

YAYASAN CHOW KIT
(Company No.: 930395-A)
(Incorporated in Malaysia)

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

CL ASSOCIATES PLT
(LLP0008549-LCA) & AF 002197
Chartered Accountants

YAYASAN CHOW KIT
(Company No.: 930395-A)
(Incorporated in Malaysia)

**REPORTS AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

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YAYASAN CHOW KIT
(Incorporated in Malaysia)

CORPORATE INFORMATION

TRUSTEES

Datin Paduka Zaitoon Binti Othman
Datuk Tan Leh Kiah
Marlenderjit Kaur A/P Rajinder Singh
M. Ganesh Kumar A/L V. Marimuthu
Tan Sri Razali bin Ismail
Tunku Zain Al-Abidin Ibni Tuanku Muhriz

SECRETARY

Suzana Binti Ahmad (BC/S/356)

AUDITORS

CL Associates PLT (AF: 002197)
Chartered Accountants

REGISTERED OFFICE

Suite 13.03, 13th Floor,
Menara Tan & Tan,
207, Jalan Tun Razak,
50400 Kuala Lumpur

PRINCIPAL PLACE OF BUSINESS

No. 16, Lorong Tiong Nam 5,
50350 Kuala Lumpur

YAYASAN CHOW KIT
(Incorporated in Malaysia)

TRUSTEES' REPORT

The trustees have pleasure in submitting their reports and the audited financial statements of the Yayasan Chow Kit ("the Yayasan") for the financial year ended 31 December 2018.

PRINCIPAL ACTIVITY

The Yayasan, is a company limited by guarantee under the Companies Act, 1965 and domiciled in Malaysia. It does not have any share capital in the Company.

The principal activity of the Yayasan is principally engaged as a fundraising organisation to provide support services to communities in Chow Kit area with its focus on education, health and community development work.

There has been no significant change in the nature of this activity during the financial year.

FINANCIAL RESULTS

	<i>RM</i>
Net deficit for the financial year	<u>(908,953)</u>

RESERVES AND PROVISIONS

There are no material transfers to or from reserves or provisions during the financial year.

ISSUE OF DEBENTURES

The Yayasan has not issue any debentures during the financial year.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Yayasan were made out, the trustees took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts, and have satisfied that there were no bad and doubtful debts.

At the date of this report, the trustees are not aware of any circumstances that would render it necessary to write off bad debts or to provide for doubtful debts.

CURRENT ASSETS

Before the financial statements of the Yayasan were made out, the trustees took reasonable steps to ensure that any current assets, which were unlikely to realise in the ordinary course of business their values as shown in the accounting records of the Yayasan, were written down to an amount that they might be expected to realise.

At the date of this report, the trustees are not aware of any circumstances that would render the values attributed to the current assets in the financial statements of the Yayasan misleading.

VALUATION METHODS

At the date of this report, the trustees are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities in the Yayasan misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report, there does not exist:

- (i) any charge on the assets of the Yayasan that has arisen since the end of the financial year which secures the liabilities of any other person, or
- (ii) any contingent liability in respect of the Yayasan that has arisen since the end of the financial year .

No contingent liability or other liability of the Yayasan has become enforceable, or is likely to become enforceable within the year of twelve months after the end of the financial year which, in the opinion of the trustees, will or may substantially affect the ability of the Yayasan to meet its obligations as and when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this report, the trustees are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Yayasan which would render any amount stated in the financial statements of the Yayasan misleading.

ITEMS OF AN UNUSUAL NATURE

In the opinion of the trustees:

- (i) the results of the operations of the Yayasan for the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.
- (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature which is likely to affect substantially the results of the operations of the Yayasan for the financial year in which this report is made.

TRUSTEES

The trustees of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:-

Datin Paduka Zaitoon Binti Othman (Appointed on 31.12.2018)
Datuk Tan Leh Kiah
Marlenderjit Kaur A/P Rajinder Singh
M. Ganesh Kumar A/L V. Marimuthu
Ruben Emir Gnanalingam Bin Abdullah (Appointed on 31.12.2018 and resigned on 29.1.2019)
Tan Sri Razali bin Ismail
Tunku Zain Al-Abidin Ibni Tuanku Muhriz

MEMBERS

The members of the Company in office during the financial year and during the period from the end of the financial year to the date of this report are:-

Datuk Tan Leh Kiah
Tan Sri Razali bin Ismail

TRUSTEES' BENEFITS

Since the end of the previous financial year, no trustees has received or become entitled to receive any benefit by reason of a contract made by the Yayasan with a trustee, or with a firm of which the trustee is a member, or with a company in which the trustee has a substantial financial interest.

