

**PERSATUAN BADMINTON MALAYSIA  
(BADMINTON ASSOCIATION OF MALAYSIA)  
(Registered under the Sports Development Act 1997)**

**REPORTS AND FINANCIAL STATEMENTS  
31ST DECEMBER 2017**

**CONTENTS**

	Page No.
General Information	1
Statement by the Council Members	2
Independent Auditors' Report	3 - 5
Statement of Financial Position	6
Statement of Comprehensive Income	7
Statement of Changes in Fund Balance	8
Statement of Cash Flows	9
Notes to the Financial Statements	10 - 19

**PERSATUAN BADMINTON MALAYSIA**  
**(BADMINTON ASSOCIATION OF MALAYSIA)**  
(Registered under the Sports Development Act 1997)

**GENERAL INFORMATION**

DOMICILE	:	Malaysia
LEGAL FORM AND PLACE OF INCORPORATION	:	A sport association registered in Malaysia under the Sports Development Act 1997
REGISTERED OFFICE AND PRINCIPAL PLACE OF OPERATION	:	Stadium Juara Kompleks Sukan Bukit Kiara Jalan 1/70D, Bukit Kiara 60000 Kuala Lumpur.

**PERSATUAN BADMINTON MALAYSIA**  
**(BADMINTON ASSOCIATION OF MALAYSIA)**  
(Registered under the Sports Development Act 1997)

**STATEMENT BY THE COUNCIL MEMBERS**

**FINANCIAL STATEMENTS – 31 DECEMBER 2017**

In our opinion, the financial statements set out on pages 6 to 19 have been properly drawn up in accordance with generally accepted accounting principles in Malaysia so as to exhibit a true and fair view of the state of affairs of the Association at 31 December 2017 and of its results and cash flows for the financial year then ended.

On behalf of the Council Members



DATO' SRI MOHAMAD  
NORZA ZAKARIA  
President



DATUK NG CHIN  
CHAI  
Honorary Secretary



DATUK V.  
SUBRAMANIAM  
Honorary Treasurer

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF****PERSATUAN BADMINTON MALAYSIA  
(BADMINTON ASSOCIATION OF MALAYSIA)  
(Registered under the Sports Development Act 1997)****Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of Persatuan Badminton Malaysia ("the Association"), which comprise the statement of financial position as at 31st December 2017, the statement of comprehensive income and statement of changes in fund balance and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 6 to 19.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Association as at 31st December 2017, and of its financial performance and its cash flows for the year then ended in accordance with Generally Accepted Accounting Principles 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 Association 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.

### **Responsibilities of the Council Members for the Financial Statements**

The council members of the Association are responsible for the preparation of financial statements of the Association that give a true and fair view in accordance with Generally Accepted Accounting Principles in Malaysia. The council members are also responsible for such internal control as the council members determine is necessary to enable the preparation of financial statements of the Association that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Association, the council members are responsible for assessing the Association'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 council members either intend to liquidate the Association 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 Association 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Association, 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 Association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the council members.

- Conclude on the appropriateness of the council members' 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 Association'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 Association 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 Association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Association, 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 council members 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 audit.

#### **Other Matters**

This report is made solely to the members of the Association, as a body and for no other purpose. We do not assume responsibility to any other person for the content of this report.



**GOMEZ & CO.**  
**AF 0611**  
 Chartered Accountants

Kuala Lumpur

Date: 28 APR 2018



**LIM TAI POO**  
**03332/10/2019 J**  
 Chartered Accountant

**PERSATUAN BADMINTON MALAYSIA**  
**(BADMINTON ASSOCIATION OF MALAYSIA)**  
(Registered under the Sports Development Act 1997)

