Persiaran Anggerik Vanilla, 40460 Shah Alam, Selangor Tel: 03-51316107

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**PERSATUAN KEBAJIKAN KASIH SEMADI**  
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**STATEMENT BY THE COUNCIL**

We, See Swee Poh and Chua Chin Ching being two of the Council Members of Persatuan Kebajikan Kasih Semadi do hereby state that, in our opinion, the financial statements set out pages 5 to 14 are drawn up in accordance with Malaysian Financial Reporting Standard, International Financial Reporting Standard and the requirements of the Societies Act, 1966 in Malaysia so as to give a true and fair view of the state of affairs of the Association as at 31 December 2021 and financial performance and cash flows of the Association for the year then ended.

Signed on behalf of the Council with a resolution of Council dated

**See Swee Poh**  
President

**Chua Chin Ching**  
Treasurer

Kuala Lumpur

**STATUTORY DECLARATION BY TREASURER**

I, Chua Chin Ching, being the Treasurer primarily responsible for the financial management of Persatuan Kebajikan Kasih Semadi, do solemnly and sincerely declare that the financial statements set out on pages 5 to 14 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the above-named  
Chua Chin Ching at Kuala Lumpur  
in the Federal Territory on

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**Chua Chin Ching**

Before me:

Kuala Lumpur



## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERSATUAN KEBAJIKAN KASIH SEMADI**

### **Report on the Financial Statements**

#### **Opinion**

We have audited the financial statements of **Persatuan Kebajikan Kasih Semadi**, which comprise the statement of financial position of the Association as at 31 December 2021, the statement of income and expenditure, statement of changes in general fund and statement of cash flows of the Association for the year then ended, and notes to the financial statement, including a summary of significant accounting policies and other explanatory notes, as set out on pages 5 to 14.

In our opinion, the financial statements of the Association give a true and fair view of the financial position of the Association as at 31 December 2021, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Societies Act 1966 in Malaysia.

#### **Basis for opinion**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of the Association in accordance with the By-Laws (*on Professional Ethics, Conduct and Practice*) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

#### **Information Other than the Financial Statements and Auditors' Report Thereon**

The council of the Association are responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements of the Association and our auditors' report thereon.

Our opinion on the financial statements of the Association does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Association, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Association or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Council's Report, we are required to report that fact. We have nothing to report in this regard.



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**Responsibilities of the Council for the Financial Statements**

The council of the Association are responsible for the preparation of financial statements of the Association that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Societies Act 1966 in Malaysia. The council are also responsible for such internal control as council determine is necessary to enable the preparation of financial statements of the Association that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Association, the council are responsible for assessing the Association ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the council either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Association as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International 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 approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Association, 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 our 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council.



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- Conclude on the appropriateness of the council'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 Association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Association or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Association, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Other Matter**

This report is made solely to the members of the Association, as a body, in accordance with Societies Act 1966 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

S.F. LEE & CO.  
AF 0670  
CHARTERED ACCOUNTANTS

LEE SIEW FATT  
01179/09/2022 (J)  
CHARTERED ACCOUNTANT

Kuala Lumpur  
Dated:



**PERSATUAN KEBAJIKAN KASIH SEMADI**

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**STATEMENT OF FINANCIAL POSITION**

**As at 31 December 2021**

	<b>Note</b>	<b><u>2021</u></b> <b>RM</b>	<b><u>2020</u></b> <b>RM</b>
<b>GENERAL FUND</b>	4	<u>344,514</u>	<u>292,082</u>
Represented by:			
<b>CURRENT ASSETS</b>			
Cash at bank		359,487	293,582
		<u>359,487</u>	<u>293,582</u>
<b>LESS: CURRENT LIABILITIES</b>			
Accruals		5,573	1,500
Other payables		9,400	-
		<u>14,973</u>	<u>1,500</u>
<b>NET CURRENT ASSETS</b>		<u><u>344,514</u></u>	<u><u>292,082</u></u>

The annexed notes form an integral part of the financial statements.