Neither during nor at the end of the financial year, the Yayasan has not been a party to any arrangements whose object is to enable the trustees to acquire benefits by means of the acquisition of shares in or debentures of any other body corporate or debenture of the Yayasan.

AUDITORS' REMUNERATION

Details of the auditors' remuneration are disclosed in the Note 8 to the financial statements.

INDEMNITY AND INSURANCE FOR DIRECTORS, OFFICERS AND AUDITORS

During the financial year, there was no indemnity given to or insurance effected for, any trustees, officers or auditor of the Company.

AUDITORS

The auditors, Messrs. CL Associates PLT have indicated their willingness to continue in office.

Signed in accordance with a resolution of the trustees.



.....
Tan Sri Razali bin Ismail
Trustee

Kuala Lumpur

Dated: 3 June 2019



.....
Datuk Tan Leh Kiah
Trustee

YAYASAN CHOW KIT
(Incorporated in Malaysia)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2018

	Note	2018 RM	2017 RM
Non-Current Assets			
Equipment	5	105,433	136,610
Current Assets			
Sundry receivables, deposits and prepayments		43,551	29,869
Tax recoverables		7,130	7,130
Fixed deposits with licensed bank	6	2,381,749	3,153,420
Cash and bank balances		276,903	404,788
		2,709,333	3,595,207
Current Liabilities			
Sundry payables and accruals		36,774	44,872
		36,774	44,872
Net Current Assets		2,672,559	3,550,335
		<u>2,777,992</u>	<u>3,686,945</u>
FINANCED BY:			
Accumulated funds		<u>2,777,992</u>	<u>3,686,945</u>

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

YAYASAN CHOW KIT
(Incorporated in Malaysia)

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Accumulated Funds
	<u>RM</u>
At 1st January 2017	2,925,048
Net surplus for the financial year	761,897
At 31 December 2017	<u>3,686,945</u>
Net deficit for the financial year	(908,953)
At 31 December 2018	<u><u>2,777,992</u></u>

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

YAYASAN CHOW KIT
(Incorporated in Malaysia)

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018**

		2018 <i>RM</i>	2017 <i>RM</i>
Income	4g), 7	1,905,724	3,719,622
Less: Projects implementation expenses		(479,012)	(694,162)
Less: Administrative expenses		(2,335,665)	(2,263,563)
Surplus/(Deficit) before taxation	8	<u>(908,953)</u>	<u>761,897</u>
Add: Taxation	9	-	-
Net (deficit)/surplus for the financial year		<u>(908,953)</u>	<u>761,897</u>
Add: Other comprehensive income		-	-
Total comprehensive income/(loss) for the year, net of tax		<u><u>(908,953)</u></u>	<u><u>761,897</u></u>

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

YAYASAN CHOW KIT
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018	2017
	<i>RM</i>	<i>RM</i>
CASH FLOWS FROM OPERATING ACTIVITIES		
(Deficit)/surplus before taxation	(908,953)	761,897
Adjustments for:-		
Depreciation of equipment	34,207	30,670
Interest income	(81,307)	(68,723)
Operating (deficit)/surplus before working capital changes	(956,053)	723,844
(Increase)/Decrease in receivables	(13,682)	21,898
(Decrease)/Increase in payables	(8,098)	8,288
Cash (used in)/generated from operations	(977,833)	754,030
Interest received	81,307	68,723
Net cash (used in)/generated from operating activities	(896,526)	822,753
CASH FLOW FROM INVESTING ACTIVITY		
Purchase of equipment	(3,030)	(104,070)
Net cash used in investing activity	(3,030)	(104,070)
Net (decrease)/increase in cash and cash equivalents	(899,556)	718,683
Cash and cash equivalents brought forward	3,558,208	2,839,525
Cash and cash equivalents carried forward	2,658,652	3,558,208
Cash and cash equivalents comprise of :		
Fixed deposits with licensed bank	2,381,749	3,153,420
Cash and bank balances	276,903	404,788
	2,658,652	3,558,208

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

YAYASAN CHOW KIT
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2018**

1) PRINCIPAL ACTIVITIES

Yayasan Chow Kit ("The Yayasan"), is a company limited by guarantee under the Companies Act, 1965 and domiciled in Malaysia. It does not have any share capital.

The principal activity of the Yayasan is principally engaged as a fundraising organisation to provide support services to communities in Chow Kit area with its focus on education, health and community development work.

There has been no significant change in the nature of this activity during the financial year.

