WORLD ASSEMBLY OF YOUTH

FINANCIAL STATEMENTS
31 DECEMBER 2017

Khairuddin Hasyudeen & Razi
(AF 1161)
Chartered Accountants

WORLD ASSEMBLY OF YOUTH

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WORLD ASSEMBLY OF YOUTH

STATEMENT BY THE COMMITTEE

We, **DATUK SERI UTAMA IR. HAJI IDRIS BIN HAJI HARON** and **EDIOLA PASHOLLARI**, being the President and Secretary General, respectively, of the WORLD ASSEMBLY OF YOUTH, do hereby state that, in the opinion of the Committee, the financial statements set out on pages 6 to 21 are properly drawn up in accordance with the Article of Organisation Charter and Malaysian Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 December 2017 and of its results for the year then ended.

Signed on behalf of the Committee,

DATUK SERI UTAMA IR. HAJI IDRIS BIN HAJI HARON
President

EDIOLA PASHOLLARI
Secretary General

Melaka, Malaysia
Dated: 24 DEC 2018

KHAIRUDDIN HASYUDEEN & RAZI
Chartered Accountants
(AF 1161)

AUTHORISED TRAINING EMPLOYER

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WORLD ASSEMBLY OF YOUTH

Report on the Financial Statements

Opinion

We have audited the financial statements of WORLD ASSEMBLY OF YOUTH which comprise the statement of financial position as at 31 December 2017, and the statement of comprehensive income, and statement of cash flows for the year then ended, and notes to the financial statement, including a summary of significant accounting policies as set out on pages 6 to 21.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2017 and of its financial performance and its cash flows for the year ended in accordance with Malaysian 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 Company in accordance with the By-Laws *(on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standard 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.

Emphasis of Matter

We draw attention to Note 9 of the financial statement, which is long outstanding other payables amounting to RM1,535,742 as at 31 December 2017. We were unable to ascertain the accuracy and the existence of the other payables. Consequently, we were unable to determine whether any adjustments to these amounts were necessary. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditors' Report Thereon

The committee of the Organization are responsible for the other information. The other information comprises the Committees' Report but does not include the financial statements of the Organization and our auditors' report thereon.

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

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

Responsibilities of the Committees for the Financial Statements

The committee of the Organization are responsible for the preparation of financial statements of the Organization that give a true and fair view in accordance with Malaysian Financial Reporting Standards and the requirements of the Societies Act, 1966 in Malaysia. The committees are also responsible for such internal control as the committees determine is necessary to enable the preparation of financial statements of the Organization that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Organization, the committees are responsible for assessing the organization'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 directors either intend to liquidate the Organization 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 Organization 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 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.

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& RAZI

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(AF 1161)

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- 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 Organization's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the committees.

- Conclude on the appropriateness of the committees' 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 Organization'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 Organization 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 Organization to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Organization, including the disclosures, and whether the financial statements of the Organization represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the committees 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.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Article of Organisation Charter, we also report that in our opinion the accounting and other records and the registers required by the Article to be kept by the Association have been properly kept in accordance with the provisions of the Article.

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF WORLD ASSEMBLY OF YOUTH

Other Matters

This report is made solely to the Members of Association, as body, in accordance with Article of Organisation Charter and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Khairuddin Hasyudeen & Razi
AF 1161
Chartered Accountants

Mohd Arif bin Yusa
1897/04/20(J)
Partner of the firm

Melaka, Malaysia
Dated: 24 DEC 2018

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WORLD ASSEMBLY OF YOUTH

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2017

	NOTE	2017 RM	2016 RM
ASSETS			
Property, plant and equipment	5	**2,080**	2,365
Total non current assets		**2,080**	2,365
Other receivables, deposits and prepayments		**2,904**	840
Cash and cash equivalents	6	**2,459**	28,202
Total current assets		**5,363**	29,042
TOTAL ASSETS		**7,443**	31,407
EQUITY			
Accumulated fund	7	**(1,535,834)**	(1,511,870)
AIDS project fund	8	**7,535**	7,535
Total equity		**(1,528,299)**	(1,504,335)
LIABILITIES			
Other payables and accruals	9	**1,535,742**	1,535,742
Total current liabilities		**1,535,742**	1,535,742
TOTAL EQUITY AND LIABILITIES		**7,443**	31,407

