

MALAYSIAN ASSOCIATION OF
CHARTERED FINANCIAL CONSULTANTS
(Registered under the Societies Act, 1966)

REPORT AND FINANCIAL STATEMENTS

31ST DECEMBER 2008

P. & T. S. C.

POH & TAN

CHARTERED ACCOUNTANTS
(AF 1165)

MALAYSIAN ASSOCIATION OF
CHARTERED FINANCIAL CONSULTANTS
(Registered under the Societies Act, 1966)

GENERAL INFORMATION

Address	29-5, Jalan SP 2/1 Serdang Perdana 43300 Seri Kembangan Selangor
Management Committee	
President	Tan Chee Hui, Vincent
Deputy President	Yap Ming Hui
Vice President	K. R. Raju Tan Boon Ee, Ellan Chong Moi Heong, Sharon
Treasurer	Leong Kit Tong, Allen
Secretary	Lim Lee Boon, Karen
Executive Committee Members	KP Bose Dasan Heng Lee Ming Teh Chet Yeong R. Kesavan Shaharatulnaim Girish Kumar Vora

STATEMENT BY COMMITTEE MEMBERS

We, the undersigned, being two members of the management committee of

MALAYSIAN ASSOCIATION OF
CHARTERED FINANCIAL CONSULTANTS

do hereby state that, in the opinion of the management committee, the accompanying Balance Sheet, Income and Expenditure Account and Receipts and Payment Account are properly drawn up so as to give a true and fair view of the state of affairs of the Association as at 31st December 2008 and of its results and receipts and payments for the year ended on that date.

On behalf of the Committee



Tan Chee Hui, Vincent



Leong Kit Tong, Allen

Date : 10 FEB 2009

MALAYSIAN ASSOCIATION OF
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BALANCE SHEET
AS AT 31ST DECEMBER 2008

	Note	2008 RM	2007 RM
NON CURRENT ASSETS			
Plant and equipment	2	5,359	6,620
CURRENT ASSETS			
Receivables	3	4,730	6,980
Deposit with a licensed bank	4	32,197	21,530
Cash and bank balances		8,407	22,041
		<u>45,334</u>	<u>50,551</u>
CURRENT LIABILITY			
Sundry payables	5	<u>1,462</u>	<u>2,161</u>
NET CURRENT ASSETS			
		43,872	48,390
		<u>49,231</u>	<u>55,010</u>
Financed by :			
ACCUMULATED FUNDS			
		<u>49,231</u>	<u>55,010</u>

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INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2008

	Note	2008 RM	2007 RM
INCOME			
Subscriptions		14,800	20,650
Tea - talk / workshop / seminar fees		1,560	8,740
Interest received		667	1,124
Re-admission fee		200	1,000
Sponsorship fee		-	1,100
		<u>17,227</u>	<u>32,614</u>
 LESS : EXPENDITURE			
Accounting fees		4,200	3,900
Annual dinner		-	1,138
Auditors' remuneration		800	800
Bank charges		30	59
Condolence		600	-
Depreciation		1,261	1,251
Domain registration fee		250	340
Donation		-	150
Membership fee		-	1,000
Postage and courier		150	379
Printing and stationery		952	5,557
Parking, petrol and toll		-	115
Secretarial fee		8,484	7,900
Tax fees		895	720
Tea - talk / workshop / seminar expenses		4,310	14,995
Telephone		984	1,130
Travelling & Accommodation		90	-
		<u>23,006</u>	<u>39,434</u>
 DEFICIT OF INCOME OVER EXPENDITURE		(5,779)	(6,820)
 INCOME TAX EXPENSE	6	-	-
 DEFICIT AFTER TAXATION		<u>(5,779)</u>	<u>(6,820)</u>
 ACCUMULATED FUNDS BROUGHT FORWARD		<u>55,010</u>	<u>61,830</u>
 ACCUMULATED FUNDS CARRIED FORWARD		<u>49,231</u>	<u>55,010</u>

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RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2008

	2008 RM	2007 RM
BALANCE AT BEGINNING OF THE YEAR		
Cash and bank balances	<u>22,041</u>	<u>26,373</u>
RECEIPTS		
Subscriptions	17,050	21,960
Tea - talk / workshop / seminar fees	1,560	8,740
Re-admission fee	200	1,000
Sponsorship fee	-	1,100
	<u>18,810</u>	<u>32,800</u>
PAYMENTS		
Accounting fees	3,850	3,900
Auditors' remuneration	800	500
Bank charges	30	59
Domain register fee	250	340
Condolence and donation	600	300
Meeting expenses	1,138	-
Membership fee	-	1,000
Postage and courier	150	379
Printing and stationery	705	5,557
Parking, petrol and toll	-	115
Placement of fixed deposit	10,000	-
Secretarial fee	8,484	7,900
Tax fees	895	720
Tea - talk / workshop / seminar expenses	4,454	15,247
Telephone	998	1,115
Travelling & Accommodation	90	-
	<u>32,444</u>	<u>37,132</u>
DEFICIT FOR THE YEAR	(13,634)	(4,332)
BALANCE AT END OF THE YEAR		
Cash and bank balances	<u>8,407</u>	<u>22,041</u>

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NOTES TO THE FINANCIAL STATEMENTS - 31ST DECEMBER 2008

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The financial statements of the Association are prepared under the historical cost convention unless otherwise indicated in the significant accounting policies, and comply with the applicable approved accounting standards in Malaysia.

