

Annual Report  
**2015**

**BUILDING HOPE  
REALISING DREAMS**



# C O N T E N T S

## Strategic report

• Message From The Chairman	iv
• Board of Trustees	vi
• About Our Foundation	viii
• Programme Modules	ix
• Where We Work	x

## OUR WORK KELANTAN

• Small Grant 3.0 Bachok, Kelantan	2
• Stories From The Field : The Triumphant Farmer	3
• Post-Flood Relief - Kota Bharu Kelantan	4
• Stories from the Field : A Hearty Hawker	6

## SABAH

• Community Development Programme (CDP) Pitas	8
• Phase One : Water Solution & Video Participatory Project	8
• Phase Two : Increasing daily dietary quality and simultaneously increasing potential household income.	9
• Phase Three : Income Generation/Entrepreneurship	9
• Provision Of Individual Rainwater Harvesting Tanks Mukim Telaga, Pitas	11



### Cover Rationale

The villager's hope for clean water in Mukim Telaga, Pitas has been realised by Yayasan Sejahtera through one of our programmes.

Photo by : Syahirah Shahrudin

## SARAWAK

• Primary School Support Programme Pulau Bruit, Sarawak	13
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## KUALA LUMPUR

• Community Enhancement Programme (CEP) PPR Pantai Ria	16
• Oh! My Ringgit Programme PPR Pantai Ria, KL	17
• Stories from the field : Nur Aisyah Binti Mohamad Sharif	18
• Stories from the field : Siti Zaharah Binti Rosni	19

## CALENDAR OF EVENTS

• 2015 Events	
• International Day For The Eradication of Poverty (IDEP) 2015	21
• Community Enhancement Programme (CEP) PPR Sg. Bonus, Kuala Lumpur	22
• Women Economic Empowerment (WEE), Kota Belud	24
• PETRONAS Planting Tomorrow	26
• Community Development Programme (CDP) Kampung Pinggan Jaya, Kuching, Sarawak	28
• Trustees' report, Statement by Trustees and Audited Financial Statement 31 December 2015	31



# Message From Our CHAIRMAN



## **TAN SRI FAIZAH MOHD TAHIR** Chairman

Over the last couple of years, I have had the pleasure of watching Yayasan Sejahtera (Sejahtera) truly raise the bar in achieving our vision and mission in efforts to alleviate poverty and improve our beneficiaries' economic status. The year 2015 was indeed a very interesting and challenging year for Sejahtera in terms of refining our approach from supporting the 11th Malaysia Plan and reaching out to eradicate poverty in the country. With Malaysia's success in reducing the incidence of poverty from 1.7% in 2012 to 0.6% in 2014, Sejahtera will continue its efforts and strengthen the commitment to eradicating poverty and uplifting the B40 segment. Central to what we do, we will continue to initiate impactful programs and continue our efforts in the existing ones to fulfil the needs of our target populations.

This year, Sejahtera kick-started its first urban poverty pilot project at Projek Perumahan Rakyat (PPR) Pantai Ria, Kuala Lumpur which was a comprehensive project specifically focusing different target groups namely the adults, youths and children. The project marked the more holistic and sustainable approach adopted by Sejahtera in working with the community in a multi-dimensional perspective, not only concerned about increasing the level of income of the head of families, but also the overall well-being and lifestyle of the community that we work in. In show of support, our community came together and show resilience, and a shared sense of purpose, working effectively as a unified voice for a change. This approach will also be translated into our future projects, be it urban or rural, to further inculcate positive values for the current beneficiaries and the future generations.

In moving forward, Sejahtera will continue its efforts in the areas of rural and urban poverty, focusing on Sabah, Sarawak, Kelantan and Kuala Lumpur. Sejahtera is also looking at a higher level of collaboration with strategic and implementation partners in delivering the programmes to the beneficiaries, as well as partnerships for collective impact to the cause of poverty alleviation. This open, collaborative approach has been the key factor behind our success in implementing various programs at the selected states. Efforts to initiate new programs and improve the current ones will continue as dictated by the needs of our target groups. However, our focus remains firmly on the rural and urban hardcore poor we support.

We will drive our resources to the communities we work in to ensure they have the appropriate solutions to the challenges they face in their fight to free themselves from poverty.

Sejahtera also worked with United Nation Development Program (UNDP) for a research paper entitled "Strengthening Public Policy Environment Supporting Community-based Organisation (CBOs) as Partners in Poverty Eradication" that was presented in conjunction with International Day of Eradication of Poverty 2015 at KL Tower, Kuala Lumpur in October 2015. On this end, Sejahtera is also working closely with the Malaysian Government and its agencies to strengthen the delivery of poverty alleviation programmes nationwide.

I take great pride in the time and hard work of Sejahtera's staff that has not gone unnoticed towards ensuring social transformation in the lives of the hardcore poor. They worked very hard to raise the voice and profile of Sejahtera's beneficiaries wherever they go and ensure they remain relevant, productive and better prepared to face new challenges in the future. Being agents of change is a unique experience in most of us. It helps us grow and helps us help other people to grow as well. We are happy to continue serving the society especially the less fortunate in the rural areas.

I would like to record our heartfelt gratitude and thanks to our stakeholders and partners that have pooled their resources to ensure that we are on the right directions in our efforts to alleviate poverty and safeguard a sustainable life for our target groups. Their invaluable insight and advice has given us the much needed momentum to strive harder in achieving our vision and mission. I must also thank our beneficiaries for their tireless efforts in turning our dream into a reality. Their dedication and hard work saw many notable successes in 2015. They strive steadfastly

for all the odds and continuously instill optimism in us and make us believe in the potential for our community and our people. Their spirit of resilience gives me tremendous encouragement and a sense of purpose to strive for our ambitious agenda in the future. At Sejahtera, we truly value the confidence and generosity our donors place in us without which, our vision and mission to help the hardcore poor overcome poverty in the selected states could not be accomplished. Therefore, I take this opportunity to express my sincere gratitude and appreciation to our donors in making our work possible at this challenging time.

Special thanks go to our donors; Khazanah Nasional Berhad, Bank Islam Malaysia Berhad, Chemical Company of Malaysia Berhad (CCM), Implementation Coordination Unit (ICU) and Performance Management and Delivery Unit (PEMANDU), Prime Minister's Department, Government Transformation Programme (GTP), Kuwait Finance House (KFH), Malayan Banking Berhad (Maybank), Petroliaam Nasional Berhad (PETRONAS), Malaysia Airlines System Berhad (MAS), Pusat Pungutan Zakat, Majlis Agama

Islam Wilayah Persekutuan (PPZ MAIWP), Proton Holdings Berhad (PROTON), Lembaga Tabung Haji (LTH), Telekom Malaysia Berhad (TM), Yayasan Hasanah and UEM Group Berhad (UEM). As we set out to achieve our goals, we owe our successes to each of you and to the unstinting contributions made by every one of you from time to time. In closing, I would like to thank the Government of Malaysia in their continuous efforts to eradicate poverty in the country. Their efforts through its Government Linked Companies (GLC) and agencies in many ways curbed poverty from becoming a burgeoning economic phenomenon. Thus their financial and technical support towards Sejahtera's course had in many ways affected change on a societal level through its positive influence. On the same note, the potential for empowering the hardcore poor in economic self reliance has always been a major inspiration behind Sejahtera. I believe that to succeed, we must remain focused, improve our work, widen our reach and deepen our impact.