The registered office of the Company is located at Suite 13.03, 13th Floor, Menara Tan & Tan, 207, Jalan Tun Razak, 50400 Kuala Lumpur

The principal place of business is located at No. 16, Lorong Tiong Nam 5, 50350 Kuala Lumpur.

2) FINANCIAL RISK MANAGEMENT POLICIES

The Yayasan's financial risk management policy is to ensure that adequate financial resources are available for the development of the Yayasan's operations whilst managing its financial risks, including liquidity and cash flow risk.

Liquidity and Cash Flow Risk

The Yayasan maintains a certain level of cash and cash convertible investments to meet its working capital requirements.

Fair Value

The carrying amounts of financial assets and liabilities of the Yayasan at the balance sheet date approximated their fair values.

3) CAPITAL MANAGEMENT

The Yayasan relies on both the internally generated funds and donations as working capital to sustain its operations.

4) SIGNIFICANT ACCOUNTING POLICIES

a) Basis of accounting

The financial statements of the Yayasan comply with the Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Company Act, 2016 in Malaysia.

The new and revised MFRSs, Amendments to MFRS and IC Interpretations which are mandatory for entities with financial periods beginning on or after 1 January 2018 do not give rise to any significant effects on the financial statements of the Yayasan.

The financial statements of the Yayasan have been prepared under the historical cost basis and are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Yayasan.

b) Equipment and depreciation

Equipment is stated at cost less accumulated depreciation and impairment losses.

Depreciation of equipment is computed on the straight line method at the following annual rates based on the estimated useful lives of the various plant and equipment:

Air conditioners	10%
Computer equipment	20%
Furniture and fittings	10%
Office equipments	10%
Motor vehicle	20%

c) 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 comprehensive income immediately, unless the assets are 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 depreciation) had no impairment loss been recognised. The reversal is recognised 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 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 comprehensive income, a reversal of the impairment loss is recognised as income in the statement of comprehensive income.

4) SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial instruments

Financial assets

(i) Classifications

The Yayasan classifies its financial asset as loans and receivables. They are included in current assets, except for maturities greater than 12 months after the year end of the reporting year, which are classified as non-current assets. The Yayasan's loans and receivables comprise donation receivables, interest receivables, sundry receivables and cash and cash equivalent in the statement of financial position.

(ii) Recognition and measurement

Financial assets are initially recognised at fair value plus transaction cost for all financial assets not carried at fair value through profit or loss.

(iii) Subsequent measurement – gains and losses

Financial assets which are classified as loans and receivables are subsequently carried at amortised cost using the effective interest method.

(iv) Derecognition

Financial assets are derecognised when the rights to receive cashflows from investments have expired or have been transferred and the Yayasan has transferred substantially all risks and rewards of ownership.

Financial liabilities

The Yayasan's financial liabilities are mainly sundry payables. These financial liabilities are classified as other financial liabilities and are recognised initially at fair value plus transaction costs and thereafter, at amortised cost using the effective interest method. Financial liabilities are classified as current liabilities for those having maturity dates or less than 12 months after the reporting date, and the balance is classified as non-current.

(e) Impairment of receivables

Impairment is made for receivables that the management considers the recoverability to be doubtful. On a regular basis, the management reviews the receivables' ageing report, repayment history and any other available evidence of possible default.

(i) Contingent assets, liabilities and commitments

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Yayasan or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare case where there is a liability that cannot be recognised because it cannot be measured reliably. However, contingent liabilities do not include financial guarantee contracts.

4) SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Contingent assets, liabilities and commitments (continued)

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Yayasan. The Yayasan does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

Subsequent to the initial recognition, the Yayasan measures the contingent liabilities that are recognised separately at the date of acquisition at the higher of the amount that would be recognised in accordance with FRS 137 "Provisions, contingent liabilities and contingent assets" and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with FRS 118 "Revenue".

(f) Taxation

Taxation in the income statement comprises current and deferred tax. Taxation is recognised in the income statement except to the extent that it relates to items recognised directly to equity, in which case the taxation 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 year.

Deferred tax is provided using the liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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 profit will be available against which the asset can be utilised.

(g) Income recognition

Donations are recognised when the Yayasan is entitled to the donations.

Interest income is recognised on an accrual basis.

(h) Employee benefits

Obligations for contributions to defined contribution plan are recognised as an expense in the income statement as incurred.