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2017**

	Note	2017 RM	2016 RM
NON-CURRENT ASSET			
Property, plant and equipment	3	6,688,231	7,062,148
CURRENT ASSETS			
Subsidies and sponsorship monies receivable	4	4,447,898	6,559,274
Sundry receivables, deposits and prepayments	5	109,288	362,490
Cash and bank balances	6	5,546,386	5,493,590
		10,103,572	12,415,354
LESS: CURRENT LIABILITY			
Sundry payables and accruals	7	7,196,337	4,373,749
NET CURRENT ASSETS		2,907,235	8,041,605
		<u>9,595,466</u>	<u>15,103,753</u>
Financed by:-			
GENERAL FUND		<u>9,595,466</u>	<u>15,103,753</u>

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

**PERSATUAN BADMINTON MALAYSIA**  
**(BADMINTON ASSOCIATION OF MALAYSIA)**  
(Registered under the Sports Development Act 1997)

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

	Note	2017 RM	2016 RM
<b>INCOME</b>			
Prize money		1,655,656	2,186,773
Awards to players and players incentive scheme		<u>(4,815,318)</u>	<u>(9,021,491)</u>
		(3,159,662)	(6,834,718)
Deficit from organising international tournaments	8	(1,829,006)	(2,610,962)
Deficit from organising local tournaments	9	(1,777,277)	(1,189,013)
Subsidies and sponsorships	10	22,623,793	23,220,415
Rental income from Sekolah Sri Garden	11	1,926,000	1,863,000
Court rental		5,240	60,089
Registration and affiliation fees		500	14,505
Sundry income		121,500	46,623
Fixed deposit interest income		<u>82,400</u>	<u>186,627</u>
		17,993,488	14,756,566
Less:			
<b>EXPENDITURE</b>			
Competition, training and other expenses	12	<span style="border: 1px solid black;">19,391,253</span>	<span style="border: 1px solid black;">14,978,813</span>
Administrative and operating expenses	13	<span style="border: 1px solid black;">4,110,522</span>	<span style="border: 1px solid black;">3,054,777</span>
		<u>23,501,775</u>	<u>18,033,590</u>
<b>DEFICIT FOR THE FINANCIAL YEAR</b>			
<b>TRANSFERRED TO GENERAL FUND</b>		<u><u>(5,508,287)</u></u>	<u><u>(3,277,024)</u></u>

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

**PERSATUAN BADMINTON MALAYSIA**  
**(BADMINTON ASSOCIATION OF MALAYSIA)**  
(Registered under the Sports Development Act 1997)

**STATEMENT OF CHANGES IN FUND BALANCE**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

	2017 RM
At 1 January 2016	18,380,777
Deficit for the financial year	<u>(3,277,024)</u>
At 31 December 2016	15,103,753
Deficit for the financial year	<u>(5,508,287)</u>
At 31 December 2017	<u><u>9,595,466</u></u>

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

**PERSATUAN BADMINTON MALAYSIA**  
**(BADMINTON ASSOCIATION OF MALAYSIA)**  
(Registered under the Sports Development Act 1997)

**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

	2017 RM	2016 RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Deficit for the financial year	(5,508,287)	(3,277,024)
Adjustments for:		
Depreciation	422,185	412,531
Gain on disposal of property, plant and equipment	-	(28,741)
Property, plant and equipment written off	-	147
	<hr/>	<hr/>
Operating deficit before working capital changes	(5,086,102)	(2,893,087)
Changes in receivable	2,364,578	169,593
Changes in payables	2,822,588	201,019
	<hr/>	<hr/>
Net cash surplus/(deficit) operating activities	101,064	(2,522,475)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(48,268)	(68,506)
Proceeds from disposal of property, plant and equipment	-	57,500
	<hr/>	<hr/>
Net cash used in investing activities	(48,268)	(11,006)
Net decrease in cash and bank balances	52,796	(2,533,481)
Cash and bank balances at the beginning of the financial year	5,493,590	8,027,071
	<hr/>	<hr/>
Cash and bank balances at the end of the financial year (Note 6)	<u>5,546,386</u>	<u>5,493,590</u>

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

**PERSATUAN BADMINTON MALAYSIA**  
**(BADMINTON ASSOCIATION OF MALAYSIA)**  
(Registered under the Sports Development Act 1997)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

**1. PRINCIPAL ACTIVITY**

The Persatuan Badminton Malaysia is a non-profit organisation dedicated to encourage, promote and control the game of Badminton in Malaysia.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**a) Basis of Preparation**

The financial statements comply with generally accepted accounting principles in Malaysia. The measurement bases applied in the preparation of the financial statements include cost, amortised cost, recoverable value and realisable value as indicated in the accounting policies set out below. Accounting estimates are used in measuring these values.