Thank you.



# BOARD OF TRUSTEES



**Tan Sri Faizah Mohd Tahir**  
Chairman

- Tan Sri Faizah Mohd Tahir was appointed to the Board on January 2013. She holds a Bachelor Degree in Economics from Universiti Malaya and Masters in Development Economics from William College, United States of America.
- She joined the Economic Planning Unit (EPU), Prime Minister's Department in 1973 and served in Agriculture, Distribution and Human Resource Sections in various capacities.
- Her last position in the EPU was as Director, Commerce and Industry Section before she was promoted to the post of Secretary-General of the Ministry of Women, Family and Community Development which she held from 2001 until her retirement in 2009.

## Puan Sri Siew Yong Gnanalingam

- Puan Sri Siew Yong Gnanalingam has an extensive background in public relations including working with the Economic Development Board in Singapore, MTC (now British American Tobacco), and Malaysia Airlines.
- She currently holds directorships in several companies.
- In serving the community, she is the Immediate Past President of Soroptimist International (SI) of South West Pacific and a Board Member of SI, a Trustee on the Board of the Women's Institute of Management, Nanyang Press Foundation, the Malaysian Health Promotion Board (Mysihat) and Resource Mobilisation.



**Professor Dr. Sulochana Nair**

- Professor Dr. Sulochana Nair is the Vice Chancellor of Binary University, currently heading The Centre for Social Entrepreneurship (CSE), as well as the Dean of the Binary Graduate School.
- Her specialization is in Development Studies, specifically working in the fields of poverty, labour, gender and rural development.
- She was the founding director for the Centre for Poverty and Development Studies (CPDS) at Universiti Malaya. In addition to providing policy inputs to the government,

She is also involved in teaching, consultancy, training and capacity building programmes.

## Shareen Shariza Dato' Abdul Ghani

- Shareen Shariza is the Chief Executive Officer. Before joining TalentCorp, Shareen was the Director of Corporate Responsibility at Khazanah Nasional Berhad, where she helped shape Khazanah's Corporate Responsibility strategy and established initiatives such as PINTAR, Yayasan Sejahtera and GEMS Malaysia.
- Prior to that, she was Chief Operations Officer at MERCY Malaysia.
- Shareen was a former board member of the Humanitarian Accountability Partnership and a recipient of the Pingat Darjah Paduka Mahkota Perak for her contributions towards humanitarian efforts.
- She holds a Master of Studies in Sustainability Leadership from Cambridge University and Master in Public Policy from University Malaya.



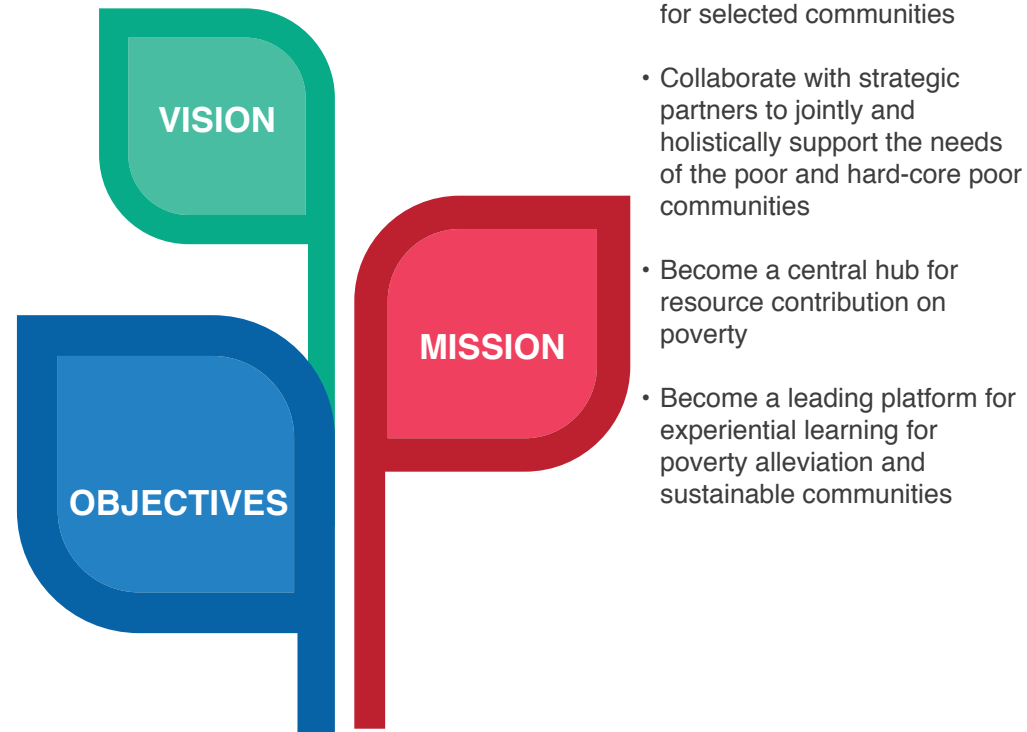
## Shahira Ahmed Bazari

- Shahira Ahmed Bazari is the Managing Director of Yayasan Hasanah, a foundation of Khazanah Nasional Berhad (Khazanah).
- Before assuming this role, Shahira was Director in the Managing Director's Office in Khazanah from 2006-2015. She joined Khazanah in November 2006.
- Prior to her stint at Khazanah, Shahira worked with Procter & Gamble Malaysia from 2000 to 2006, specialising in strategic communications and reputation management, public affairs, and corporate responsibility for Malaysia and Singapore. Before Procter & Gamble, Shahira had a short stint at Asian Strategy & Leadership Institute from 1997 to 2000, working on special projects, and overseeing the US-Malaysia bilateral and business advocacy initiatives.
- Shahira holds a Bachelor of Arts from International Islamic University Malaysia and M.A. in Public Communication from American University, Washington, D.C and is also an accredited Business Communicator. She is married to Dr. Shahjahan Kassim, and they have three girls.

# ABOUT OUR FOUNDATION

## MISSION, VISION & OBJECTIVES

Be the champion in building sustainable communities to alleviate poverty in Malaysia

