

**MAKE-A-WISH MALAYSIA WELFARE  
ASSOCIATION  
(2228-10-WKL)  
(Registered in Malaysia)**

**Statement by Committee and Audited Financial  
Statements 31 December 2017**

**Make-A-Wish Malaysia Welfare Association  
(Registered in Malaysia)**

<b>Contents</b>	<b>Page</b>
Statement by committee	1
Independent auditors' report	2 - 4
Statement of financial position	5
Income statement	6
Cash flows statement	7
Notes to the financial statements	8 - 12
Supplementary information - Statement of income and expenditures	13 - 16

**Make-A-Wish Malaysia Welfare Association  
(Registered in Malaysia)**

**Statement by Committee**

We, the undersigned, hereby certify to the best of our knowledge and belief that the financial statements set out on pages 5 to 16, are drawn up in accordance with Malaysian Private Entities Reporting Standard so as to give a true and fair view of the financial position of the Association as at 31 December 2017 and of its financial performance and cash flows for the year then ended.

Signed on behalf of the Committee in accordance with a resolution of the Committee members dated 9 April 2018.

  
\_\_\_\_\_  
CHAIRPERSON  
DR. TANG SWEE FONG

  
\_\_\_\_\_  
BOARD SECRETARY  
RICHARD LEETHAM

  
\_\_\_\_\_  
BOARD TREASURER  
CHOW MEI MEI

2228-10-WKL

**Independent auditors' report to the members of  
Make-A-Wish Malaysia Welfare Association**

**Report on the audit of the financial statements**

*Opinion*

We have audited the financial statements of Make-A-Wish Welfare Association, which comprise the statement of financial position as at 31 December 2017, income statement and cash flows statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 5 to 12.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Association as at 31 December 2017, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Private Entities Reporting Standard.

*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 *Auditors' 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' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

*Responsibilities of the Committee for the financial statements*

The Committee 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 Private Entities Reporting Standard. The Committee are also responsible for such internal control as the Committee 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 Committee are responsible for assessing the Association'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 the Committee either intend to liquidate the Association or to cease operations, or have no realistic alternative but to do so.

2228-10-WKL

**Independent auditors' report to the members of  
Make-A-Wish Malaysia Welfare Association (cont'd.)**

*Auditors' 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 concluded 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 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 judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, 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 Committee.
- Conclude on the appropriateness of the Committee'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.

2228-10-WKL

**Independent auditors' report to the members of  
Make-A-Wish Malaysia Welfare Association (cont'd.)**

*Auditors' Responsibilities for the Audit of the financial statements (Cont'd.)*

We communicate with the Committee 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 matters**

This report is made solely to the members of the Association, as a body in accordance with Para 26 of Societies Act 1966 and for no other purpose. We do not assume responsibility to any other person for the content of this report.



Ernst & Young  
AF: 0039  
Chartered Accountants

Kuala Lumpur, Malaysia  
9 April 2018

**Make-A-Wish Malaysia Welfare Association**  
(Registered in Malaysia)

**Statement of financial position**  
**As at 31 December 2017**

	Note	2017 RM	2016 RM
<b>Non-current asset</b>			
Plant and equipment	3	67,710	84,749
<b>Current assets</b>			
Donation receivables		19,090	121,996
Other receivables, deposits and prepayments	4	108,664	38,446
Deposits with licensed bank	5	1,255,085	1,314,104
Cash and bank balances		499,027	359,990
		<u>1,881,866</u>	<u>1,834,536</u>
<b>Current liabilities</b>			
Fund raising expenses payables		6,648	49,016
Other payables and accruals	6	12,051	8,575
Provision for taxation		9,352	637
		<u>28,051</u>	<u>58,228</u>
<b>Net current assets</b>		<u>1,853,815</u>	<u>1,776,308</u>
		<u>1,921,525</u>	<u>1,861,057</u>
<b>Accumulated fund</b>			
Balance at beginning of the year		1,861,057	1,601,569
Surplus for the year		60,468	259,488
		<u>1,921,525</u>	<u>1,861,057</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**Make-A-Wish Malaysia Welfare Association  
(Registered in Malaysia)**