The financial statements are presented in Ringgit Malaysia ("RM").

**b) Property, Plant and Equipment and Depreciation**

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

Building	2%
Long leasehold land	99 years
Furniture, fittings and office equipment	20%
Sport equipment	20%

The carrying values of property, plant and equipment 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. An impairment loss is charged to the income statement immediately.

c) Financial instruments

i) Initial Recognition and Measurement

The Association recognises a financial asset or a financial liability (including derivative instruments) in the statement of financial position when, and only when, it becomes a party to the contractual provisions of the instrument.

On initial recognition, all financial assets and financial liabilities are measured at fair value, which is generally the transaction price, plus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expensed to profit or loss when incurred.

ii) Derecognition of Financial Instruments

A financial asset is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire, or when the Association transfers the contractual rights to receive cash flows of the financial asset, including circumstances when the Association acts only as a collecting agent of the transferee, and retains no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognised when, and only when, it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguished of the original financial liability and the recognition of a new financial liability. For this purpose, the Association considers a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate differs by 10% or more when compared with the carrying amount of the original liability.

iii) Subsequent Measurement of Financial Assets

For the purpose of subsequent measurement, the Association classifies financial assets into two categories, namely: (i) financial assets at fair value through profit or loss, and (ii) financial assets at amortised cost.

After initial recognition, investments in preference shares and ordinary shares are measured at their fair values by reference to the active market prices, if observable, or otherwise by a valuation technique, without any deduction for transaction costs it may incur or sale or other disposal.

Investments in debt instruments, whether quoted or unquoted, are subsequently measured at amortised cost using the effective interest method. Investments in quoted equity instruments and whose fair value cannot be reliably measured are measured at cost.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment.

- iv) **Subsequent measurement of Financial Liabilities**  
After initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.
- v) **Fair Value Measurement of Financial Instruments**  
The fair value of a financial asset or a financial liability is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique using reasonable and supportable assumptions.
- vi) **Recognition of Gains and Losses**  
Fair value changes of financial assets and liabilities classified as at fair value through profit or loss are recognised in profit or loss when they arise.

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in profit or loss only when the financial asset or financial liability is derecognised or impaired and through the amortisation process of the instrument.

- vii) **Impairment and Uncollectibility of Financial Assets**  
At the end of each reporting period, the Association examines whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Evidences of trigger loss events include:
  - significant difficulty of the issuer or obligor;
  - a breach of contract, such as default or delinquency in interest or principal payments;
  - granting exceptional concession to a customer;
  - it is probable that a customer will enter bankruptcy or other financial reorganisation;
  - the disappearance of an active market for that financial asset because of financial difficulties; or
  - any observable market data indicating that there may be a measurable decrease in the estimated future cash flows from a group of financial assets.

For short-term trade and other receivables, where the effect of discounting is immaterial, impairment loss is tested for each individually significant receivable wherever there is any indication of impairment. Individually significant receivables for which no impairment loss is recognised are grouped together with all other receivables by classes based on credit risk characteristics and aged according to their past due periods. A collective allowance is estimated for a class group based on the Association's experience of loss ratio in each class, taking into consideration current market conditions.

d) Finance and operating leases

The Association recognises a lease whenever there is an agreement, whether explicitly stated as a lease or otherwise, whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. Title may or may not eventually be transferred. All other leases that do not meet this criteria are classified as operating leases.

i) Lessee accounting

The Association capitalises the underlying leased asset and the related lease liability in a finance lease. The amount recognised at the commencement date is the fair value of the underlying leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine; if not, the lessee's incremental borrowing rate is used. Any initial direct costs of the lease are added to the amount recognised as an asset.