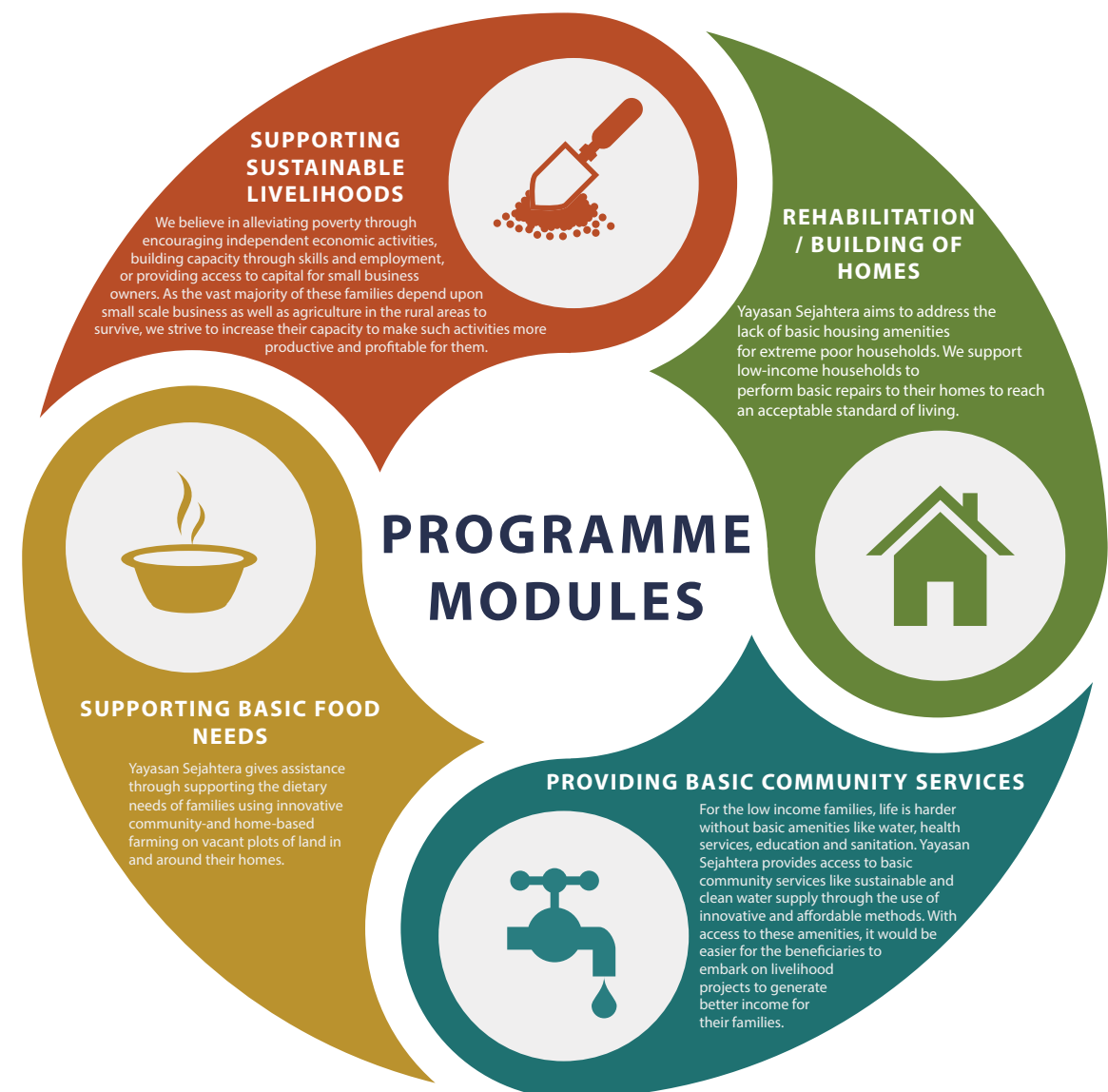


- Manage high-impact projects for selected communities
- Collaborate with strategic partners to jointly and holistically support the needs of the poor and hard-core poor communities
- Become a central hub for resource contribution on poverty
- Become a leading platform for experiential learning for poverty alleviation and sustainable communities

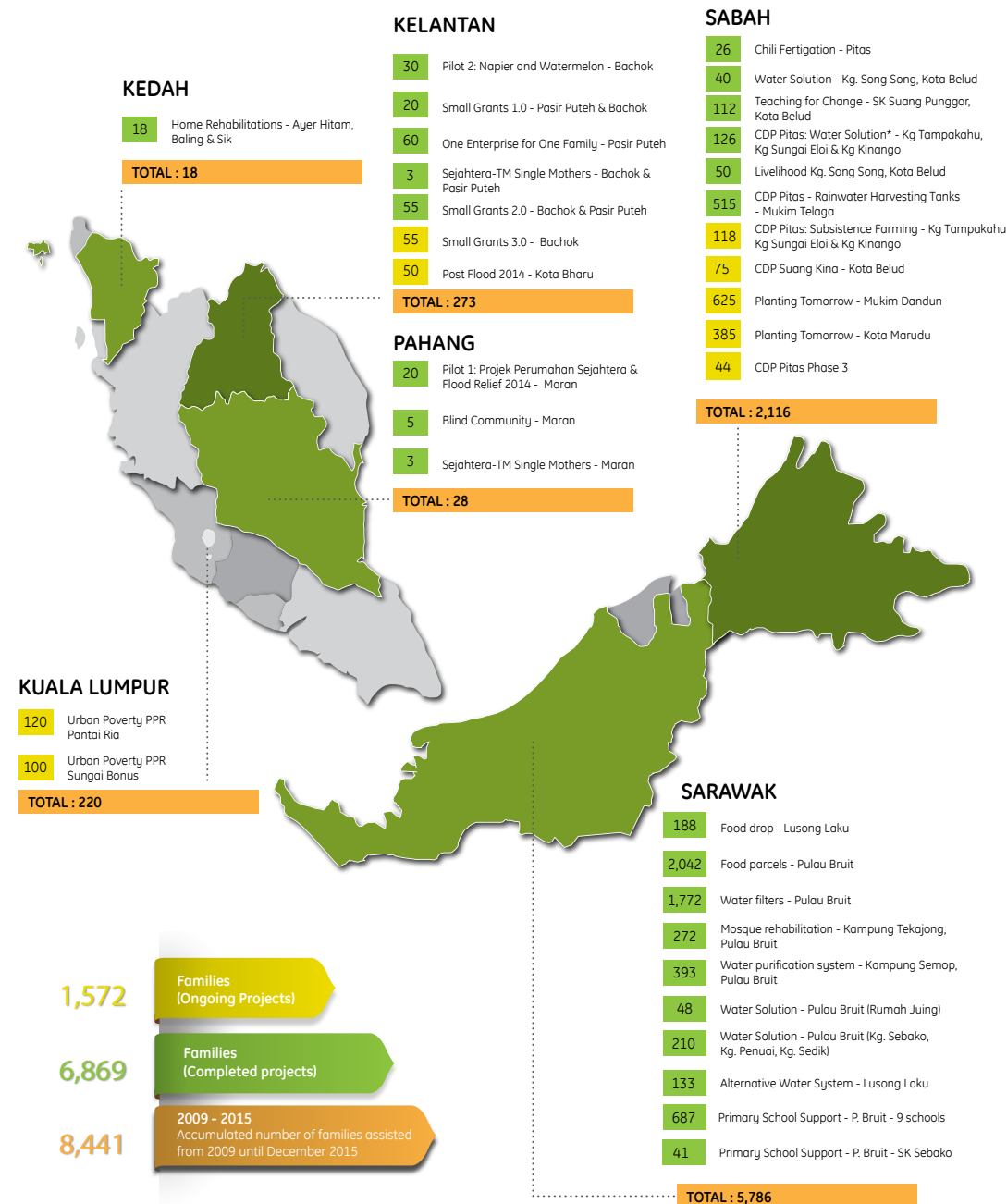
- To ensure that Yayasan Sejahtera communities have access to a basic standard of living and enjoy at least minimum quality of life
- To support the creation of sustainable living environments for vulnerable communities in Malaysia
- To deliver this mandate through the efforts of Government-Linked Companies (GLC), Government-Linked Investment Companies, (GLIC) and corporate Malaysia
- To work in partnership with beneficiaries and civil society partners to leverage and maximize programme benefits

# PROGRAMME MODULES

At Yayasan Sejahtera, poverty is not just about lack of access to economic opportunities, but involves unfulfilled basic food needs and lack of access to basic amenities and facilities considered standard to the average Malaysian, such as water, electricity, health support, education, sanitation and basic housing amenities. Yayasan Sejahtera's holistic approach to poverty alleviation and empowerment of the hardcore poor is premised on four building blocks. They are:-



# WHERE WE WORK



# Our Work KELANTAN

Yayasan Sejahtera aims to enable beneficiaries to add value to their existing economic and revenue-generating activities by providing relevant materials, financial assistance and skill development training



## SMALL GRANT 3.0 BACHOK, KELANTAN

The Small Grant 3.0 was the third edition of the Poverty Alleviation Program targeting the poor and hardcore groups in Bachok, Kelantan. It focused on income generation initiatives aimed at enhancing household income levels.