**PERSATUAN KEBAJIKAN KASIH SEMADI**  
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**STATEMENT OF INCOME AND EXPENDITURE**  
**For the financial year ended 31 December 2021**

<b>INCOME</b>	<b><u>2021</u></b> <b>RM</b>	<b><u>2020</u></b> <b>RM</b>
Donation for purchase of coffins	403,979	189,377
Other income	1,200	5,400
	<u>405,179</u>	<u>194,777</u>
 <b>LESS: EXPENDITURE</b>		
Attestation fee	50	50
Accounting fee	3,600	3,600
Auditors' remuneration	1,500	1,500
Advertisement fee	1,500	-
Bank charges	45	55
Condolence	8,000	-
Donation for coffins	285,710	147,100
EPF	5,339	5,522
Medical expenses	200	-
Printing and stationery	200	150
Professional fee	1,050	1,050
Service tax	106	103
Salaries, allowances and bonuses	44,511	45,831
Socso and EIS	866	827
Telephone and postages	30	36
Travelling	40	40
	<u>352,747</u>	<u>205,864</u>
 SURPLUS / (DEFICIT) OF INCOME OVER EXPENDITURE BEFORE TAXATION	 52,432	 (11,087)
TAXATION	-	-
SURPLUS / (DEFICIT) OF INCOME OVER EXPENDITURE	<u>52,432</u>	<u>(11,087)</u>

The accompanying notes are an integral part of the financial statements

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**STATEMENT OF CHANGES IN GENERAL FUND**  
Financial for the year ended 31 December 2021

	RM
At 1 January 2020	303169
Surplus of income and expenditure for the year	(11,087)
At 31 December 2020	<u>292,082</u>
Surplus of income and expenditure for the year	52,432
At 31 December 2021	<u><u>344,514</u></u>

The accompanying notes are an integral part of the financial statements

**PERSATUAN KEBAJIKAN KASIH SEMADI**  
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**STATEMENT OF CASH FLOWS**  
**For the financial year ended 31 December 2021**

	<u><b>2021</b></u> <b>RM</b>	<u><b>2020</b></u> <b>RM</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Surplus / (deficit) of income over expenditure for the year	52,432	(11,087)
Adjustment	<u>-</u>	<u>-</u>
Operating profit / (loss) before working capital changes	52,432	(11,087)
Changes in working capital:		
Increase / (decrease) in payables	13,473	(92)
Net cash generated from / (used in) operating activities	<u>65,905</u>	<u>(11,179)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<u>-</u>	<u>-</u>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	65,905	(11,179)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE FINANCIAL YEAR</b>	293,582	304,761
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE FINANCIAL YEAR</b>	<u><u>359,487</u></u>	<u><u>293,582</u></u>

Cash and cash equivalents consists of cash at bank.

The accompanying notes are an integral part of the financial statements

**NOTES TO THE FINANCIAL STATEMENTS –31 DECEMBER 2021**

**1. CORPORATE INFORMATION**

The principal activity of the Association is to assist and provide support for the less fortunate communities in Malaysia. There has been no significant changes in the nature of this activity during the year.

The Association is registered under the Societies Act 1966 in Malaysia. The registered office of the Association is located at Blok N-7-02, the Gamuda Biz Suites, Persiaran Anggerik Vanilla, Kota Kemuning, 40460 Shah Alam, Selangor.

The financial statements were authorised for issue in accordance with a resolution by the Council on

**2. SIGNIFICANT ACCOUNTING POLICIES**

**(a) Statement of compliance**

The financial statements of the Association have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS") and the requirements of Societies Act 1966 in Malaysia.

**(b) Basis of measurement**

The financial statements have been prepared on the historical cost basis except as otherwise stated in the financial statements.

**(c) Functional and presentation currency**

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Association's functional currency.

**(d) Significant accounting estimates and judgements**

The preparation of the financial statements in conformity with MFRS requires the use of certain accounting estimates and exercise of judgements. Estimates and judgements are continuously evaluated and are based on past experience, reasonable expectations of future events and other factors.

The council members are the opinion that there are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within next financial year.

### **3. SUMMARY OF PRINCIPAL ACCOUNTING POLICIES**

These principal accounting policies have been applied consistently in dealing with items that are considered material in relation to the financial statements, and to all the financial years presented, unless otherwise stated.

#### **(a) Financial instruments**

##### **(i) Initial recognition and measurement**

A financial asset or financial liability is recognised in the statement of financial position when, and only when, the Association becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially at the transaction price (including transaction costs except in the initial measurement of a financial asset or financial liability that is measured at fair value through statement of income and expenditure) unless the arrangement constitutes, in effect, a financing transaction. If the arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

##### **(ii) Subsequent measurement**

Debt instruments that meet the following conditions are measured at amortised cost using the effective interest method:

- (a) returns to the holder are determinable, e.g. a fixed amount and/or variable rate of return benchmark against a quoted or observable interest rate;
- (b) there is no contractual provision that could result in the holder losing the principal amount or any interest attributable to the current or prior periods;
- (c) prepayment option, if any, is not contingent on future events.

