

FOUNDATION NO: 526540-W

PT FOUNDATION
(Incorporated in Malaysia)

BALANCE SHEET AS AT 31ST DECEMBER, 2013

	Note	2013 RM	2012 RM
PROPERTY, PLANT AND EQUIPMENT	3	116,171	133,464
CURRENT ASSETS			
Other debtors and deposits		80,565	74,016
Cash and bank balances		480,695	337,966
		561,260	411,982
Less:			
CURRENT LIABILITIES			
Other creditors and accruals		608,774	496,027
Provision for taxation		47,139	47,139
		655,913	543,166
NET CURRENT LIABILITIES		(94,653)	(131,184)
		<u>21,518</u>	<u>2,280</u>
Financed by:-			
ACCUMULATED FUND		<u>21,518</u>	<u>2,280</u>

The notes on pages 12 to 17 form an integral part of the financial statements.

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INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2013

	Note	2013 RM	2012 RM
Revenue	4	2,481,075	2,870,936
Cost of Services		(2,287,259)	(2,338,433)
GROSS INCOME OVER EXPENDITURE		<u>193,816</u>	<u>532,503</u>
Other Income		17,975	19,100
Administrative Expenses		(62,513)	(266,143)
Depreciation of Property, Plant and Equipment		(34,322)	(49,165)
Staff Costs		(95,718)	(453,427)
EXCESS OF INCOME OVER EXPENDITURE BEFORE TAXATION	5	19,238	(217,132)
Taxation	6	<u>0</u>	<u>0</u>
EXCESS OF INCOME OVER EXPENDITURE AFTER TAXATION		<u><u>19,238</u></u>	<u><u>(217,132)</u></u>

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**STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE YEAR ENDED 31ST DECEMBER, 2013**

	Total RM
Balance at 1st January, 2012	219,412
Excess of Expenditure over Income for the year	(217,132)
Balance at 31st December, 2012	<u>2,280</u>
Excess of Income over Expenditure for the year	19,238
Balance at 31st December, 2013	<u><u>21,518</u></u>

The notes on pages 12 to 17 form an integral part of the financial statements.

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST DECEMBER, 2013

	2013 RM	2012 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess / (Deficit) of Income over Expenditure before taxation for the year	19,238	(217,132)
Adjustments:		
Depreciation of property, plant and equipment	34,322	49,165
Excess / (Deficit) of Income over Expenditure before working capital changes	53,560	(167,967)
Increase/(Decrease) in Working Capital		
Other debtors and deposits	(6,549)	21,712
Other creditors and accruals	112,747	(74,931)
Net cash generated from / (used in) operations	159,758	(221,186)
Tax paid	0	0
Net cash generated from / (used in) operating activities	159,758	(221,186)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(17,029)	(108,650)
Net cash used in investing activities	(17,029)	(108,650)
Net increase / (decrease) in cash and cash equivalents	142,729	(329,836)
Cash and cash equivalents brought forward	337,966	667,802
Cash and cash equivalents carried forward	480,695	337,966
CASH AND CASH EQUIVALENTS COMPRISE		
Cash and bank balances	480,695	337,966

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NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER, 2013

1. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

The Foundation is principally engaged in the following activities:-

- a. To help minimize the rate of infection of HIV / AIDS amongst our communities and also help reduce discrimination of our communities that is based on ignorance and lack of information.
- b. To help provide care and support and improve the quality of life for people living with HIV / AIDS.
- c. To raise, receive, manage and administer funds for the general welfare of orphaned, abandoned, abused, neglected or victims of HIV / AIDS.
- d. To organize and to give talks and conduct seminars and workshop on HIV / AIDS at hospitals, factories and companies, charity organizations, youth organizations, schools, colleges and universities.
- e. To pursue the above objectives for the benefits of Malaysians only

The Foundation is a foundation limited by guarantee, incorporated and domiciled in Malaysia.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Accounting

The financial statements of the Company have been prepared under the historical cost convention and in compliance with applicable approved accounting standards in Malaysia.

2.2 Property, Plant & Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation . Depreciation of property, plant and equipment is provided on straight line basis calculated to write off the cost of each assets over the estimated useful life to their residual value at the following annual rates:-

Air-Conditioners	20%
Computers	20%
Furniture and fittings	20%
Office equipment	20%
Renovation	20%

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2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Foreign Currencies

Transactions in foreign currencies are recorded in Ringgit Malaysia at rates ruling on transaction dates. Foreign currency assets and liabilities are reported in Ringgit Malaysia at rates of exchange which closely approximate those ruling at balance sheet date. Exchange gains and losses are recorded in the income statement in the period they arise.

2.4 Revenue Recognition

Revenue from donation is recognised upon receipt of funds from donors.