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are classified by nature and accounted for in accordance with the accounting principles in Malaysia. If there is no reasonable certainty that the lessee will obtain ownership by the end the lease term, the asset is depreciated over the shorter of the lease term and its useful life.

ii) Operating leases

The Association does not capitalise the underlying leased asset or recognize a lease liability in an operating lease. Instead, lease payments under an operating lease are recognised as an expense on the straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

e) Foreign Currencies

Transactions in foreign currencies during the financial year are converted to Ringgit Malaysia at the rate of exchange ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Ringgit Malaysia at the closing rates. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies are translated to Ringgit Malaysia at rates of exchange ruling at the date of transactions.

f) Income Recognition

Income is recognised when it is probable that the economic benefits will flow to the Association and when the revenue can be measured reliably, on the following bases:

(i) Income from sponsorship, subsidies and grants

Income from sponsorship, subsidies and grants are recognised on an accrual basis when the Association's right to receive payment is established.

Unrestricted sponsorships, subsidies and grants received are credited in full to the Income and Expenditure Account as an income item. Restricted sponsorships, subsidies and grants received are offset against the related expenditure item, except for grants for capital expenditure which are credited to a capital fund statement.

(ii) Rental income

Income from rental of properties is recognised on a time proportion basis over the lease term.

(iii) Interest income

Interest income from fixed deposits is recognised on an accrual basis.

g) Employees Benefits

(i) Short term benefits

Wages, salaries, paid leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the period in which the associated services are rendered by employees.

Non-monetary benefits such as medical care and other staff related expenses are charged to the income statement as and when incurred.

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in the income statement in the financial year to which they relate.

### 3. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:

	Building RM	Long Leasehold Land RM	Furniture, Fittings and Office Equipment RM	Sport Equipment RM	Total RM
<b>Cost</b>					
As at 1st January 2017	13,708,755	2,350	277,510	415,959	14,404,574
Additions	-	-	37,692	10,576	48,268
As at 31st December 2017	13,708,755	2,350	315,202	426,535	14,452,842
<b>Accumulated Depreciation</b>					
As at 1st January 2017	6,842,838	705	174,706	324,177	7,342,426
Charge for the financial year	274,175	24	62,680	85,306	422,185
As at 31st December 2017	7,117,013	729	237,386	409,483	7,764,611
<b>Net Carrying Amount</b>					
As at 31st December 2017	6,591,742	1,621	77,816	17,052	6,688,231
As at 31st December 2016	6,865,917	1,645	102,804	91,782	7,062,148
<b>Depreciation Charge</b>					
Financial year ended 31st December 2016	274,175	24	55,141	83,191	412,531

A valuation was performed on the land and building by an external valuer, namely TD Aziz Sdn Bhd., an independent valuer of International Property Consultants and Chartered Surveyors, using the comparison and investment/cost methods. According to the valuation report, the market price is estimated to be RM52,000,000.

4. **SUBSIDIES AND SPONSORSHIP MONIES RECEIVABLE**

	2017 RM	2016 RM
Subsidies	3,746,990	4,619,824
Sponsorship monies	1,682,933	2,921,475
Allowance for doubtful debt	(982,025)	(982,025)
	<u>700,908</u>	<u>1,939,450</u>
	<u>4,447,898</u>	<u>6,559,274</u>

5. **SUNDRY RECEIVABLES, DEPOSITS AND PREPAYMENTS**

	2017 RM	2016 RM
Sundry receivables	46,588	212,990
Rental and utility deposits	62,700	62,700
Prepayments	-	86,800
	<u>109,288</u>	<u>362,490</u>

6. **CASH AND BANK BALANCES**

	2017 RM	2016 RM
Fixed deposits placed with a licensed bank	3,050,303	4,040,458
Cash in hand and at bank	<u>2,496,083</u>	<u>1,453,132</u>
	<u>5,546,386</u>	<u>5,493,590</u>

The fixed deposits, placed with a licensed bank earn interest of 3.10% (2016 - 3.10% to 3.35%) per annum and have maturity periods of less than one year.

