

Company No.

510087	M
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**CANCER RESEARCH INITIATIVES FOUNDATION**

(Company No. 510087-M)

(Incorporated in Malaysia as a company  
limited by guarantee and not having a share capital)

**STATUTORY FINANCIAL STATEMENTS**

**31 DECEMBER 2006**

1631A7/nm

Company No.

510087

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CANCER RESEARCH INITIATIVES FOUNDATION

(Company No. 510087-M)

(Incorporated in Malaysia as a company  
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TRUSTEES

Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya  
Toh Puan Datuk Hajah Dr Aishah Ong  
Abd. Hamid bin Ibrahim  
Lim Siew Lian  
Datuk Mohaiyani binti Shamsuddin  
Datuk Syed Tamim Ansari bin Syed Mohamed

SECRETARY

Noor Zita binti Hassan

AUDITORS

PricewaterhouseCoopers

REGISTERED OFFICE

21st Floor, Wisma Sime Darby  
Jalan Raja Laut  
50350 Kuala Lumpur  
Malaysia

PRINCIPAL PLACE OF BUSINESS

2nd Floor, Outpatient Centre  
Subang Jaya Medical Centre  
47500 Subang Jaya  
Malaysia

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## CANCER RESEARCH INITIATIVES FOUNDATION

(Company No. 510087-M)

(Incorporated in Malaysia as a company  
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### TRUSTEES' REPORT

The Trustees hereby submit their report together with the audited financial statements of Cancer Research Initiatives Foundation ("the Foundation") for the financial year ended 31 December 2006.

#### PRINCIPAL ACTIVITY

The principal activity of the Foundation is to receive and administer funds for cancer research purposes. There have been no significant changes in the nature of this activity during the financial year.

The Foundation is incorporated in Malaysia as a company limited by guarantee and does not have a share capital.

#### FINANCIAL RESULTS

	RM
Excess of expenditure over income for the financial year	<u>(166,297)</u>

#### RESERVES AND PROVISIONS

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

#### BOARD OF TRUSTEES

The members of the Board of Trustees who have held office during the period since the date of the last report are as follows:

Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya  
Toh Puan Datuk Hajah Dr Aishah Ong  
Lim Siew Lian  
Abd. Hamid bin Ibrahim  
Datuk Mohaiyani binti Shamsuddin  
Datuk Syed Tamim Ansari bin Syed Mohamed

Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya, being over seventy years of age, retires in accordance with Section 129 of the Companies Act, 1965 and offers himself for re-appointment in accordance with Section 129(6) of the Act to hold office until the conclusion of the next Annual General Meeting of the Foundation.

Toh Puan Datuk Hajah Dr Aishah Ong, Lim Siew Lian and Abd. Hamid bin Ibrahim retire in accordance with the Articles of Association of the Foundation at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-election.

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## CANCER RESEARCH INITIATIVES FOUNDATION

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### TRUSTEES' REPORT (CONTINUED)

#### TRUSTEES' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Foundation is a party, being arrangements with the object or objects of enabling Trustees of the Foundation to acquire benefits by means of the acquisition of shares in, or debentures of, the Foundation or any other body corporate.

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

#### STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income and expenditure statement and balance sheet of the Foundation were made out, the Trustees took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) 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 Foundation have been written down to an amount which they might be expected so to realise.

At the date of this report, the Trustees are not aware of any circumstances:

- (a) which would render the amounts written off for bad debts or the amount of allowance for doubtful debts in the financial statements of the Foundation inadequate to any substantial extent; or
- (b) which would render the values attributed to current assets in the financial statements of the Foundation misleading; or
- (c) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Foundation misleading or inappropriate.

No contingent or other liability has become enforceable or is likely to become enforceable within the period 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 Foundation to meet its obligations when they fall due.

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## CANCER RESEARCH INITIATIVES FOUNDATION

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### TRUSTEES' REPORT (CONTINUED)

#### STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (CONTINUED)

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

- (a) any charge on the assets of the Foundation which has arisen since the end of the financial year which secures the liability of any other person; or
- (b) any contingent liability of the Foundation which has arisen since the end of the financial year.

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 which would render any amount stated in the financial statements misleading.

In the opinion of the Trustees:

- (a) the results of the Foundation's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) 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 likely to affect substantially the results of the operations of the Foundation for the financial year in which this report is made.

#### AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

In accordance with the resolution of the Board of Trustees dated 30 May 2007.