This initiative involved the provision of equipment and material support to 54 families. As of May 2015, the number of beneficiaries stood at 54. Individual plan development for each beneficiaries was completed in April 2015. Key activities were conducted in the fourth quarter of 2015. These activities included the harvesting of crops during monitoring period.

Accumulated income as of December 2015 for 12 beneficiaries stood at RM45,099.

In order to equip beneficiaries with the necessary skills and knowledge, various training courses were conducted in December 2015. A total of 49 beneficiaries attended a motivational course. 10 out of 12 agricultural beneficiaries attended

an agriculture course while 18 out of 42 small business beneficiaries attended a course on skills enhancement.

A Monitoring and Evaluation Team conducted a Mid-Term Review in December 2015. From this review, 90% of the beneficiaries benefitted from the motivational courses while 43% gained from the Skills Enhancement Training.



## Stories from the Field : The Triumphant Farmer

Jasni bin Abdul Rahman, was 41 and a father of five children between 11 to 18 years old. Prior to 2011 he was a technician in Kuala Lumpur. In 2011, he moved back to Kelantan to work on his family's 3-acre land. With his experience and knowledge from his previous work as a technician, Jasni managed to recycle, repair, refurbish and improvise unused and faulty machines into usable agricultural machines to help him in the field.

His main economic activity was planting bitter melon, corn and eggplant for a living with an average baseline income of RM2,500 per month between October to December 2015. He has expanded his business by planting other vegetables and soursops to supplement his income. In keeping with the time, Jasni turned to the internet to market his crops online which allowed him to communicate directly with customers.

To work in his field, he received assistance from Sejahtera in the form of a water pump, a water tank, and high-grade fertilizer. He worked closely with Sejahtera's ground staff to ensure that his business was conducted accordingly and ultimately increased his income. With the types of equipment he had received and the guidance given by our ground staff, he was confident that he would be able to increase his income baseline in the near future.



"I see potential in online business on top of the traditional method, as it gives me the chance to reach to a new group of customers and communicate with them directly".  
- Jasni

## POST-FLOOD RELIEF KOTA BHARU KELANTAN

The adverse weather condition and heavy rain in December 2014 had hit the East Coast of the Peninsular Malaysia and caused a major flood, the worst in many decades. Were displaced and families. More than 9,000 families were relocated to temporary shelters with the

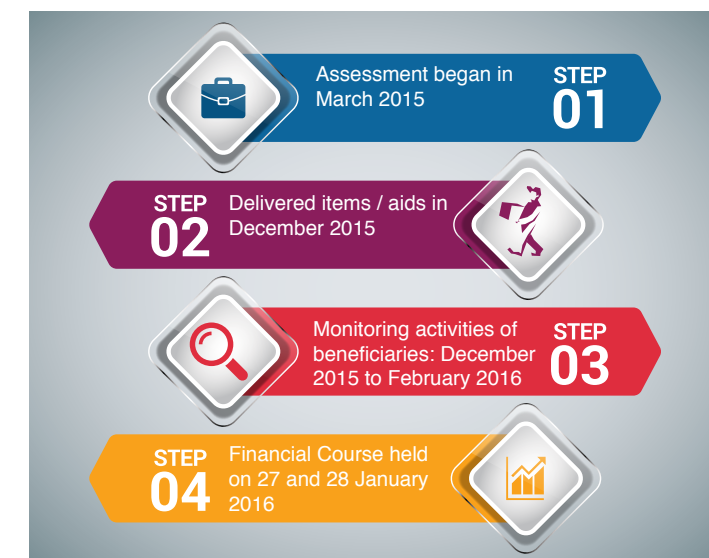
assistance of government agencies and volunteer organisations.

Wakaf Che Yeh near Kota Bharu was one of the critical areas badly affected by the disaster. Many traders who ran their businesses in the area suddenly discovered that

they lost everything they worked for. Besides the flood, their loss was due to unscrupulous individuals that took advantage of the situation to break into their business premises and plunder what was left of the flood. Reported losses ranging between RM10,000 to RM100,000.



Sejahtera reached out to the business owners and traders mainly from Wakaf Che Yeh, a small town in Kota Bharu famous for its daily and weekly market\* that were affected badly from the massive flood. This programme involved the distribution of necessary equipment to cater for small businesses such as cooking appliances, agricultural equipment, and other materials to help them revive their income generation activities.



## Stories from the Field : A Hearty Hawker

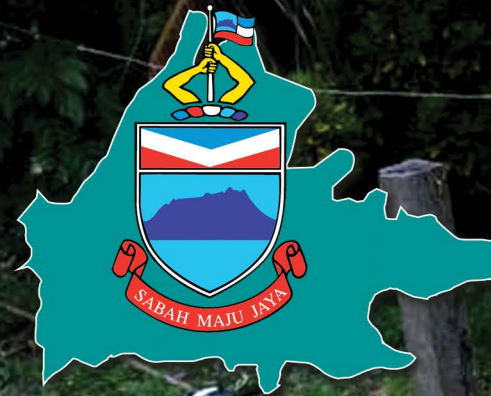
For Aziz bin Jusoh, 55, the assistance in the form of a stainless bain-marie, an industrial fan, dining tables and chairs were all he needed to ensure he could continue with his business that was washed away by the flood. Relating the 2014 flood, he said that the unexpected flood had completely washed away his stall and left him with badly damaged stall and a house that was flooded to the roof. He also lost his two cars were that were completely damaged in the flood. Aziz, who was married with children, said that during the flood, he and his family were stranded on a bridge in his van for four days without sufficient food and water. However, he and his family were able to survive the ordeal against all odds.



Before the flood disaster, Aziz was selling nasi kerabu at the roadside stall in the evening (5.30 pm to 8.30pm), with a baseline income of RM80 per day. With the help from Sejahtera, he was able to start a new stall at a new location selling nasi kerabu, laksam, roasted chicken wings, assorted traditional cakes and drinks from 5.30pm to 1am every day. He now takes away RM350 per day, an increase of 280% over the previous daily income.