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

WORLD ASSEMBLY OF YOUTH

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 RM	2016 RM
REVENUE:		
Conference fees	6,087	57,719
Sponsorship	425,909	60,000
	431,996	117,719
OTHER INCOME:		
Insurance reimbursement	600	262
	600	262
TOTAL INCOME	432,596	117,981
ADMIN EXPENSES:		
Accounting fees	1,000	1,000
Audit fees	1,500	1,500
Bank charges	198	257
Depreciations	285	1,031
Fuel, tolls and parking	6,248	6,303
Insurance	3,588	9,382
Maintenance - motor vehicles	9,799	7,874
Maintenance - office equipment	1,318	6,664
Office expenses	3,920	4,066
Periodical and subscriptions	1,026	1,399
Postage and stamps	484	396
Printing and stationery	2,022	2,973
Rental	9,552	10,560
Salaries and wages	204,559	226,969
Staff claims	22,944	25,304
Travel allowances	20,751	45,359
Utilities	17,240	19,039
Entertainment	28,295	-
WAY conference and meeting	121,428	137,776
WAY events and workshop	403	301
	456,560	508,153
NET DEFICIT	(23,964)	(390,172)

WORLD ASSEMBLY OF YOUTH

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017

	2017 RM	2016 RM
INFLOWS:		
Bank b/f	28,202	18,753
Advance	-	400,440
Conference fees	6,087	57,719
Other income - Insurance reimbursment	600	262
Sponsorship	425,909	60,000
	460,798	537,174
OUTFLOWS:		
Account fees	1,000	1,000
Audit fees	1,500	1,500
Bank charges	198	257
Entertainment	28,295	-
Fuel, tolls and parking	6,248	6,303
Insurances	3,588	9,382
Maintenance - motor vehicles	9,799	7,874
Maintenance - office equipment	1,318	6,664
Office expenses	3,920	4,066
Periodical and subscriptions	1,026	1,399
Postage and stamps	484	396
Printing and stationery	2,022	2,972
Purchase of asset	-	1,850
Rental	11,352	10,560
Salaries and wages	204,559	226,969
Staff claims	22,944	25,304
Travel allowances	20,751	45,359
Utilities	17,240	19,040
WAY event and workshop	403	301
WAY conference and meeting	121,428	137,776
Deposit	264	-
	458,339	508,972
CASH AND CASH EQUIVALENT	2,459	28,202

1. PRINCIPAL OBJECTIVES

The Association is established under the International Coordinating Body of National Youth Council and Organisations. The principal objectives of the Organisation under the Articles are:

(a) Increase inter-ethnic respect and to foster inter-cultural and international understanding and co-operations.
(b) Facilitate the collection of information about the needs and problem of youth.
(c) Disseminate information about the methods, techniques and activities of youth organisations.
(d) Promote the interchanges of ideas between youth of all countries.
(e) Assist in the development of youth work activities and to promote, by mutual aid, the extension of the work of the voluntary youth organisations.
(f) Co-operate in the development of national youth organisations.
(g) Promote the democratic participation of young people both in their own organisation and in the work of the voluntary youth.
(h) Establish and maintain relations with the international organisations, both voluntary and governmental.
(i) Support and encourage the national movements of non self governing countries in their struggle for national liberations.
(j) Promote tolerance, understanding, solidarity and co-operation among young men and women irrespective of race, sex, language, religion or political orientations.
(k) Encourage the full participation of young men and women in the development process of their countries.
(l) Act as representative body of national youth councils to other appropriate governmental and non-governmental international bodies.

2. BASIS FROM PREPARATION OF THE FINANCIAL STATEMENTS

(a) Statement of compliance

The financial statements of the Association have been prepared in accordance with International Financial Reporting Standard and Malaysian Financial Reporting Standards ("MFRSs").