2.5 Income Tax

Tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Temporary differences are not recognised for the initial recognition of assets or liabilities that at the time of the transaction affects neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

2.6 Employee Benefits

i) Short-term Employee Benefits

Wages, salaries, bonuses, annual leave entitlement, medical leave, and other short-term employee benefits are recognised in the period in which the associated services are rendered by the employees.

ii) Defined Contribution Plan

As required by law, Companies in Malaysia makes contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the income statement as and when incurred.

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2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 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 net realisable value and 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 income statement 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 recognized to the extent of the carrying amount of the asset that would have determined (net amortisation and depreciation) had no impairment loss been recognized. The reversal is recognized in the income statement immediately, unless the asset is carried at revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to the revaluation surplus. However, to the extent that an impairment loss on same revalued asset was previously recognized as expenses in the income statement, a reversal of that impairment loss is recognized as income in the income statement.

2.8 Financial Instruments

Financial assets and financial liabilities recognised in the balance sheet include cash and bank balances and other receivables and payables. The measurement bases, extent and nature of the financial instruments are disclosed in their respective accounting policies.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, 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 charged directly to equity. Financial instruments are offset when the Company have 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.

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3. PROPERTY, PLANT AND EQUIPMENT**2013****COST**

	Balance at 01.01.2013 RM	Additions RM	Disposal RM	Balance at 31.12.2013 RM
Air-Conditioners	24,017	0	0	24,017
Computers	70,375	0	(2,980)	67,395
Furniture and fittings	9,187	0	0	9,187
Office equipment	23,746	5,079	0	28,825
Renovation	181,032	11,950	0	192,982
	<u>308,357</u>	<u>17,029</u>	<u>(2,980)</u>	<u>322,406</u>

ACCUMULATED DEPRECIATION

	Balance at 01.01.2013 RM	Charge for the year RM	Adjustment RM	Balance at 31.12.2013 RM
Air-Conditioners	21,376	660	0	22,036
Computers	47,310	10,034	(1,490)	55,854
Furniture and fittings	6,226	2,070	0	8,296
Office equipment	16,237	5,648	0	21,885
Renovation	83,744	14,420	0	98,164
	<u>174,893</u>	<u>32,832</u>	<u>(1,490)</u>	<u>206,235</u>

NET BOOK VALUE

	Balance at 31.12.2013 RM
Air-Conditioners	1,981
Computers	11,541
Furniture and fittings	891
Office equipment	6,940
Renovation	94,818
	<u>116,171</u>

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3. PROPERTY, PLANT AND EQUIPMENT - CONT'D**2012****COST**

	Balance at 01.01.2012 RM	Additions RM	Disposal RM	Balance at 31.12.2012 RM
Air-Conditioners	20,717	3,300	0	24,017
Computers	55,188	15,187	0	70,375
Furniture and fittings	5,210	3,977	0	9,187
Office equipment	16,203	7,543	0	23,746
Renovation	102,389	78,643	0	181,032
	<u>199,707</u>	<u>108,650</u>	<u>0</u>	<u>308,357</u>

ACCUMULATED DEPRECIATION

	Balance at 01.01.2012 RM	Charge for the year RM	Adjustment RM	Balance at 31.12.2012 RM
Air-Conditioners	20,716	660	0	21,376
Computers	35,784	11,526	0	47,310
Furniture and fittings	4,151	2,075	0	6,226
Office equipment	11,482	4,755	0	16,237
Renovation	53,595	30,149	0	83,744
	<u>125,728</u>	<u>49,165</u>	<u>0</u>	<u>174,893</u>

NET BOOK VALUE

	Balance at 31.12.2012 RM
Air-Conditioners	2,641
Computers	23,065
Furniture and fittings	2,961
Office equipment	7,509
Renovation	97,288
	<u>133,464</u>

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4. REVENUE

Revenue represents funds from donations, grants and sales of merchandise.

5. EXCESS OF INCOME OVER EXPENDITURE BEFORE TAXATION

	2013 RM	2012 RM
Excess of income over expenditure before taxation is stated after charging / (crediting) as follows:-		
Auditors' remuneration	9,000	9,000
Depreciation of property, plant and equipment	34,322	49,165
Rental of premises - IKHLAS	13,460	39,600
Rental of premises - PTF HQ	36,000	36,000
Rental of premises - MSM programs	30,100	18,000
Rental of equipment	1,626	300
Staff costs	95,718	453,427
Rental income	<u>(12,000)</u>	<u>(19,100)</u>

Staff costs included salaries, bonuses, allowances, Employee Provident Fund, Socso and other staff related expenses.