TUNKU TAN SRI DATO' SERI AHMAD  
BIN TUNKU YAHAYA  
TRUSTEE



TOH PUAN DATUK HAJAH DR AISHAH ONG  
TRUSTEE

Kuala Lumpur  
30 May 2007

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## CANCER RESEARCH INITIATIVES FOUNDATION

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### INCOME AND EXPENDITURE STATEMENT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2006

	<u>Note</u>	<u>2006</u> RM	<u>2005</u> RM
<b>INCOME</b>			
Donations		2,374,713	2,301,323
Interest from fixed deposits		-	13,516
Other income		10,968	2,865
		<u>2,385,681</u>	<u>2,317,704</u>
<b>LESS: EXPENDITURE</b>			
Research projects		392,215	574,382
Depreciation of property, plant and equipment		551,418	453,628
Staff cost	3	1,055,796	787,957
Training		142,374	99,461
Repairs and maintenance		127,720	89,454
Professional fees		126,768	82,955
Travelling		48,503	83,122
Computer related expenses		27,758	57,341
Seminar/conference		25,021	37,174
Insurance		23,225	23,699
Rental		-	37,500
Other expenses		31,180	65,829
		<u>2,551,978</u>	<u>2,392,502</u>
<b>EXCESS OF EXPENDITURE OVER INCOME</b>		<u>(166,297)</u>	<u>(74,798)</u>

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## CANCER RESEARCH INITIATIVES FOUNDATION

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### BALANCE SHEET AS AT 31 DECEMBER 2006

	<u>Note</u>	<u>2006</u> RM	<u>2005</u> RM
<b>GENERAL FUND</b>			
Balance at beginning of the financial year		4,317,241	4,392,039
Excess of expenditure over income		(166,297)	(74,798)
Balance at end of the financial year		<u>4,150,944</u>	<u>4,317,241</u>
Represented by:			
PROPERTY, PLANT AND EQUIPMENT	5	3,367,285	3,351,843
<b>CURRENT ASSETS</b>			
Other receivables	6	916,300	623,276
Cash and bank balances		175,365	409,359
		<u>1,091,665</u>	<u>1,032,635</u>
<b>LESS: CURRENT LIABILITIES</b>			
Payables	7	308,006	67,237
		<u>308,006</u>	<u>67,237</u>
<b>NET CURRENT ASSETS</b>		<u>783,659</u>	<u>965,398</u>
		<u>4,150,944</u>	<u>4,317,241</u>



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## CANCER RESEARCH INITIATIVES FOUNDATION

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### STATEMENT OF CHANGES IN GENERAL FUND FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2006

	General fund RM
<u>2006</u>	
As at 1 January 2006	4,317,241
Excess of expenditure over income	(166,297)
At 31 December 2006	<u>4,150,944</u>
<u>2005</u>	
As at 1 January 2005	4,392,039
Excess of expenditure over income	(74,798)
At 31 December 2005	<u>4,317,241</u>

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## CANCER RESEARCH INITIATIVES FOUNDATION

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### CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2006

	<u>2006</u> RM	<u>2005</u> RM
<b>OPERATING ACTIVITIES</b>		
Excess of expenditure over income	(166,297)	(74,798)
Adjustments for non-cash movements:		
Depreciation of property, plant and equipment	551,418	453,628
Interest from fixed deposits	-	(13,516)
	<u>385,121</u>	<u>365,314</u>
Changes in operating assets and liabilities:		
Increase in other receivables	(293,024)	(603,460)
Increase/(decrease) in payables	240,769	(72,181)
	<u>332,866</u>	<u>(310,327)</u>
Interest income received	-	13,586
Net cash generated/(used) in operating activities	<u>332,866</u>	<u>(296,741)</u>
<b>INVESTING ACTIVITY</b>		
Purchase of property, plant and equipment	(566,860)	(405,653)
Net cash used in investing activity	<u>(566,860)</u>	<u>(405,653)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(233,994)</b>	<b>(702,394)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>	<b>409,359</b>	<b>1,111,753</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	<b><u>175,365</u></b>	<b><u>409,359</u></b>

## CANCER RESEARCH INITIATIVES FOUNDATION

(Company No. 510087-M)

(Incorporated in Malaysia as a company  
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### NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2006

#### 1 GENERAL INFORMATION AND PRINCIPAL ACTIVITY

The Foundation is a company incorporated and domiciled in Malaysia, limited by guarantee and does not have a share capital.

The principal activity of the Foundation is to receive and administer funds for cancer research purposes. There have been no significant changes in the nature of this activity during the financial year.

The number of employees in the Foundation as at the balance sheet date is 21 (2005: 15).