(i) Cash and cash equivalents

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

4) SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction take place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market's participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purpose, the fair value measurements are analysed into level 1 and 3 as follows:-

Level 1: Inputs are quoted price (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;

Level 2: Input are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3: Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

5) EQUIPMENT

2018	conditioner s <i>RM</i>	Computer equipment <i>RM</i>	Furniture and fitting <i>RM</i>	Office equipment <i>RM</i>	Motor vehicle <i>RM</i>	Total <i>RM</i>
<i>Cost:</i>						
At 1.1.2018	17,949	74,815	22,718	54,860	113,440	283,782
Additions	-	3,030	-	-	-	3,030
Disposal	-	-	-	-	-	-
At 31.12.2018	<u>17,949</u>	<u>77,845</u>	<u>22,718</u>	<u>54,860</u>	<u>113,440</u>	<u>286,812</u>
<i>Accumulated depreciation:</i>						
At 1.1.2018	6,235	72,935	14,699	17,259	36,044	147,172
Charge for the financial year	1,795	1,966	2,272	5,486	22,688	34,207
Disposal	-	-	-	-	-	-
At 31.12.2018	<u>8,030</u>	<u>74,901</u>	<u>16,971</u>	<u>22,745</u>	<u>58,732</u>	<u>181,379</u>
<i>Net carrying amount</i>	<u>9,919</u>	<u>2,944</u>	<u>5,747</u>	<u>32,115</u>	<u>54,708</u>	<u>105,433</u>
2017						
<i>Net carrying amount</i>	<u>11,714</u>	<u>1,880</u>	<u>8,019</u>	<u>37,601</u>	<u>77,396</u>	<u>136,610</u>
<i>Depreciation charges</i>	<u>1,795</u>	<u>(1,571)</u>	<u>2,272</u>	<u>5,486</u>	<u>22,688</u>	<u>30,670</u>

6) FIXED DEPOSITS WITH LICENSED BANK

The interest rates for fixed deposits at balance sheet date were 2.95% to 4.00% (3.10% - 3.5% in 2017) per annum and the maturity period was 1-3 months (1-3 months in 2017)

7) INCOME

	2018 <i>RM</i>	2017 <i>RM</i>
Donations	1,824,417	3,650,899
Interest income	<u>81,307</u>	<u>68,723</u>
	<u>1,905,724</u>	<u>3,719,622</u>

8) SURPLUS/(DEFICIT) BEFORE TAXATION

	2018	2017
	<i>RM</i>	<i>RM</i>
This is arrived at after charging/(crediting):-		
Audit fees - current year	5,000	5,000
- under provision in prior year	1,000	-
Depreciation of equipment	34,207	30,670
Rental of drinking machines	3,578	4,680
Rental of equipment	-	1,420
Rental of motor vehicles	2,930	15,170
Rental of photocopying machines	17,835	18,444
Rental of premises	206,820	204,416
Rental of venue	-	1,450
Staff costs	1,507,288	1,376,474
Interest income	<u>(81,307)</u>	<u>(68,723)</u>
Included in staff costs are :-		
Bonus	134,811	126,491
EPF contributions	158,089	142,912
EIS contributions	1,912	-
Salaries and allowances	1,194,884	1,090,555
Socso contributions	<u>17,592</u>	<u>16,516</u>
	<u>1,507,288</u>	<u>1,376,474</u>

The number of full time employees of the Yayasan (excluding trustees) as at 31 December 2018 was 36 (33 in 2017).

9) TAXATION

	2018	2017
	<i>RM</i>	<i>RM</i>
Provision for taxation		
Based on the result of the financial year	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

9) TAXATION (continued)

A reconciliation of income tax expense applicable to surplus/(deficit) before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Yayasan is as follow:-

	2018 <i>RM</i>	2017 <i>RM</i>
Surplus/(Deficit) before taxation	<u>(908,953)</u>	<u>761,897</u>
Taxation at Malaysia statutory tax rate of 18% (2017 : 18%)	(163,612)	137,141
Non taxable income	(343,030)	(669,532)
Expenses not deductible for tax purposes	<u>506,642</u>	<u>532,391</u>
	<u>-</u>	<u>-</u>

The Yayasan has obtained extension of tax exempt status from the tax authority under subsection 44(6) of the Income Tax Act, 1967 for the year of assessment 2018 to 2019.

9) AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

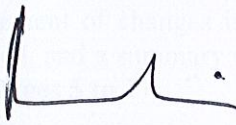
These financial statements were authorised for issue by the Board of Trustees on 3 June 2019.

YAYASAN CHOW KIT
(Incorporated in Malaysia)

STATEMENT BY TRUSTEES
SECTION 251(2) OF THE COMPANIES ACT, 2016

In the opinion of the trustees, the financial statements set out on pages **6 to 17** are drawn up in accordance with applicable approved Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to exhibit a true and fair view of the financial position of the Yayasan as at 31 December 2018 and of the financial performance results and cash flows of the Yayasan for the year then ended.