(b) Income Recognition

Income from subscription is accounted for on an accrual basis.

Interest on fixed deposits is recognised on accrual basis.

(c) Plant and Equipment and Depreciation

Plant and equipment are stated at cost or at valuation less accumulated depreciation and impairment losses, if any. The policy for the recognition and measurement of impairment loss is in accordance with Note 1(d).

Depreciation of plant and equipment is calculated on the straight line method to write off the cost of plant and equipment over their estimated useful lives.

The annual rate of depreciation used is:

Office equipment	10%
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Upon disposal of an item of plant or equipment, the difference between the net disposal proceeds and net carrying amount is recognised in income statement and the unutilised portion of the revaluation surplus on that item is taken directly to retained profits.

(d) Impairment of Assets

At each balance sheet date, the Association reviews the carrying amounts of its assets to determine whether there is indication of impairment. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of net selling price and value in use, which is measured by reference to discounted future cash flows.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Impairment of Assets (Cont'd)

An impairment loss is recognised as an expense in income statement immediately, unless the assets is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of any unutilised previously recognised revaluation surplus for the same assets.

(e) Financial Instruments

Financial instruments are recognised in the balance sheet when the Association has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual agreement. Interest, dividends and gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Association has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

(i) Receivables

Receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

(ii) Payables

Payables are stated at cost which is the fair value of the consideration to be paid in the future, whether or not billed to the Association.

(f) Income Tax

Income tax on the profit and loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for using the liability method, on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Income Tax (Cont'd)

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly to equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or negative goodwill.

(g) Cash and Cash Equivalents

Cash comprises cash and bank balances. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2. PLANT AND EQUIPMENT

	Office equipment RM	Total 2008 RM	Total 2007 RM
Net book value at 1 January	6,620	6,620	7,871
Additions	-	-	-
Depreciation charge	(1,261)	(1,261)	(1,251)
Net book value at 31 December	<u>5,359</u>	<u>5,359</u>	<u>6,620</u>
At 31 December 2008			
Cost	12,609	12,609	-
Accumulated depreciation	(7,250)	(7,250)	-
Net book value	<u>5,359</u>	<u>5,359</u>	<u>-</u>
At 31 December 2007			
Cost	12,609	-	12,609
Accumulated depreciation	(5,989)	-	(5,989)
Net book value	<u>6,620</u>	<u>-</u>	<u>6,620</u>
Depreciation charge for 2007	<u>1,251</u>	<u>-</u>	<u>1,251</u>

3. RECEIVABLES

Receivables represents subscription fees receivable.

4. FIXED DEPOSITS WITH A LICENSED BANK

The weighted average interest rates that were effective during the year were 3.0% (2007: 3.0%). These deposits have an average maturity of 1 month (2007: 1 month).

5. SUNDRY PAYABLES

	2008 RM	2007 RM
Sundry payables	662	1361
Accrual	800	800
	<u>1,462</u>	<u>2,161</u>

6. INCOME TAX EXPENSE

	2008 RM	2007 RM
Malaysian taxation based on the results for the year	<u>-</u>	<u>-</u>
Reconciliation of tax expense with accounting loss:		
Accounting loss	<u>(5,779)</u>	<u>(6,820)</u>
Tax expenses @ 20%	(1,156)	(1,364)
Tax effect of :		
Non deductible Expenses	1,589	2,038
Income not taxable	(667)	(7,726)
Unutilised current year capital allowances	19	333
Unabsorbed current year business loss	4,778	12,125
	5,719	6,770
	<u>@ 20%</u>	<u>@ 20%</u>
	1,144	1,354
	(12)	(10)
Current year taxable temporary differences not recognised	12	10
	<u>-</u>	<u>-</u>



CHARTERED ACCOUNTANTS
FIRM NO. : AF 1165

REPORT OF THE AUDITORS OF

**MALAYSIAN ASSOCIATION OF
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Report on the Financial Statements

We have audited the financial statements of Malaysian Association of Chartered Financial Consultants, which comprise the balance sheet as at 31 December 2008, and the income and expenditure account, and receipt and payment account for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 3 to 9.

Management Committees' Responsibility for the Financial Statements

The management committee of the Association are responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the rules and regulations of the Association and applicable approved accounting standards in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Association's preparation and fair presentation of the financial statements 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management committees, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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REPORT OF THE AUDITORS OF

**MALAYSIAN ASSOCIATION OF
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Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the provisions of the rules and regulations of the Association and applicable approved accounting standards in Malaysia so as to give a true and fair view of the financial position of the Association as of 31 December 2008 and of its financial performance and cash flows for the year then ended. Proper accounting and other records have been kept in accordance with the rules and regulations of the Association.



TAN KAK TECK
1536/6/10 (J)
Partner



POH & TAN
Firm Number : AF :1165
Chartered Accountants

Kuala Lumpur

Date : **10 FEB 2009**