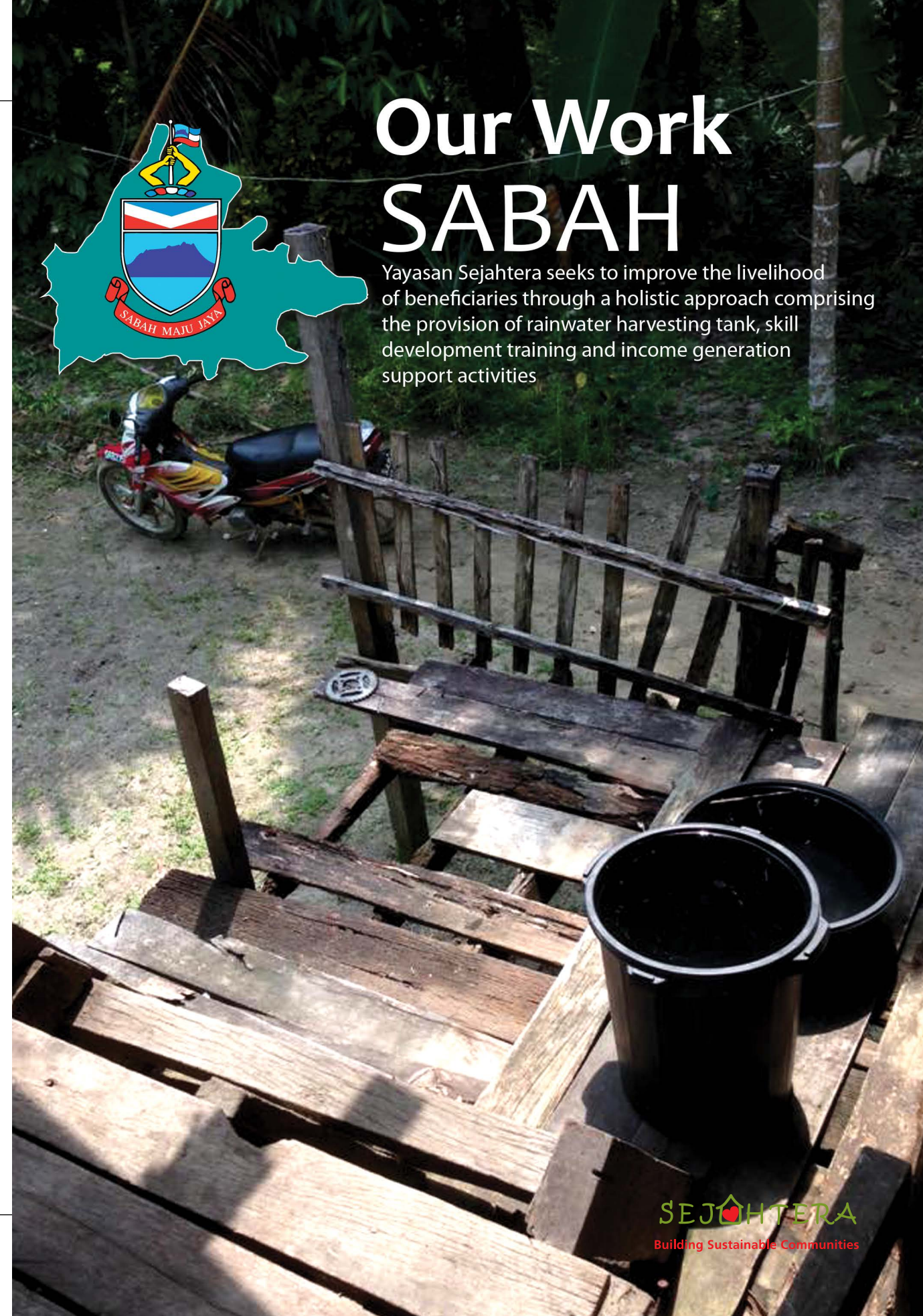
Aziz and his family were very grateful for the equipment Sejahtera had supplied to enable them to restart their business. The help he received had changed his life and his family for betterment. He was able to expand his business venture to include selling other food, cakes and drinks and to serve dine-in customers. Since then he has employed three full-time workers from the community to work at the stall and two at the central kitchen to help in the preparation of food at his home which was located nearby.

“My family went through a very difficult time. As a result of the flood, we lost everything we had. However, our faith in Allah and the assistance from Sejahtera that came at the right moment pushed us to achieve more than what we had before.”  
- Aziz Jusoh



# Our Work SABAH

Yayasan Sejahtera seeks to improve the livelihood of beneficiaries through a holistic approach comprising the provision of rainwater harvesting tank, skill development training and income generation support activities



## COMMUNITY DEVELOPMENT PROGRAMME (CDP) PITAS

Sejahtera's affiliation with Pitas, Sabah came a long way. Located at the northern part of the Kudat Division, the Implementation Coordination Unit (ICU) and District Office had in 2012 listed Pitas as one of the districts with the highest incidences of hardcore poor community in its e-Kasih list.

Pitas, selected by Sejahtera for the implementation of its Community Development Project (CDP) started its project in 2012 and completed it in 2015. The program aimed to improve the standard of living of its participants in the area had three pertinent phases:

### Phase One: Water Solution & Video Participatory Project (December 2012 - May 2014)

- To improve water supply through low-cost means that is easily maintained by the local community, Sejahtera installed individual rainwater harvesting and gravity-feed water system in 113 houses benefitting 126 families in three villages.
- The process of giving out the tanks to the villagers was done with full participation of the people of the three villages.
- A video participatory project for the youth was also carried out over a span of 5 months.
- 20 youths from the three villages were provided with photography and video production training and equipment to record the project's progress, challenges and milestones.



### Phase Two: Increasing daily dietary quality and simultaneously increasing potential household income (December 2012 - November 2015)

- To support the quality of the dietary needs of the participants, whilst at the same time providing them with the opportunity to earn additional income.
- 114 families were selected to farm on a small scale, crops they had chosen namely chilli, sweet potato, brinjal and corn.
- Sejahtera played its role by providing the necessary support to increase production through the provision of seedlings, pesticides and appropriate tools and equipment.
- The participants were then trained in good agricultural techniques and practices by Jabatan Pertanian Pitas.
- The first training session began on 28 November 2013, with the actual planting starting at the end of 2013.



### Phase Three: Income Generation/ Entrepreneurship (May 2015 - ongoing)



- To cultivate entrepreneurial skills among participants through the production of 10 business plans, and eventually to assist three of the most promising business plans to be executed and implemented.
- It began with selected participants attending a Social Entrepreneurship Programme from the 6 to 8 August 2014 in Pitas.
- Followed by training by Kolej Komuniti for three best groups, which are (1) ginger planting (2) pastry and bakery (3) grocery shop management between 24 August till 12 September 2015.

## Phase Three Groupings for Livelihood Programme

Group	Business Nature	Activities
Ginger Planting	Food	To expand the existing bakery business which is currently run by one of the villagers.
Pastry and Bakery	Farming	To start ginger fertigation on a large scale individually, and market their products as a group.
Mobile Grocer	Grocery	To have a mobile grocer to bring household supplies to the door of the villagers to enable them to cut the cost of travelling and factor in the cost of bringing the supplies to them minimally in their sales.