On behalf of the Trustees,



Tan Sri Razali bin Ismail
Trustee



Datuk Tan Leh Kiah
Trustee

Dated: **3 June 2019**

Kuala Lumpur

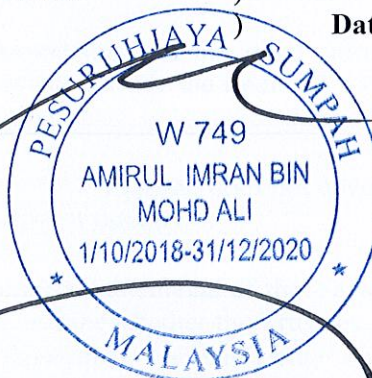
STATUTORY DECLARATION
SECTION 251(1) OF THE COMPANIES ACT, 2016

I, DATUK TAN LEH KIAH, being the trustee primarily responsible for the financial management of **YAYASAN CHOW KIT**, do solemnly and sincerely declare that the financial statements set out on pages **6 to 17** are to the best of my knowledge and belief, 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
abovenamed at KUALA LUMPUR
in the state of WILAYAH PERSEKUTUAN
on **3 June 2019**


Datuk Tan Leh Kiah

Before me,
Commissioner for Oaths



No. 29, Tingkat Satu
Jalan Melayu
50100 Kuala Lumpur

CL ASSOCIATES PLT

(LLP0008549-LCA) & AF 002197

Chartered Accountants

Suite 22.02 - 22.03, 22nd Floor, Wisma Zelan,
No. 1, Jalan Tasik Permaisuri 2,
Bandar Tun Razak, 56000 Kuala Lumpur.
Tel: 03-9173 8818 Fax: 03-9173 1989
(With offices in Kuala Lumpur and Ipoh)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YAYASAN CHOW KIT (Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Yayasan Chow Kit** ("the Yayasan"), which comprise the statement of financial position as at **31 December 2018**, and the statement of comprehensive income, statement of changes in accumulated funds and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages **5 to 17**.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Yayasan as at **31 December 2018**, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 2016 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 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 Yayasan 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.

Information Other than the Financial Statements and Auditors' Report Thereon

The Trustees' of the Yayasan are responsible for the other information. The other information comprises the Trustees' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Yayasan does not cover the Trustees' Report and we do not express any form of assurance conclusion thereon.

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

CL ASSOCIATES PLT

(LLP0008549-LCA) & AF 002197

Chartered Accountants

Suite 22.02 – 22.03, 22nd Floor, Wisma Zelan,
No. 1, Jalan Tasik Permaisuri 2,
Bandar Tun Razak, 56000 Kuala Lumpur.
Tel: 03-9173 8818 Fax: 03-9173 1989
(With offices in Kuala Lumpur and Ipoh)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YAYASAN CHOW KIT (continued) (Incorporated in Malaysia)

Information Other than the Financial Statements and Auditors' Report Thereon (continued)

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

Responsibilities of the Trustees for the Financial Statements

The Trustees of the Company are responsible for the preparation of financial statements of the Yayasan that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Trustees' are also responsible for such internal control as the councils determine is necessary to enable the preparation of financial statements of the Yayasan that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Yayasan, the Trustees are responsible for assessing the Yayasan'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 Trustees either intend to liquidate the Yayasan or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Yayasan 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 judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Yayasan, 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 Yayasan's internal control.

CL ASSOCIATES PLT

(LLP0008549-LCA) & AF 002197

Chartered Accountants

Suite 22.02 - 22.03, 22nd Floor, Wisma Zelan,
No. 1, Jalan Tasik Permaisuri 2,
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YAYASAN CHOW KIT (continued) (Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the Trustees' 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 Yayasan'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 Yayasan 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 Yayasan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Yayasan, 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 councils 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 Yayasan, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



CL ASSOCIATES PLT
(LLP0008549-LCA) & AF 002197
Chartered Accountants

Kuala Lumpur

Dated: 3 June 2019



Chong Sai Sin
Partner - 02398/06/2019 J
Chartered Accountant

CL ASSOCIATES PLT

(LLP0008549-LCA) & AF 002197

Chartered Accountants

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF YAYASAN CHOW KIT (continued)

(Incorporated in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the Trustees' 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 Yayasan'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 Yayasan 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 Yayasan to cease to continue as a going concern.
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Partner – 02398/06/2019 J
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