**Income statement  
For the year ended 31 December 2017**

		<b>2017</b>	<b>2016</b>
		<b>RM</b>	<b>RM</b>
Donations received/receivable		1,141,601	1,136,694
Interest income		44,416	29,734
Operating expenses		(888,964)	(729,305)
Administrative expenses		(227,183)	(176,942)
Surplus before taxation	7	<u>69,870</u>	<u>260,181</u>
Taxation	8	(9,402)	(693)
Surplus after taxation		60,468	259,488
Accumulated fund brought forward		<u>1,861,057</u>	<u>1,601,569</u>
Accumulated fund carried forward		<u>1,921,525</u>	<u>1,861,057</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.



**Make-A-Wish Malaysia Welfare Association**  
**(Registered in Malaysia)**

**Cash flows statement**  
**For the year ended 31 December 2017**

	<b>2017</b>	<b>2016</b>
	<b>RM</b>	<b>RM</b>
<b>Cash flows from operating activities</b>		
Surplus before taxation	69,870	260,181
Adjustment for:		
Depreciation for plant and equipment	21,065	10,131
Interest income	(44,416)	(29,734)
Operating surplus before working capital changes	46,519	240,578
Decrease/(increase) in receivables	32,688	(125,709)
(Decrease)/Increase in payables	(38,892)	9,657
Cash generated from operations	40,315	124,526
Tax paid	(687)	(379)
Interest received	44,416	29,734
Net cash generated from operating activities	<u>84,044</u>	<u>153,881</u>
<b>Cash flows from investing activities</b>		
Purchase of plant and equipment	(4,026)	(91,372)
Deposits maturing after 3 months	-	(300,000)
Net cash used in investing activities	<u>(4,026)</u>	<u>(391,372)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	80,018	(237,491)
<b>Cash and cash equivalents at beginning of year</b>	<u>1,174,094</u>	<u>1,411,585</u>
<b>Cash and cash equivalents at end of year</b>	<u>1,254,112</u>	<u>1,174,094</u>
<b>Cash and cash equivalents comprise:</b>		
Deposits with licensed bank	1,255,085	1,314,104
Cash and bank balances	499,027	359,990
	<u>1,754,112</u>	<u>1,674,094</u>
Deposits maturing after 3 months	(500,000)	(500,000)
	<u>1,254,112</u>	<u>1,174,094</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**Make-A-Wish Malaysia Welfare Association  
(Registered in Malaysia)**

**Notes to the financial statements - 31 December 2017**

**1. Principal activity**

The objective of the Association is to grant magical wishes to children and young people fighting life-threatening illnesses and enrich the human experience with hope, strength and joy and related activities.

The Association's registered place of business is situated at Unit 7-02, Level 7, Menara MBMR, No. 1 Jalan Syed Putra, 58000 Kuala Lumpur.

The Committee comprises of six (6) committee members as at 31 December 2017.

There were no changes in the nature of the principal activities during the financial year.

**2. Significant accounting policies**

**(a) Basis of preparation**

The financial statements of the Association have been prepared under the historical cost convention and in accordance with Malaysian Private Entities Reporting Standard ("MPERS").

**(b) Plant and equipment**

Plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Plant and equipment are depreciated on a straight line basis at rates calculated to write off the cost of the assets over their estimated useful lives. The annual rates are:

Computer and software	50%
Furniture and fittings	15%
Office equipment	20%
Renovation	20%

**(c) Receivables**

Receivables are carried at anticipated realisable value. Bad debts are written off in the period in which they are identified.

**Make-A-Wish Malaysia Welfare Association  
(Registered in Malaysia)**

**2. Significant accounting policies (cont'd.)**

**(d) Cash and cash equivalents**

Cash and cash equivalents consist of cash in bank and deposits with a licensed bank.