The address of the registered office of the Foundation is as follows:

21st Floor, Wisma Sime Darby  
Jalan Raja Laut  
50350 Kuala Lumpur  
Malaysia

The principal place of business of the Foundation is as follows:

2nd Floor, Outpatient Centre  
Subang Jaya Medical Centre  
47500 Subang Jaya  
Malaysia

#### 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the financial statements:

##### (a) Basis of preparation

The financial statements of the Foundation are prepared in accordance with the provisions of the Companies Act 1965 and the MASB Approved Accounting Standards in Malaysia for Private Entities. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with the MASB Approved Accounting Standards in Malaysia for Private Entities requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. It also requires Trustees to exercise their judgement in the process of applying the Foundation's accounting policies. Although these estimates are based on the Trustees' best knowledge of current events and actions, actual results could differ.

##### (b) Donations and interest income

Donations are recognised as income on accrual basis.

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

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**NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2006 (CONTINUED)****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****(c) Government grants**

Government grants relating to costs are deferred and recognised in the income statement over the period necessary to match them with the costs they are intended to compensate. These amounts are presented under "Donations".

**(d) Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment are depreciated on a straight line basis to write off the cost of each asset over their estimated useful lives at the following annual rates:

Renovations	2.5%
Office equipments	10%
Laboratory equipments	10%
Motor vehicle	20%
Computers	33.33%

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount.

**(e) 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 the net realisable value and the value in use which is measured by reference to discounted cash flows. Receivable amounts are estimated for individual assets, or if it is not possible, for the cash generating unit.

An impairment loss is charged to the income and expenditure statement immediately.

A 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 been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income and expenditure statement immediately.

**(f) Cash and cash equivalents**

Cash and cash equivalents comprise cash and bank balances and demand deposits with an original maturity of three months or less, that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

**(g) Employee benefits**

The Foundation's contributions to the national defined contribution plan, Employees' Provident Fund, are charged to the income statement in the period to which they relate. Once the contributions have been paid, the Foundation has no further payment obligations.

## CANCER RESEARCH INITIATIVES FOUNDATION

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## NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2006 (CONTINUED)

## 3 STAFF COSTS

	<u>2006</u> RM	<u>2005</u> RM
Wages, salaries and bonus	908,875	680,712
Defined contribution plan	116,484	81,435
Other employee benefits	30,437	25,810
	<u>1,055,796</u>	<u>787,957</u>

## 4 TAXATION

No provision has been made for taxation as the Foundation is a charitable institution which is exempted from tax by virtue of Section 127 of the Income Tax Act, 1967.

## 5 PROPERTY, PLANT AND EQUIPMENT

	<u>Office equipments</u> RM	<u>Renovations</u> RM	<u>Laboratory equipments</u> RM	<u>Computers</u> RM	<u>Motor vehicle</u> RM	<u>Total</u> RM
<u>2006</u>						
<u>Cost</u>						
At 1 January	28,548	355,581	4,227,519	274,318	58,000	4,943,966
Additions	3,656	-	484,633	78,571	-	566,860
At 31 December	<u>32,204</u>	<u>355,581</u>	<u>4,712,152</u>	<u>352,889</u>	<u>58,000</u>	<u>5,510,826</u>
<u>Accumulated depreciation</u>						
At 1 January	11,975	30,965	1,368,835	132,015	48,333	1,592,123
Depreciation charge for the financial year	3,037	8,890	459,324	70,501	9,666	551,418
At 31 December	<u>15,012</u>	<u>39,855</u>	<u>1,828,159</u>	<u>202,516</u>	<u>57,999</u>	<u>2,143,541</u>
<u>Net book value at 31 December</u>	<u>17,192</u>	<u>315,726</u>	<u>2,883,993</u>	<u>150,373</u>	<u>1</u>	<u>3,367,285</u>

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## NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2006 (CONTINUED)

## 5 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Office equipments RM	Renovations RM	Laboratory equipments RM	Computers RM	Motor vehicle RM	Total RM
<u>2005</u>						
<u>Cost</u>						
At 1 January	28,548	355,581	3,972,600	123,584	58,000	4,943,966
Additions	-	-	254,919	150,734	-	405,653
At 31 December	<u>28,548</u>	<u>355,581</u>	<u>4,227,519</u>	<u>274,318</u>	<u>58,000</u>	<u>4,943,966</u>
<u>Accumulated depreciation</u>						
At 1 January	9,120	22,076	952,660	117,906	36,733	1,138,495
Depreciation charge for the financial year	2,855	8,889	416,175	14,109	11,600	453,628
At 31 December	<u>11,975</u>	<u>30,965</u>	<u>1,368,835</u>	<u>132,015</u>	<u>48,333</u>	<u>1,592,123</u>
Net book value at 31 December	<u>16,573</u>	<u>324,616</u>	<u>2,858,684</u>	<u>142,303</u>	<u>9,667</u>	<u>3,351,843</u>