## PROVISION OF INDIVIDUAL RAINWATER HARVESTING TANKS MUKIM TELAGA, PITAS

Sejahtera has established its presence in Pitas, Sabah through the Chilli Fertigation Project in 2011 and Community Development in Pitas in 2013. The success of both projects prompted YS to continue assessment at other villages within the district. In addition, the recent e-Kasih data obtained from the Implementation Coordination Unit (ICU) show Pitas to have the highest incidence of poor and hardcore poor. Hence, the objective of the assessment is to determine the needs and type of supports required by these villages. Water accessibility is listed as the most urgent need for many families in the villages. It is a known fact that availability of groundwater in Pitas is almost impossible

as the condition within the area is not able to shape a reasonable aquifer for water extraction. This information is based on research carried out by Jabatan Mineral & Geosains Sabah in 2013. Currently, all the villagers rely heavily on rainwater in their daily activities.

In line with the module of providing basic community services, Sejahtera recommended to provide each house with two individual rainwater harvesting tanks with gutter set to provide the solution of their needs. Based on the site survey and interview sessions, only 14 villages will be involved in this project as deemed in need to receive this support.



The village involved in this project are Kg. Andab, Kg. Ladap, Kg. Datong, Kg. Manggis, Kg. Mansuit, Kg. Botung, Kg. Radap, Kg. Latip, Kg. Boluuh, Kg. Layong Darat, Kg. Layong Pusat, Kg. Petani Baru, Kg. Kabatasan Darat, Kg. Batu 10 Lout.

This provision of the individual rainwater harvesting tanks will indeed benefit the families in all the 14 villages. It is expected that the implementation of this project allows water accessibility which eventually improve the daily activities of the villagers.

After intervention, it can be concluded based on the final evaluation that our beneficiaries from 14 villages have better quality of water and clean water supply is sufficient compared to their previous situation. They too have improved their quality of living as well as their health is much better.



# Our Work SARAWAK

Yayasan Sejahtera provides support in primary education through the delivery of teaching materials, improving the library facilities as well as giving training for teachers.



SEJAHTERA  
Building Sustainable Communities

## PRIMARY SCHOOL SUPPORT PROGRAMME PULAU BRUIT, SARAWAK

Sejahtera embarked on a project known as the Primary School Support Programme in Pulau Brait, Sarawak funded by Kuwait Finance House (KFH), Malaysia since December 2012 - February 2015. The main objective of the project was to address the educational support needs for nine primary schools in the island through the provision of teaching facilities (books, furniture, teaching aids, etc) as well as training for teachers and parents.

Pulau Brait is located in the Rejang Delta, under Mukah division in Daro district. This 43,700-hectare island has a population of 9,342 people (2,042 families) living in 13 villages in Daro district. The total population of the island are more than 30,000. A number of fishing villages are located along the coast with fishing

and farming being the main economic activities of the islanders. Pulau Brait is the second largest island in Malaysia, after Banggi Island in Sabah. The majority of the population living on the island is of Melanau descendants. According to the 2013 e-Kasih list, 94% of the population is categorized as hardcore poor.

Since the commencement the programme in December 2012, Sejahtera has extended its assistance in the form of teaching and sports facilities to the nine schools involved, namely Sekolah Kebangsaan Betanak, Sekolah Kebangsaan Kg Kut, Sekolah Kebangsaan Kg Semop, Sekolah Mohd Redeh, Sekolah Kebangsaan Penibong, Sekolah Kebangsaan Penipah, Sekolah Kebangsaan Salah Kecil, Sekolah Kebangsaan Sebako and Sekolah





Kebangsaan Tekajong. Sejahtera decided to implement the project in these schools following an assessment conducted in June 2012 which identified that there was an urgent need for assistance and other additional support to help the students.

During the assessment, it was discovered that out of the nine schools mentioned, Sekolah Kebangsaan Penibong was the only school that has boarding facilities for students who lived very far away. However, the students did not have a proper place for study especially after the school hours. Therefore, Sejahtera felt that there was an urgent need to build a proper resource centre or library for these students. The feedback received from the teachers at the end of the project has revealed that the new library built for the students helped to boost their interest and focus on learning.

Encik Mohamad Ali@ Matali bin Amat, the headmaster of Sekolah Kebangsaan Penibong for nine years revealed that the passing rate for the UPSR results in 2014 has doubled to 84.21% compared to 40% the previous year. According to him, it that year the school was able to score 100% passing rate in Bahasa Malaysia (in both Pemahaman and Penulisan) and Mathematics in UPSR examinations. It was the first time for the school to achieve the excellent results.

To mark the success of the programme, a closing ceremony was held at the school on 18 August 2015 attended by the representative of KFH, Sejahtera's representative, the headmaster of the school and the students.



# Our Work Kuala Lumpur

Yayasan Sejahtera aims to empower the community on employment opportunities, livelihood, social development, education and health

## COMMUNITY ENHANCEMENT PROGRAMME (CEP) PPR PANTAI RIA

For the first time since its inception, Sejahtera decided to address problems of urban poverty that affected the residents of Projek Perumahan Rakyat (PPR) community. PPR was a government programme for the resettlement of squatters and residence requirement for low-income earners. The National Housing Department under the Ministry of Housing and Local Government was the main implementing agency for the PPR projects throughout the country.

It was very challenging for Sejahtera to undertake a community project in the urban areas as urban poverty was multidimensional and more complex. After meeting with relevant authorities, in the government, Sejahtera was directed by the National Unity and Integration Department (JPNIN), Wilayah Persekutuan to look into PPRs that already formed the Komuniti Rukun Tetangga (KRT).

KRT was encouraged to organise as many communities, welfare and education activities as they like in addition to

programmes to enhance racial unity and integration in Malaysia. The aim of these activities was to enable local people to get acquainted, to help each other in time of need, interact and foster closer ties at the grassroots between leaders and the people and between people of different ethnicity, customs and culture.

After preliminary visits to the proposed areas, Sejahtera finally selected PPR Pantai Ria in Pantai Dalam area, Kuala Lumpur to be part of our pilot project because of its potential for the community

enhancement and economic empowerment.

The residential area of PPR Pantai Ria consisted of four buildings namely Block A, B, C and D, with a total of 1,264 residential units. The residents of this community were mostly from the nearby squatter areas such as Kampung Pantai, Jalan Kubur, Rumah Rizab KTM, Kampung Simpang Tiga, Kampung Sentosa and Rumah Pangsa Pantai Dalam. They moved to PPR Pantai Ria in 2008.

## Oh! My Ringgit Programme



The objectives:

- i. To improve and expand the knowledge on the importance of financial management to children in PPR Pantai Ria to enable them to help their families deal with financial difficulties.
- ii. To inculcate children to manage money wisely so that they can be an example to the community in PPR and educate their parents on financial literacy.
- iii. Making financial literacy education as part of formal education for children at PPR as to enable them to compete with kids from all walks of life.
- iv. Empowering the children in PPR through financial literacy programmes to prepare them for the challenges of high cost of living in the city.

Oh! My Ringgit programme is a 12-week programme that started in September to November 2015. The participants were divided into two categories namely:

- i. 20 primary school students (7 - 12 years old)
- ii. 20 secondary school students (13 - 17 years old)

The students were required to attend classes on Monday for the Primary School children and Tuesday for the Secondary school students from 8.00 pm to 9.30 pm for the stipulated weeks. The Best Student from each category would be chosen based on the criteria set by the organiser.