**(e) Payables**

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

**(f) Impairment of assets**

The carrying values of assets are reviewed for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount is the higher of an asset's net selling price and its value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash-generating unit.

An impairment loss is charged to the statement of income and expenditure immediately, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognised revaluation surplus for the same asset.

Subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the statement of income and expenditure immediately, unless the asset is carried at revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the statement of income and expenditure, a reversal of that impairment loss is recognised as income in the statement of income and expenditure.

**(g) Donations received/receivable**

Donations received/receivable are recognised based on amount pledged by the donors.

**(i) Interest income**

Interest income is recognised as it accrues, using the effective interest method.



**Make-A-Wish Malaysia Welfare Association  
(Registered in Malaysia)**

**4. Other receivables, deposits and prepayments**

	<b>2017</b>	<b>2016</b>
	<b>RM</b>	<b>RM</b>
Other receivables		
Deposits	94,196	23,506
Prepayments	10,940	10,940
	<u>3,528</u>	<u>4,000</u>
Add: Donation receivables	108,664	38,446
Deposits with licensed bank	19,090	121,996
Cash and bank balances	1,255,085	1,314,104
Less: Prepayments	499,027	359,990
Total financial assets	<u>(3,528)</u>	<u>(4,000)</u>
	<u>1,878,338</u>	<u>1,830,536</u>

**5. Deposits with licensed bank**

The weighted average effective interest rates of deposits at the balance sheet date were as follows:

	<b>2017</b>	<b>2016</b>
	<b>%</b>	<b>%</b>
Deposits with licensed bank	<u>3.35 - 3.50</u>	<u>3.05 - 4.40</u>

The average maturities of deposits as at the end of the financial year were as follows:

	<b>2017</b>	<b>2016</b>
	<b>Days</b>	<b>Days</b>
Deposits with licensed bank	<u>85 - 167</u>	<u>85 - 167</u>

**6. Other payables**

	<b>2017</b>	<b>2016</b>
	<b>RM</b>	<b>RM</b>
Other payables	2,124	700
Staff costs payables	9,927	7,875
Total financial liabilities	<u>12,051</u>	<u>8,575</u>

2228-10-WKL

**Make-A-Wish Malaysia Welfare Association  
(Registered in Malaysia)**

**7. Surplus before taxation**

	2017 RM	2016 RM
This is arrived at after charging:		
Depreciation of plant and equipment	<u>21,065</u>	<u>10,131</u>

**8. Taxation**

	2017 RM	2016 RM
Current year's provision	9,402	637
Underprovision in prior years	<u>-</u>	<u>56</u>
	<u>9,402</u>	<u>693</u>

The tax expense is in relation to tax on chargeable income at scale rates in accordance to Paragraph 1, Part I, Schedule 1 of the Income Tax Act, 1967.

2228-10-WKL

**Make-A-Wish Malaysia Welfare Association  
(Registered in Malaysia)**

**Supplementary information - Statement of income and expenditure  
For the year ended 31 December 2017**

	2017 RM	2016 RM
<b>Income</b>		
Public support		
- Donation - Individual	32,805	69,612
- Donation - Corporate	381,130	439,747
- Donation - Special Events	298,135	221,886
	712,070	731,245
Special events		
- Fund raising	412,400	383,600
	<u>1,124,470</u>	<u>1,114,845</u>
<b>Less: Fund raising expenses</b>		
Decorations	2,750	1,269
Entertainment	4,000	5,300
Food and refreshment	107,130	93,515
Gifts and goodie bag	8,487	18,640
Materials and supplies	18,196	21,350
Services	41,060	27,650
Signage	900	-
Sundry supplies	-	60
Venue rental	42,860	35,000
Video shooting	3,750	5,500
	(229,133)	(208,284)
	<u>895,337</u>	<u>906,561</u>
Donated service and good-in-kind	17,132	21,849
Interest income	44,416	29,734
	<u>956,885</u>	<u>958,144</u>