## 6 OTHER RECEIVABLES

	<u>2006</u> RM	<u>2005</u> RM
Amount receivable from Ministry of Science Technology and Innovation, Malaysia ("MOSTI")	915,000	-
Amount receivable from Sime Darby Berhad	-	600,000
Prepayment	-	21,976
Deposit	1,300	1,300
	<u>916,300</u>	<u>623,276</u>

## 7 PAYABLES

Audit fee	500	500
Accruals	307,506	41,637
Other payables	-	25,100
	<u>308,006</u>	<u>67,237</u>

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**CANCER RESEARCH INITIATIVES FOUNDATION**

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**STATEMENT BY TRUSTEES PURSUANT TO  
SECTION 169(15) OF THE COMPANIES ACT 1965**

We, Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya and Toh Puan Datuk Hajah Dr Aishah Ong, being two of the Trustees of Cancer Research Initiatives Foundation, do hereby state that, in the opinion of the Trustees, the financial statements set out on pages 4 to 11 are drawn up so as to give a true and fair view of the state of affairs of the Foundation as at 31 December 2006 and of its results and cash flows for the financial year ended on that date in accordance with the provisions of the Companies Act 1965 and the MASB Approved Accounting Standards in Malaysia for Private Entities.

In accordance with the resolution of the Board of Trustees dated 30 May 2007.

TUNKU TAN SRI DATO' SERI AHMAD  
BIN TUNKU YAHAYA  
TRUSTEE

TOH PUAN DATUK HAJAH DR AISHAH ONG  
TRUSTEE

Kuala Lumpur  
4 June 2007

**STATUTORY DECLARATION PURSUANT TO  
SECTION 169(16) OF THE COMPANIES ACT 1965**

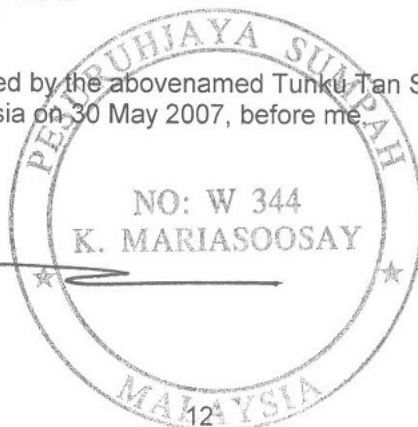
I, Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya, the Trustee primarily responsible for the financial management of Cancer Research Initiatives Foundation, do solemnly and sincerely declare that the financial statements set out on pages 4 to 11 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act 1960.

TUNKU TAN SRI DATO' SERI AHMAD  
BIN TUNKU YAHAYA

Subscribed and solemnly declared by the abovenamed Tunku Tan Sri Dato' Seri Ahmad bin Tunku Yahaya at Kuala Lumpur, Malaysia on 30 May 2007, before me

COMMISSIONER FOR OATHS

TINGKAT 3, WISMA YAKIN  
JALAN MASJID INDIA  
50100 KUALA LUMPUR



REPORT OF THE AUDITORS TO THE MEMBERS OF  
CANCER RESEARCH INITIATIVES FOUNDATION  
(Company No. 510087-M)

We have audited the financial statements set out on pages 4 to 11. These financial statements are the responsibility of the Foundation's Trustees. It is our responsibility to form an independent opinion, based on our audit, on these financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.


We conducted our audit in accordance with approved auditing standards in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Trustees, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

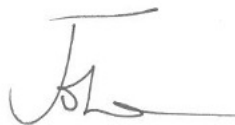
- (a) the financial statements have been prepared in accordance with the provisions of the Companies Act 1965 and MASB Approved Accounting Standards in Malaysia for Private Entities so as to give a true and fair view of:
  - (i) the matters required by Section 169 of the Companies Act 1965 to be dealt with in the financial statements; and
  - (ii) the state of affairs of the Foundation as at 31 December 2006 and of the results and cash flows of the Foundation for the financial year ended on that date;

and

- (b) the accounting and other records and the registers required by the Act to be kept by the Foundation have been properly kept in accordance with the provisions of the Act.



PRICEWATERHOUSECOOPERS  
(No. AF: 1146)  
Chartered Accountants



DATO' AHMAD JOHAN BIN MOHAMMAD RASLAN  
(No. 1867/09/08 (J))  
Partner of the firm

Kuala Lumpur  
30 May 2007