## Stories from the field : Nur Aisyah Binti Mohamad Sharif

Nur Aisyah binti Mohamad Sharif, 14, was the third child out of eight siblings. She has been living in Block B, Level 12 at the PPR Pantai Ria Flats in Kuala Lumpur for eight years with her family. She believed that by developing good savings habit now, a child like her would have basic tools necessary for financial freedom in the future.

Her savings habit that she developed when participating in the “Oh! My Ringgit” programme had helped her win the Best Student award in the Secondary School group. At the end of the programme, she

managed to save BW50500 (“Oh! My Ringgit” currency earned as a reward for participation and excellent performance in class).

Nur Aisyah was an active student in her school and chosen as the Best Student in her school. Her idol was Bill Gates, an American business magnate, investor, and a philanthropist and the owner of the Microsoft, the world's largest computer software company. She aspires to be like him when she grew up. As for her ambition, she wanted to be an astrophysicist.



“I want to become not just an astronaut but more than that.” - Nur Aisyah

## Stories from the field : Siti Zaharah Binti Rosni



“Money can’t buy time, but time can be used to earn money.” - Siti Zaharah



Siti Zaharah Binti Rosni, 12, from Sekolah Kebangsaan Bangsar in Kuala Lumpur has been saving her pocket money as part of the requirement of the “Oh! My Ringgit” programme for the primary school children. Due to her strict savings habit she was chosen as the Best Student in Primary group category. To her good savings habit was what she wanted to embrace early in her life.

Siti Zaharah has been living in Block A, Level 7 at the PPR Pantai Ria, Pantai Dalam, Kuala Lumpur for eight years with her family and another sibling. She

learnt the importance of inculcating the savings habit from the “Oh! My Ringgit” programme. At the end of the programme she managed to save more than RM100 in her coin box.

When she grow-up she wanted to be a doctor. To realise her dream, Siti Zaharah planned to pursue her secondary school education at the Sekolah Menengah Kebangsaan Vivekananda, Brickfields in Kuala Lumpur because she wanted to improve her English. She would also love to attend English and Mathematics tuitions improve her skills in both subjects.

# CALENDAR OF EVENTS 2015

## International Day for The Eradication of Poverty (IDEP) 2015

Sejahtera in collaboration with United Nations Development Program Malaysia (UNDP) celebrated the International Day for the Eradication of Poverty in Malaysia on 28 October 2015 in Kuala Lumpur. Drawing from this year's theme, Building a Sustainable Future: Coming Together to End Poverty and Discrimination, the event was held with the twin goals of drawing successful lessons from Malaysia's poverty eradication efforts in the past decades, and highlighting the role of strategic community partnerships using gender disaggregated data and analysis in addressing the remaining poverty eradication challenges towards Vision 2020.

The International Day for the Eradication of Poverty has been observed every year since 1993, when the United Nations General Assembly, by resolution 47/196, designated this day to promote awareness of the need to eradicate poverty and destitution in all countries. Poverty eradication remains at the core of the Millennium Development Goals (MDGs) and the development of the new Sustainable Development Goals. The observance of the first IDEP can be traced

back to 17 October 1987 in Paris, France. This year, the IDEP holds particular significance because it will be the first observance following the formal adoption of the Sustainable Development Goals by the General Assembly of the United Nations. Within this new development framework, designed to replace and carry forward the aims of the Millennium Development Goals, all countries committed to "ending poverty in all its forms and dimensions."

As the highlight of the celebration, a round table discussion on this year's theme was held and was chaired by Professor Dr. Sulochana Nair, Sejahtera's member of the Board of Trustees. Joining her as panel members in the discussion were:

Kamarul Ariffin	Economic Planning Unit (EPU)	Government's role / perspective
Suri Kempe	United Nations Development Program (UNDP)	UNDP's role/global perspective
Jeffery Phang	Friends of Kota Damansara (KFP)	NGO's role / perspective
Professor Chamhuri Siwar	Universiti Kebangsaan Malaysia	Researcher

# Community Enhancement Programme (CEP) PPR Sg. Bonus, Kuala Lumpur

## Background

According to the 2010 Millennium Development Goal (MDG) Report by the United Nations, Malaysia managed to half the incidence of poverty at the national level from 17% in 1990 to 4% in 2009. However, there was little change in the issue of urban poverty although the urban population increased rapidly by years with urbanisation by state ranging from 35% to 90%. Thus, there was a need to address the issue of urban poverty since it became more critical now than in the past years.

By definition, urban poverty means the incidence of poverty in urban community. According to the World Bank, there were several challenges faced by the urban community, but not limited to:

- i. Minimum involvement opportunities to income generation activities
- ii. Inadequate and insecure housing services
- iii. Poor social protection instrument
- iv. Limited access to competent healthcare services and education

To address the issue of urban poverty, income generation played a highly significant role as an effective intervention. Income sustainability was an access to the solutions of other challenges listed above. Thus, as part of Yayasan Sejahtera intervention programme an income generating strategy was proposed to address the matter.

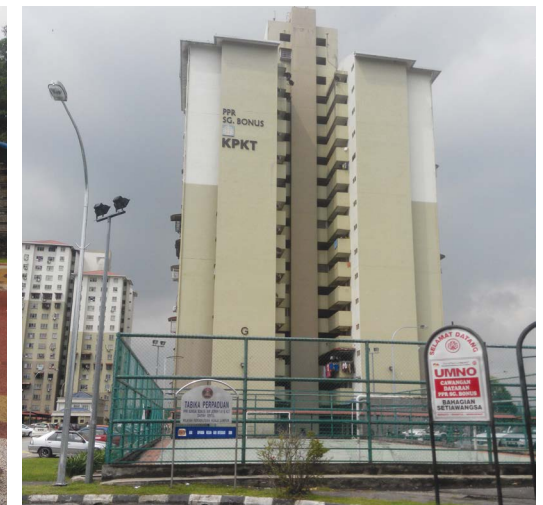
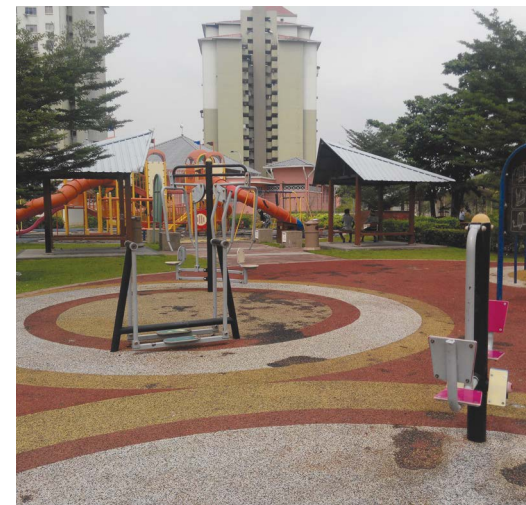
Having succeeded with these programmes in Bachok and Pasir Puteh in Kelantan, Sejahtera aspired to replicate the model

for urban poor community with necessary amendments so it became adaptable to the urban environment.

After much deliberation, Sejahtera concluded that the residences of Blok G and H at Projek Perumahan Rakyat (PPR) Sg Bonus had the potential to be part of this project. PPR Sg Bonus, was located at Jalan Persiaran 54B, off Jalan Ayer Keroh, Kuala Lumpur. There were several PPR around the area such as PPR Seri Semarak Block E, B and C.

