

Reg. No. 1178

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

REPORT AND FINANCIAL STATEMENTS

31ST DECEMBER 2006

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GENERAL INFORMATION

Address	2-4-6, Manara KLH Business Centre 2 Jalan Kasipillay, 2 1/2 Miles Jalan Ipoh 51200 Kuala Lumpur
Management Committee	
President	Lim Yan Chang
Deputy President	Tan Chee Hui, Vincent
Vice President	Chong Moi Heong, Sharon K. R. Raju Yap Ming Hui
Treasurer	Leong Kit Tong, Allen
Secretary	Lim Lee Boon, Karen
Executive Committee Members	Bose Dasan Heng Lee Ming Tan Boon Ee, Ellen Teh Chet Yeong Wong Keng Leong Girish Kumar Shaharatulnaim David Yeoh Eng Hock



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STATEMENT BY COMMITTEE MEMBERS

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

MALAYSIAN ASSOCIATION OF  
CHARTERED FINANCIAL CONSULTANTS

do hereby state that, in the opinion of the members of committee, the accompanying Balance Sheet, Income and Expenditure Account and Receipts and Payment Account are drawn up so as to give a true and fair view of the state of affairs of the Association as at 31st December 2006 and of its results and receipts and payments for the year ended on that date.

On behalf of the Committee

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Lim Yan Chang

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Leong Kit Tong, Allen

Date :



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BALANCE SHEET  
AS AT 31ST DECEMBER 2006

	Note	2006 RM	2005 RM
<b>NON CURRENT ASSETS</b>			
Plant and equipment	2	7,871	8,533
<b>CURRENT ASSETS</b>			
Trade receivables	3	8,290	3,230
Deposit with a licensed bank		20,406	20,000
Cash and bank balances		26,373	19,540
		<u>55,069</u>	<u>42,770</u>
<b>CURRENT LIABILITY</b>			
Sundry payables	4	<u>1,110</u>	<u>500</u>
<b>NET CURRENT ASSETS</b>			
		53,959	42,270
		<u>61,830</u>	<u>50,803</u>
Financed by :			
<b>ACCUMULATED FUNDS</b>			
		<u>61,830</u>	<u>50,803</u>



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INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2006

	Note	2006 RM	2005 RM
<b>INCOME</b>			
Subscriptions		21,950	22,610
Tea - talk / workshop / seminar fees		51,990	3,070
Interest received		422	47
Donation received		-	1,000
Re-admission fee		500	-
		<u>74,862</u>	<u>26,727</u>
<b>LESS : EXPENDITURE</b>			
Accounting fees		3,600	3,600
Annual dinner		371	367
Auditors' remuneration		500	500
Bank charges		31	23
Depreciation		1,261	1,201
Domain registration fee		550	55
Condolence and donation		300	150
Membership fee		1,000	-
Postage and courier		588	459
Printing and stationery		2,760	5,036
Parking, petrol and toll		-	80
Secretarial fee		7,550	-
Tax fees		630	630
Tea - talk / workshop / seminar expenses		44,010	4,254
Telephone		684	-
Website setup and upgrading		-	2,220
		<u>63,835</u>	<u>18,575</u>
<b>SURPLUS OF INCOME OVER EXPENDITURE</b>		11,027	8,152
<b>INCOME TAX EXPENSE</b>	5	-	-
<b>SURPLUS AFTER TAXATION</b>		<u>11,027</u>	<u>8,152</u>
<b>ACCUMULATED FUNDS BROUGHT FORWARD</b>		<u>50,803</u>	<u>42,651</u>
<b>ACCUMULATED FUNDS CARRIED FORWARD</b>		<u>61,830</u>	<u>50,803</u>



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RECEIPTS AND PAYMENTS ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2006