6. TAXATION

	2013 RM	2012 RM
Provision based on results for the year	<u>0</u>	<u>0</u>

PT FOUNDATION
(Incorporated in Malaysia)

DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31ST DECEMBER, 2013

	2013 RM	2012 RM
Funds generated from AIDS awareness and educational programmes		
GRANTS (As per Annexure III)		
Grants for the year	2,262,968	2,399,294
Less:		
Cost of Services	(2,287,259)	(2,338,433)
	(24,291)	60,861
DONATIONS	173,877	471,642
HIV Screening test	44,230	0
REVENUE	193,816	532,503
OTHER INCOME		
Selling of merchandise	5,975	0
Rental income	12,000	19,100
	211,791	551,603
LESS :		
SCHEDULE OF OPERATING EXPENSES (As per Annexure 1)	(192,553)	(768,735)
EXCESS OF INCOME OVER EXPENDITURE	19,238	(217,132)

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SCHEDULE OF OPERATING EXPENSES
FOR THE YEAR ENDED 31ST DECEMBER, 2013

	2013 RM	2012 RM
ADMINISTRATIVE EXPENSES		
Auditors' remuneration	9,000	9,000
- Overprovision prior years	(1,000)	0
Bank charges	83	651
Medical expenses	956	29,832
Loss of cash	0	107,946
Penalty	0	0
Professional fees	0	2,223
Printing, stationery and periodicals	0	4,685
Rental of premises	36,000	36,000
Secretarial fee and disbursements	329	747
Subscription fee	100	0
Telephone charges	7,080	9,756
Travelling and accommodation	2,169	22,604
Upkeep of office	0	3,001
Upkeep of office equipment	5,198	6,335
Utilities	2,503	25,223
Web expenses	95	8,140
	62,513	266,143
DEPRECIATION EXPENSES		
Depreciation of property, plant and equipment	34,322	49,165
STAFF COSTS		
EPF and Socso	13,633	149,988
Staff allowances	81,535	272,427
Training and staff development	550	31,012
	95,718	453,427
	<u>192,553</u>	<u>768,735</u>

15 NET INCOME FROM GRANTS

ANNEXURE III

	2013			2012		
	INCOME RM	EXPENDITURE RM	NET INCOME / (LOSS) RM	INCOME RM	EXPENDITURE RM	NET INCOME / (LOSS) RM
MINISTRY OF HEALTH						
Positive Living - PL	0	0	0	10,146	10,652	(506)
Sex Workers - SW	0	0	0	21,746	1,242	20,504
Transgenders - TS	0	0	0	18,871	1,058	17,813
NSEP	68,927	103,315	(34,388)	210,637	256,542	(45,905)
MSM	0	0	0	72,090	38,244	33,846
TOTAL MINISTRY OF HEALTH (i)	68,927	103,315	(34,388)	333,490	307,738	25,752
KEMENTERIAN PERPADUAN WANITA, KELUARGA DAN MASYARAKAT (KPWKIM)						
Positive Living - PL	291,210	283,153	8,057	215,819	217,667	(1,848)
Sex Workers - SW	220,757	209,188	11,569	214,823	217,923	(3,100)
Transgenders - TS	195,794	195,420	374	205,878	208,070	(2,192)
TOTAL KPWKIM (ii)	707,761	687,761	20,000	636,520	643,660	(7,140)
MALAYSIA AIDS FOUNDATION (MAF)						
Transgenders	47,391	47,074	317	23,301	23,301	0
Global Fund	0	0	0	300,448	325,993	(25,545)
TOTAL MAF (iii)	47,391	47,074	317	323,749	349,294	(25,545)
ISEAN HIVOS PROGRAMME (iv)	771,882	771,211	671	638,942	569,389	69,553
GRANTS - OTHERS						
AHF	4,428	4,428	0	0	0	0
CHCC	50,282	50,155	127	0	0	0
CAHR	79,708	78,208	1,500	70,935	59,233	11,702
US Embassy	6,240	0	6,240	26,111	36,379	(10,268)
Embassy of Finland	99,163	99,162	1	0	0	0
Glaxosmithkline	44,207	52,043	(7,836)	66,303	66,303	0
Berjaya Cares Foundation	197,791	196,110	1,681	83,314	83,314	0
MSM POZ	161,365	154,550	6,815	140,672	144,646	(3,974)
SAN FUND	23,823	23,823	0	0	0	0
MARA Project	0	0	0	59,300	58,519	781
MAN Project	0	19,419	(19,419)	19,958	19,958	0
Seksualiti Merdeka	0	0	0	0	0	0
TOTAL GRANTS OTHERS (iv)	667,007	677,898	(10,891)	466,593	468,352	(1,759)
TOTAL (i) + (ii) + (iii) + (iv)	2,262,968	2,287,259	(24,291)	2,399,294	2,338,433	60,861