2228-10-WKL

**Make-A-Wish Malaysia Welfare Association  
(Registered in Malaysia)**

**Supplementary information - Statement of income and expenditure (cont'd.)  
for the year ended 31 December 2017**

	2017 RM	2016 RM
<b>Less: Expenditure</b>		
Wish expenses		
- Air ticket	10,423	12,096
- Accomodation	14,092	17,255
- Allowances	12,639	11,182
- Decorations	5,778	4,144
- Food and refreshment	36,260	26,050
- Gifts and goodie bag	163,485	149,339
- Photography	2,533	1,881
- Transportation charges	60,670	47,009
	(305,880)	(268,956)
Benefit-in-kind		
- Accomodation	5,672	8,661
- Air ticket	3,800	2,140
- Allowances	400	-
- Decorations	136	-
- Food and refreshment	751	85
- Gifts and goodie bag	4,636	10,713
- Entrance fee	1,480	-
- Transportation charges	257	250
	(17,132)	(21,849)
Fund raising		
- E.P.F.	9,578	8,762
- Salary	70,488	56,100
- Travelling and accomodation	10,683	6,055
- Consultancy fee	21,333	5,250
	(112,082)	(76,167)



**Make-A-Wish Malaysia Welfare Association**  
**(Registered in Malaysia)**

**Supplementary information - Statement of income and expenditure (cont'd.)**  
**for the year ended 31 December 2017**

	2017 RM	2016 RM
<b>Less: Expenditure (cont'd.)</b>		
<b>Programme expenses</b>		
- Bonus	14,044	-
- Consultancy fee	-	2,433
- E.P.F.	20,572	14,245
- Medical fee	137	-
- Socso	1,667	1,409
- Staff benefit	2,500	-
- Staff salary	144,310	105,083
- Staff telecommunications	4,061	2,000
- Staff travelling	22,213	23,662
- Volunteer food and refreshment	15,233	3,326
- Volunteer t-shirt	-	1,891
	(224,737)	(154,049)
<b>Management and general</b>		
- Accounting and administrative	13,200	14,400
- Administrative fee	10	70
- Bonus	5,844	-
- Cleaning	1,990	1,580
- Depreciation of property, plant and equipment	21,065	10,131
- Entertainment	-	1,927
- E.P.F.	6,941	8,741
- Electricity	7,055	-
- Gift and donation	2,431	530
- Insurance	3,186	4,051
- License fee	38,717	22,863
- Newspaper	-	22
- Office supplies	698	2,453
- Penalty	-	1,751
- Petrol, parking and tol charges	318	830
- Postage and courier charges	2,055	792
- Printing, stationery and postage	8,538	8,452
Balance carried forward	(112,048)	(78,593)

**Make-A-Wish Malaysia Welfare Association  
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**Supplementary information - Statement of income and expenditure (cont'd.)  
for the year ended 31 December 2017**

	2017 RM	2016 RM
<b>Less: Expenditure (cont'd.)</b>		
Management and general (cont'd.)	(112,048)	(78,593)
- Balance brought forward	42,000	22,837
- Rental of office	-	4,770
- Rental of storage	5,630	2,382
- Repair and maintenance	-	500
- Registration fees	47,645	60,353
- Salary	5	132
- Service tax	522	704
- Socso	-	(1,200)
- Tax fee	3,674	2,618
- Telephone charges	-	424
- Transport charges	3,693	1,913
- Travelling and accomodation	99	29
- Utilities	(215,316)	(174,055)
Finance costs		
- Bank charges	1,962	845
- Credit card commission	8,615	2,042
- Foreign Exchange Difference	1,291	-
	(11,868)	(2,887)
	<u>(887,015)</u>	<u>(697,963)</u>
Surplus before taxation	69,870	260,181
Less: Taxation	(9,402)	(693)
Surplus for the year	60,468	259,488
Accumulated fund brought forward	1,861,057	1,601,569
Accumulated fund carried forward	<u>1,921,525</u>	<u>1,861,057</u>