	2006 RM	2005 RM
<b>BALANCE AT BEGINNING OF THE YEAR</b>		
Cash and bank balances	19,540	33,923
<b>RECEIPTS</b>		
Subscriptions	16,890	22,610
Tea - talk / workshop / seminar fees	51,990	3,070
Interest received	16	47
Donation received	-	1,000
Re-admission fee	500	-
Receipt from receivable	-	894
	<u>69,396</u>	<u>27,621</u>
<b>PAYMENTS</b>		
Accounting fees	3,600	3,600
Annual dinner	371	367
Auditors' remuneration	500	500
Bank charges	31	23
Fixed deposits	-	20,000
Domain register fee	550	55
Condolence and donation	150	150
Membership fee	1,000	2,000
Postage and courier	588	459
Printing and stationery	2,760	5,036
Parking, petrol and toll	-	80
Purchase of plant and equipment	599	630
Secretarial fee	7,550	-
Tax fees	630	630
Tea - talk / workshop / seminar expenses	43,614	4,254
Telephone	620	-
Website setup and upgrading	-	4,220
	<u>62,563</u>	<u>42,004</u>
<b>SURPLUS / (DEFICIT) FOR THE YEAR</b>	6,833	(14,383)
<b>BALANCE AT END OF THE YEAR</b>		
Cash and bank balances	<u>26,373</u>	<u>19,540</u>



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NOTES TO THE FINANCIAL STATEMENTS - 31ST DECEMBER 2006

1. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Accounting

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 rates of depreciation used are:

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 Company 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.

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.



1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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.

Deferred tax is measured at the tax rates that are expected or apply in the period when the asset is realised or the liability is settled, based on tax rates period when the asset is realised or the liability is settled, based on tax rates. 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.



1. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(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 <u>equipment</u> RM	<b>Total 2006</b> RM	Total <u>2005</u> RM
Net book value at 1 January	8,533	<b>8,533</b>	9,104
Additions	599	<b>599</b>	630
Disposals / Written off	-	-	-
Depreciation charge	<u>(1,261)</u>	<u><b>(1,261)</b></u>	<u>(1,201)</u>
Net book value at 31 December	<u><u>7,871</u></u>	<u><u><b>7,871</b></u></u>	<u><u>8,533</u></u>
<b>At 31 December 2006</b>			
Cost	12,609	12,609	-
Accumulated depreciation	<u>(4,738)</u>	<u>(4,738)</u>	-
Net book value	<u><u>7,871</u></u>	<u><u>7,871</u></u>	<u><u>-</u></u>
<b>At 31 December 2005</b>			
Cost	12,010	-	12,010
Accumulated depreciation	<u>(3,477)</u>	-	<u>(3,477)</u>
Net book value	<u><u>8,533</u></u>	<u><u>-</u></u>	<u><u>8,533</u></u>
Depreciation charge for 2005	<u><u>1,201</u></u>	<u><u>-</u></u>	<u><u>1,201</u></u>

3. RECEIVABLES

Receivables represents subscription fees receivable.

4. SUNDRY PAYABLES

	2006 RM	2005 RM
Sundry payables	610	-
Accrual	500	500
	<u>1,110</u>	<u>500</u>

5 INCOME TAX EXPENSE

	2006 RM	2005 RM
Malaysian taxation based on the results for the year	<u>-</u>	<u>-</u>
Reconciliation of tax expense with accounting profit:		
Accounting profit	<u>11,027</u>	<u>8,152</u>
Tax expenses @ 20%	2,205	1,630
Tax effect of :		
Non deductible Expenses	300	-
Income not taxable	(16,026)	(9,659)
Utilisation of brought forward capital allowances	(266)	(986)
Unabsorbed current year capital allowances	1,276	266
Permanent loss	3,989	2,352
	<u>(10,727)</u>	<u>(8,027)</u>
	<u>@ 20%</u>	<u>@ 20%</u>
	<u>(2,145)</u>	<u>(1,605)</u>
	60	25
Current year taxable temporary differences not recognised	<u>(60)</u>	<u>(25)</u>
	<u>-</u>	<u>-</u>

REPORT OF THE AUDITORS TO THE MEMBERS OF

MALAYSIAN ASSOCIATION OF  
CHARTERED FINANCIAL CONSULTANTS  
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We have audited the financial statements of MALAYSIAN ASSOCIATION OF CHARTERED FINANCIAL CONSULTANTS set out on pages 3 to 9. The financial statements are the responsibility of the management committee.

It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the management as well as evaluating the adequacy of the presentation of information in the financial statements.

We believe our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements are 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 state of affairs of the Association as at 31st December 2006 and of the income and expenditure account and receipts and payments account for the year ended on that date; and
- (b) proper accounting and other records have been kept in accordance with the rules and regulations of the Association.

TAN KAK TECK  
1536/6/08 (J)  
Partner

POH & TAN  
Firm number :AF:1165  
Chartered Accountants

Date :