The following are accounting standards, amendments and interpretations of the MFRSs Framework that have been issued by the Malaysian Accounting Standards Board (MASB) which are not yet effective and have not been adopted by the Organization:

MFRS, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018:

- MFRS 9 *Financial Instruments*
- MFRS 15 *Revenue from Contracts with Customers*
- MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements 2014-2016 Cycle)*
- MFRS 2 *Share-based Payment - Classification and Measurement of Share-based Payment Transactions*

- MFRS 4 *Insurance Contracts - Applying MFRS 9 Financial Instrument with MFRS 4 Insurance Contracts*
- MFRS 128 *Investments in Associates and Joint Ventures (Annual Improvements 2014-2016 Cycle)*
- MFRS 140 *Investment Property - Transfer on Investment Property*
- IC Interpretation 22 *Foreign Currency Transaction and Advance Consideration*

MFRS, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019:

- MFRS 16 *Leases*

The Company is in the process of assessing the financial impacts of adopting the above amendments and improvements to MFRSs.

(b) **Basis of measurement**

The financial statements have been prepared under the historical cost basis other than those specified in Note 4.

(c) **Functional and presentation currency**

Currency used by the Association are denominated in Ringgit Malaysia ("RM"), sales and purchase in dominance in RM, acceptance of the operations has been maintained in the RM and funds from finance activities also generated in RM.

(d) **Use of estimates and judgments**

Preparation of financial statements in accordance with the requirements of MFRSs may require management to make judgments, estimates and assumptions that affect the use of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

For the current financial year, there is an integral part of estimation uncertainty and critical judgments in applying accounting policies that have significant effect on the amounts recognized in the financial statements.

(e) **Provision**

Provisions are recognised when the organization has the legal obligation and liabilities constructive as a result of a past event that is probable outflow of resources embodying economic benefits will be required to settle the obligation. Reasonable estimates can be made on the obligation.

Risks and uncertainties are taken into account in reaching the best estimate provisions. When the effect of the value of money is material, the amount recognised for a provision is the present value of the expenditure expected to be required to settle the obligation. Provisions determined by giving discounts future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the reliability. Termination of the discount is recognised as finance cost.

3. DATE OF AUTHORISATION OF ISSUE

The financial statements were authorised for issue by the Committee on 24 December 2018.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following are the significant accounting policies applied consistently with respect to matters which are considered significant in respect of the financial statements. These policies have been consistently applied in the year in which they are presented, unless otherwise stated.

(a) Financial Assets

Financial assets are recognised in the statements of financial position when the Association become a party to the contractual provisions of the instrument. Regular way purchase and sales of financial assets are recognised and derecognised using trade date accounting.

On initial recognition, financial assets are measured at fair value, plus transaction costs for financial assets not at 'fair value through profit or loss'.

Effective interest method is a method of calculating the amortised cost of financial assets and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash receipts through the expected life of the financial assets or a shorter period to the net carrying amount of the financial assets.

After initial recognition, financial assets are classified into one of four categories: financial assets at 'fair value through profit or loss', 'held-to-maturity' investments, loans and receivables and 'available-for-sale' financial assets.

(i) Financial Assets at 'Fair Value Through Profit or Loss'

Financial assets are classified as at 'fair value through profit or loss' when the financial assets are either 'held for trading' including derivatives (except for a derivative that is a financial guarantee contract or designated and effective hedging instrument), or upon initial recognition, financial assets are designated as at 'fair value through profit or loss'.

After initial recognition, financial assets at 'fair value through profit or loss' are measured at fair value. Gains or losses on the financial assets at 'fair value through profit or loss' are recognised in profit or loss.

(ii) 'Held-to-Maturity' Investment (HTM)

'Held-to-maturity' investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Company have the positive intention and ability to hold to maturity.

After initial recognition, 'held-to-maturity' investments are measured at amortised cost using the effective interest method less any accumulated impairment losses. Gains or losses are recognised in profit or loss when 'held-to-maturity' investments are derecognised or impaired.

(iii) Loans and Receivables (L&R)

Loans and receivables are non-derivative financial assets (such as trade receivables, loans assets, unquoted debt instruments and deposits held in banks) with fixed or determinable payments that are not quoted in an active market.

After initial recognition, loans and receivables are measured at amortised cost using the effective interest method less any accumulated impairment losses. Gains or losses are recognised in profit or loss when loans and receivables are derecognised or impaired.

(iv) 'Available-for-sale' Financial Assets (AFS)

Investment in quoted equity and debt instruments that are traded in active market and certain unquoted equity instruments (when the fair value can be determined using a valuation technique) are classified as 'available-for-sale' financial assets. 'Available-for-sale' financial assets are measured at fair value.