Debt instruments that are classified as current assets or current liabilities are measured at the undiscounted amount of the cash or other consideration expected to be paid or received unless the arrangement constitutes, in effect, a financing transaction.

Financial assets or financial liabilities not measured at amortised at cost or cost less impairment are measured at fair value changes recognised in statement of income and expenditure.

All financial assets (except for financial assets measured at fair value through statement of income and expenditure) are assessed at each reporting date whether there is any objective evidence of impairment. An impairment loss is measured as follows:

- (i) For an instrument measured, at amortised cost, the impairment loss is the difference between the asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate.
- (ii) For an instrument measured at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

**(iii) Derecognition**

A financial asset or part of it is derecognised when, and only when, the contractual rights to the cash flows from the financial asset expired or are settled, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset derecognised and the consideration received, including any newly created rights and obligations, is recognised in income statement.

A financial liability or part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. On derecognition of a financial liability, the difference between carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in statement of income and expenditure.

**(b) Employees benefit expenses**

**(i) Short-term employee benefits**

Wages, salaries, paid annual leave and sick leave, bonuses and non-monetary benefits are accrued in the period in which the services are rendered by employees.

**(ii) Defined contribution pension plans**

A defined contribution plan is a pension plan under which the Yayasan pays fixed contributions into a separate entity. The Association has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The Association's contributions to defined contribution plans are charged to income statement and expenditure in the financial year in which they relate.

**(c) Revenue recognition**

Donations from members and non-members are recognised in the income statement when the Association is entitled to the donations.



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**4. GENERAL FUND**

	<u><b>2021</b></u> <b>RM</b>	<u><b>2020</b></u> <b>RM</b>
At 1 January	292,082	303,169
Surplus / (deficit) of income over expenditure	52,432	(11,087)
At 31 December	<u><u>344,514</u></u>	<u><u>292,082</u></u>

**5. FINANCIAL INSTRUMENTS**

The financial instruments of the Association are categorised into the following classes:

	<u><b>2021</b></u> <b>RM</b>	<u><b>2020</b></u> <b>RM</b>
<b>Financial assets measured at amortised cost less impairment</b>		
Cash at bank	<u><u>359,487</u></u>	<u><u>293,582</u></u>
<b>Financial liabilities carried at amortised cost</b>		
Accruals and other payables	<u><u>14,973</u></u>	<u><u>1,500</u></u>

**6. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT**

**(a) Financial risk management**

The financial risk management of the Association is carried out under policies approved by the Council. Financial risk management is carried out through risk reviews, internal control system and adherence to Association's Policies. The Council regularly reviews the risks and approves the policies covering the management of these risks.

Interest rate risk

Interest rate risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Association's income and operating cash flows are substantially independent of changes in market interest rates.

Fair value of the financial instruments

The carrying amounts of the financial assets and liabilities as at end of reporting period approximated their fair values.

**(b) Capital risk management**

The Association considers its general funds as its capital. The Association manages its capital by following the Association policies and guidelines. Presently, the Association's activities are funded by donations. As at 31 December 2021, the Association is not exposed to any capital risk as there are no outstanding borrowings made with financial institutions.

**7. SIGNIFICANT EVENT**

The emergence of novel Coronavirus ("Covid-19") since early 2020 that caused travel restrictions and lockdown effectuated in Malaysia and other precautionary measures being imposed by the Government have brought disruption in the Company's business operations. The Company is cognizant of the challenges posed by these developing events and is actively monitoring and managing its operations to respond to these changes and minimise any impact that may arise.

**8. CAPITAL MANAGEMENT**

The Association regularly review and manages its capital to ensure adequacy for both operational and capital needs. All surpluses are transferred to the accumulated fund for future operational needs.

For the purpose of capital disclosure, the Council Members regard the accumulated fund as capital of the Association.

**9. STANDARDS, AMENDMENTS TO MFRS AND IC INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE**

At the date of authorisation of these financial statements, the Association has not adopted the MFRS, Amendments to MFRS and IC Interpretations that are effective for financial year beginning 1 January 2022.

The adoption of these MFRS, Amendments to MFRS and IC Interpretations are expected to have no significant impact to the financial statement of the Association upon their initial application.

**10. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS**

These financial statements were authorised for issue by the persident and Treasurer