7. **SUNDRY PAYABLES AND ACCRUALS**

	2017 RM	2016 RM
Sundry payables	3,863,464	2,069,944
Accruals	<u>3,332,873</u>	<u>2,303,805</u>
	<u>7,196,337</u>	<u>4,373,749</u>

**8. DEFICIT FROM ORGANISING INTERNATIONAL TOURNAMENTS**

	2017 RM	2016 RM
Deficit from:		
Malaysia International Challenge	(203,591)	(232,552)
Malaysian Open	(1,258,497)	(1,852,454)
Malaysia Youth International	(6,196)	(140,115)
Sudirman Cup Participation	(130,190)	-
Yonex-Sunrise GP Gold Open	(230,532)	(385,841)
	<u>(1,829,006)</u>	<u>(2,610,962)</u>

**9. DEFICIT FROM ORGANISING LOCAL TOURNAMENTS**

	2017 RM	2016 RM
Deficit from:		
100 Plus National Junior Circuit	(61,150)	(348,135)
Air Asia National Junior League	(819,664)	-
Inter Team	(160,430)	-
Lifescore License	(50,476)	-
State Open	(230,208)	-
Grand Prix GP Final	(455,349)	(383,392)
Maybank National Circuit	-	(457,486)
	<u>(1,777,277)</u>	<u>(1,189,013)</u>

**10. SUBSIDIES AND SPONSORSHIPS**

	2017 RM	2016 RM
Sponsorships	19,209,057	17,655,253
Subsidies from National Sports Council	3,414,736	5,565,162
	<u>22,623,793</u>	<u>23,220,415</u>

**11. RENTAL INCOME**

	2017 RM	2016 RM
Rental income earned from Sekolah Sri Garden	<u>1,926,000</u>	<u>1,863,000</u>

12.	<b>COMPETITION, TRAINING AND OTHER EXPENSES</b>	2017	2016
		RM	RM
	Deficit for coaching and management courses	(23,159)	(14,470)
	Coaching and training	8,593,091	5,728,244
	Court officials	520	57,042
	Multi Sports and exclusive events	528,468	-
	Participation in foreign tournaments and competitions	4,712,288	6,659,532
	Participation in local tournaments and competitions	887,212	432,534
	Sports equipment	2,627,217	-
	State Development Programme	1,819,816	1,911,931
	State Secretaries' remuneration	245,800	204,000
		<u>19,391,253</u>	<u>14,978,813</u>
13.	<b>ADMINISTRATIVE AND OPERATING EXPENSES</b>	2017	2016
		RM	RM
	Affiliation fee	52,135	27,047
	Auditors' remuneration	15,000	15,000
	Bank charges	3,860	4,911
	Building expenses	147,782	144,189
	Court rental	95,232	-
	Depreciation	422,185	412,531
	GST	55	74,411
	Property, plant and equipment written off	-	147
	Secretariat expenses	<u>3,374,273</u>	<u>2,376,541</u>
		<u>4,110,522</u>	<u>3,054,777</u>
14.	<b>EMPLOYEES INFORMATION</b>	2017	2016
		RM	RM
	Staff costs:		
	Salaries, allowances and bonuses	9,482,748	5,535,970
	Defined contribution plan – EPF contributions	724,912	342,725
	Social security costs – SOCSO contributions	40,605	20,032
	Other staff related expenses	<u>125,282</u>	<u>25,724</u>
		<u>10,373,547</u>	<u>5,924,451</u>
	Number of employees at financial year end	<u>46</u>	<u>38</u>

15. **TAX EXPENSE**

There is no tax expense as the income of the Association is tax-exempted under Schedule 6 of the Income Tax Act 1967.