Gains or losses on 'available-for-sale' financial assets are recognised in other comprehensive income, except for impairment losses and foreign exchange gains or losses, until the 'available-for-sale' financial assets are derecognised. At that time, the cumulative gains or losses previously recognised in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment.

Interest calculated using the effective interest method is recognised in profit or loss. Dividends on 'available-for-sale' equity instruments are recognised in profit or loss when the Company's right to receive payment is established.

(v) Investment in Unquoted Equity Instruments Carried at Cost

Investment in equity instruments which do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such an unquoted equity instruments, are measured at cost less any accumulated impairment losses.

(vi) Reclassification of Financial Assets

The Association do not reclassify derivative out of the 'fair value through profit or loss' category while they are held or in issue. Equally, the Association do not reclassify other financial assets out of the 'fair value through profit or loss' category if upon initial recognition, those financial assets were designated as at 'fair value through profit or loss'. Other financial assets are not reclassified into the 'fair value through profit or loss' category after initial recognition under another category.

When it is no longer appropriate to classify an investment as 'held-to-maturity' as a result of a change in intention and ability, the investment is reclassified as held for sale and re-measured at fair value. Any difference between the carrying amount and fair value of the investment is recognised in other comprehensive income.

(vii) Impairment of Financial Assets

At the end of each reporting period, the Association assess whether there is any objective evidence that financial assets held, other than financial assets at 'fair value through profit or loss', are impaired. Financial assets are impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the financial assets which have an impact on the estimated future cash flows of the financial assets that can be reliably measured.

(viii) Derecognition of Financial Assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or the Association transfer the financial assets and the transfers qualify for derecognition.

On derecognition of financial assets in their entirety, the differences between the carrying amounts and the sum of the consideration received and any cumulative gains or losses that have been recognised in other comprehensive income are recognised in profit or loss.

(b) **Financial Liabilities and Equity Instruments**

(i) Classification of Liabilities and Equity

On initial recognition, financial liabilities and equity instruments are classified in accordance with the substance of the contractual arrangement.

Interests, dividends, losses and gains relating to a financial instrument that is classified as a financial liability is recognised as income or expense in profit or loss. Distributions to holders of an equity instrument are debited directly to equity, net of any related income tax benefit. Transaction costs of an equity instrument are accounted for as a deduction from equity, net of any related income tax benefit.

(ii) Equity Instruments

Equity instruments are any contracts that evidence a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(iii) Financial Liabilities

Financial liabilities are recognised on the statements of financial position when the Company become a party to the contractual provisions of the instrument.

On initial recognition, financial liabilities are measured at fair value, plus transaction costs for financial liabilities not at 'fair value through profit or loss'.

After initial recognition, financial liabilities are either classified as at 'fair value through profit or loss' or amortised cost using the effective interest method.

(iv) Financial Liabilities at 'Fair Value Through Profit or Loss'

Financial liabilities are classified as at 'fair value through profit or loss' when the financial liabilities are either 'held for trading' or upon initial recognition, the financial liabilities are designated as at 'fair value through profit or loss'.

A financial liability is classified as 'held for trading' if:

- it is incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective hedging instrument.

Financial liabilities (other than 'held for trading') are designed as at 'fair value through profit or loss' upon initial recognition if:

- it eliminates or significant reduces a measurement or recognition inconsistency that would otherwise arise from measuring liabilities or recognising the gains and losses on them on different bases; or
- a group of financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- a contract contains one or more embedded derivatives, the entire hybrid contracts are designated as at 'fair value through profit or loss'.

After initial recognition, financial liabilities at 'fair value through profit or loss' are measured at fair value. Gains or losses on the financial liabilities at 'fair value through profit or loss' are recognised in profit or loss.

(v) Financial Liabilities at Amortised Cost using the Effective Interest Method (FL)

Effective interest method is a method of calculating the amortised cost of financial liabilities and allocating the interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash payments through the expected life of the financial liabilities or a shorter period to the net carrying amount of the financial liabilities.

After initial recognition, financial liabilities other than financial liabilities at 'fair value through profit or loss' are measured at amortised cost using the effective interest method. Gains or losses are recognised in profit or loss when the financial liabilities are derecognised or impaired.

(vi) Derecognition of Financial Liabilities

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Any difference between the carrying amounts of financial liabilities derecognised and the consideration paid is recognised in profit or loss.

(c) **Property, Plant and Equipment and Depreciation**

Initially, property, plant and equipment are stated at cost. The cost of property, plant and equipment are recognised as an asset if, and only if, it is probable that the economic benefits associated with the asset will flow to the company and the cost can be measured reliably.

Following the next recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. When part of the property, plant and equipment of a material should be replaced at the interval, the company recognizes the Division as individual assets with useful life and depreciation of certain each. So, when a major inspection is performed, cost is recognised in the carrying amount of property, plant and equipment as a replacement if it meets the criteria for recognition. All costs of other repairs and maintenance are recognised in profit or loss when incurred. Properties unlimited useful lives are not amortised.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be restored. Residual values, useful lives and methods of depreciation are reviewed at the end of each financial year, and adjusted prospectively, if appropriate.

Depreciation is provided on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. The estimated useful lives for the current year are as follows:

	Years
Air conditioner	10
Computer	5
Furniture and fitting	10
Kitchen equipment	10
Motor vehicles	5
Office equipment	10

Recognition of a property, plant and equipment reversed upon disposal or when no future economic benefits are expected to be paid off from the use or disposal of the asset. Any gains or losses from assets not recognised is included in profit or loss in the year the asset is derecognised.

(d) **Revenue Recognition**

Revenue is measured at the fair value received or receivable, net of discounts and indirect taxes associated with the revenue. Revenue is recognised in the statement of comprehensive income based on the rendering of services by reference to the stage of completion of the transaction at the end of this reporting year when the results of the transaction can be measured reliably.

Revenue is recognised on accrual basis from the income received from sponsorship and participant fees.

(e) **Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, bank balances, deposits with licensed financial institutions and highly liquid investments that are readily convertible to cash amount and subject to the risk of changes in value. The cash flow statement is prepared using the direct method.

(f) **Financial Instruments**

(i) Description

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is a liability that is contractual obligation to deliver cash or another financial instrument with another enterprise under conditions that are potentially unfavourable.

(ii) Financial instruments recognized on the balance sheet.

The particular recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual policy statements associated with each item.

(g) **Employee Benefits**

(i) Short-term Benefits

Salaries, wages, bonuses, paid annual leave, leave treatment and in-kind benefits are recognised as an expense during the financial year in which the employee has provided services to the company.

(ii) Defined Contribution Plan

As required by law, companies in Malaysia are required to contribute to the employees Provident Fund (EPF). This contribution is recognised as an expense in the income statement during the financial year concerned. Once the contributions have been paid, the company does not have any future liabilities.

(iii) Termination Benefits

Employee termination benefits are recognized only after the consent of the employee representatives on the terms stipulated or after an employee was informed about these requirements.

5. PROPERTY, PLANT AND EQUIPMENT

	COST			
	Balance at 01.01.2017 RM	**Additions RM**	**Disposals RM**	**Balance at 31.12.2017 RM**
Air conditioner	30,780	-	-	**30,780**
Computer	12,733	-	-	**12,733**
Furniture and Fitting	71,908	-	-	**71,908**
Kitchen Equipment	500	-	-	**500**
Motor Vehicles	107,500	-	-	**107,500**
Office Equipment	8,987	-	-	**8,987**
	232,408	-	-	**232,408**

	ACCUMULATED DEPRECIATION			
	Balance at 01.01.2017 RM	Additions RM	Disposals RM	Balance at 31.12.2017 RM
Air conditioner	29,525	32	-	**29,557**
Computer	12,732	-	-	**12,732**
Furniture and Fitting	70,957	100	-	**71,057**
Kitchen Equipment	499	-	-	**499**
Motor Vehicles	107,497	-	-	**107,497**
Office Equipment	8,833	153	-	**8,986**
	230,043	285	-	**230,328**

	CARRYING VALUE		Depreciation
	2017 RM	2016 RM	2016 RM
Air conditioner	**1,223**	1,255	32
Computer	**1**	1	-
Furniture and Fitting	**851**	951	100
Kitchen Equipment	**1**	1	-
Motor Vehicles	**3**	3	-
Office Equipment	**1**	154	899
	2,080	2,365	1,031

6. CASH AND CASH EQUIVALENTS

	2017 RM	2016 RM
Cash in hand	**4,396**	2,000
Maybank - Ayer Keroh	**-**	18,667
Maybank - Way Aids Fund	**7,535**	7,535
	11,931	28,202
Less: Bank overdraft	**9,472**	-
	2,459	28,202

7. ACCUMULATED FUND

	2017 RM	2016 RM
Accumulated fund brought forward	**(1,511,870)**	(1,121,698)
Deficit for the period	**(23,964)**	(390,172)
Accumulated fund carried forward	**(1,535,834)**	(1,511,870)

8. AIDS PROJECT FUND

The fund was for AIDS Project to help individual who suffered HIV AIDS. The collection of funds still on going until year 2019.

9. OTHER PAYABLES AND ACCRUALS

	2017 RM	2016 RM
Other payables	**1,533,242**	1,533,242
Accruals	**2,500**	2,500
	1,535,742	1,535,742

10. STAFF COST

	2017 RM	2016 RM
Salaries and allowance	**204,559**	226,969
Other related cost	**22,944**	25,304
	227,503	252,273

The number of employees in the Company at the end of the financial year were 9 (2016: 7).

11. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

Table below shown financial analysis instruments which categorize as follows:

(i) Loan & Receivables (L&R);
(ii) Fair value profit and loss (FVTPL);
- Held for Trading(HFT), or
- Determine under initial recognition (DUIR)

(iii) Asset available for sale (AFS);
(iv) Held to maturity (HTM); and
(v) Financial liability measure under amortization cost (FL)

	Carrying amount RM	L&R/(FL) RM
2017		
Financial Assets		
Loan and receivables:		
Other receivable, deposits and prepayments	2,904	2,904
Cash and cash equivalents	2,459	2,459
	5,363	5,363
Financial Liability		
Financial liability measure under amortization cost:		
Other payable and accruals	1,535,742	1,535,742
	1,535,742	1,535,742
2016		
Financial Assets		
Loan and receivables:		
Other receivables, deposits and prepayments	840	840
Cash and cash equivalents	28,202	28,202
	29,042	29,042
Financial Liability		
Financial liability measure under amortization cost:		
Other payables and accruals	1,535,742	1,535,742
	1,535,742	1,535,742

(b) Financial risk management

Company's exposure to the risks below due adoption to financial instrument:

- Credit risk
- Liquidity risk

(i) Credit risk

Credit risk is the risk of financial loss to the company if the customer or a party to a financial instrument fails to meet the demands of the contract. The company's exposure to credit risk arises mainly from receivables from customers and funding and advances to related companies.

(ii) Liquidity risk

Liquidity risk is the risk to which the company was unable to meet financial obligations when they fall due. The company's exposure to liquidity risk arises mainly from various creditors and financing.

The company maintains a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to settle liabilities when they fall due.

(c) Fair value

The fair value of financial assets and liabilities reported in the Statement of Financial Position for the year ended 31 December 2017 is measured at the carrying amount of the assets and liabilities based on short term maturity of these financial instruments.

WORLD ASSEMBLY OF YOUTH

DETAILED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

	2017 RM	2016 RM
Revenue		
Sponsorship	425,909	60,000
Conference fees	6,087	57,719
	431,996	117,719
Less :		
Cost of sales	-	-
Gross profit	431,996	117,719
Add :		
Other income - Insurance reimbursement	600	262
Less :		
Administrative expenses:		
Account fees	1,000	1,000
Auditors' remuneration	1,500	1,500
Bank charges	198	257
Depreciation	285	1,031
Entertaintment	28,295	-
Fuel, tolls and parking	6,248	6,303
Insurances	3,588	9,382
Mainteanace MV	9,799	7,874
Mainteanace office equipment	1,318	6,664
Office expenses	3,920	4,066
Postage and stamps	484	396
Printing and stationary	2,022	2,973
Rental	9,552	10,560
Subscription	1,026	1,399
Salaries and wages	204,559	226,969
Staff claims	22,944	25,304
Travel allowance	20,751	45,359
Utilities	17,240	19,039
Conference and meeting	121,428	137,776
Events and workshops	403	301
Deficit before taxation	(23,964)	(390,172)
Taxation	-	-
Net deficit after taxation	(23,964)	(390,172)