## Project Goal

To alleviate urban poverty and uplift the quality of life of hardcore poor and poor families in PPR Sg Bonus, Setapak, Kuala Lumpur.



## Project Objectives

CEP PPR Sg Bonus project was expected to deliver the following results and outcome within 2 years (24 months) of project implementation:

- PPR Sg Bonus Adult Capacity building and intervention for income-generating activities (total of 40 adult participants).
  - o 70% of the Livelihood of small business entrepreneurs in the programme to generate additional income for their families, at least 30% from average household income consistently for at least 3 months (20 participants).
  - o 50% of Non-Livelihood beneficiaries' income increased by 30% after 6 months upon implementing their proposed business plan (20 participants).
- Youths in PPR Sg Bonus to be economically-skilled and enabled to uplift and sustain quality of their life and families (total of 20 youth participants)
  - o 50% of the participants of the programme to generate income by employment or small businesses, based on the skills learned from the capacity-building activities to add on to their total household income with a minimum of RM300 a month.
- Children in PPR Sg Bonus to have equal opportunities in educational development to uplift the quality of life for their families (total of 40 children participants).
  - o 50% of the participants of the programme to improve their grades one level up in school examinations for English and Mathematics subjects.

## Improvement /Enhancement

CEP PPR Sg Bonus was an improved version of the Urban CEP programme implemented by Sejahtera before, especially in terms of the end-to-end support by Community Representative, JKKK, KRT and the inclusion of youth and children in one single project in instilling the community adoption approach. The timeline was also extended to reflect the long-term view and longer monitoring period in realising the outcome and impact of the programme to the community at large.

## Women Economic Empowerment (WEE) Kota Belud

Yayasan Sejahtera had embarked on Women Economic Empowerment programme (WEE programme) in Kg Suang Kina, Kota Belud in Sabah with the objective to alleviate poverty in the area through sustainable income generating activities by women folks. The duration of the WEE programme was 18 months (from July 2015 - December 2016).

Kg Suang Kina was selected for the project as it had a total of 71 households, with 60 of them were under the poor and hardcore poor category. Their main source of income of the people was from fishing (40%) and agricultural (60%) activities, with an average monthly income of the people in Kg Suang Kina were between RM300 - RM400 only.

Prior to this project, Sejahtera had undertaken a few other projects with similar objectives in Kota Belud since 2012. Sejahtera's previous projects in Kota Belud were:

Project	Location	Timeframe	Number of Participants
Teaching for Change	Sekolah Kebangsaan Suang Punggor	November 2012 - November 2013	112 families with 204 students
Water Solution Kg Song Song	Kg Song Song	August - December 2013	40 families
Livelihood Programme	Kg Song Song	January 2013 - December 2014	50 families

Highlights and achievements from these projects:

- Teaching for Change: through working with Universiti Malaysia Sabah (UMS), weekly remedial classes on English, Mathematics and Science was conducted for students from standard one to six in Sekolah Kebangsaan Suang Punggor. As a result, the Average School Grade for the 2013 UPSR exams improved from 2.76 to 2.59, and the school band ranking from Band 4 to Band 3.



- Water Solution: with the gravity-feed water system set-up, the 40 families have continuous access of water. They had in the past rely on rainwater harvesting which was a problem during draught season.
- Livelihood: 33 families started planting ginger in 2013 and generated an accumulated income of RM46,800 from the first harvest (in January 2014). The success of these families led to an additional 17 families also planted brinjal for their own consumption.

Sejahtera's key partners in the WEE programme were PERWITA 169 (local women NGO), Jabatan Pendidikan Kolej Komunititi (JPKK) and Federal Agricultural Marketing Authority (FAMA). The key initiatives identified by Sejahtera to improve the women were to get them involved in improving their livelihood through economic activities (such as baking/cooking, sewing and small sundry businesses).

Ultimately, the WEE programme would increase income at the end of the project where 70% of the participants would generate an income of more than RM1,120 (PLI for poor in Sabah) for more than three months in a row.

A community-based workshop is built to serve as a center for the women to carry out the income-generating activities, which is expected to be fully operational by 2016.

## PETRONAS Planting Tomorrow, Sabah

From the e-Kasih statistic in 2014, reported that Sabah had the highest number of hardcore poor in the country. The total hardcore poor as at 7 August 2014 in the state were 16,250, while the total poor were 15,859. They were scattered in the 23 regions in the state, with the highest number of hardcore poor were in Kota Marudu with 1,194. Pitas district was the second highest in Sabah with 1,528 hardcore poor.

The project known as Petronas Planting Tomorrow initiated by Sejahtera with the help of our partner Petronas, was introduced to the hardcore poor of Mukim Dandun in Pitas and Mukim Simpangan in Kota Marudu with the goal to improve the overall quality of life of the community in both districts. This project would focus on ten villages in both Pitas and Kota Marudu.

Mukim Dandun, Pitas (seven villages)

- i. Kg. Pinapak
- ii. Kg. Perupok
- iii. Kg. Pulutan
- iv. Kg. Maliau Pusat
- v. Kg. Maliau Layung
- vi. Kg. Nunguh
- vii. Kg. Bambangan

Mukim Simpangan, Kota Marudu (three villages)

- i. Kg. Kotud
- ii. Kg. Patiau
- iii. Kg. Pulutan



### PETRONAS Planting Tomorrow Mukim Dandun, Pitas

The total duration for this project was 20 months to be implemented in two phases (April 2015 - November 2016). Phase 1, would cover the provision of basic needs, i.e. water supply and education and health support in a primary school. While phase 2, would be looking at sustainable livelihood and community enhancement activities.

In the alternative water system project, 338 families from the seven villages were involved. Although the villagers had water accessibility through gravity-feed system, the capacity was low and they required rainwater harvesting tanks to store water for daily use. Sejahtera provided them with individual rainwater harvesting tanks and thus improved access to water and improved water quality for their daily activities. We managed to provide the local community with additional individual rainwater harvesting tanks among 80% of the targeted families.

Meanwhile, assistance to Sekolah Kebangsaan Pinapak, the only primary school attended by 208 from the seven villages was extended. Some of the school facilities were renovated and items procured were based on needs.

### PETRONAS Planting Tomorrow Mukim Simpangan, Kota Marudu

The total project duration was 20 months to be implemented in two phases. Phase 1 involved the upgrading and rehabilitation of beneficiary homes and community centres in three villages namely Kg. Katud, Kg. Pulutan and Kg. Patiau. The existing dams for the three villages were in dire need for rehab to ensure continuous clean water supply to their houses via water gravity system.

Phase 2, would involve the improvement of sustainable livelihood and community enhancement activities. The current community centres could only accommodate a small number of people and not suitable for public activities.

## Community Development Programme (CDP) Kampung Pinggan Jaya, Kuching, Sarawak

### Background

Sarawak has been identified as among the top five states in terms of incidence of poverty in Malaysia, registering at 0.9% which was higher than the national level. Based on the statistics from e-Kasih (as at September 2015), there were 30,130 hardcore poor households (earning less than RM590 per month) and 34,837 poor households (earning less than RM910 per month) in Sarawak, with Kuching contributing the highest number of 9,994 among all divisions.

In 2015, Yayasan Sejahtera carried out an assessment to explore support for the eradication of poverty project. With the support from Kuching District Office (DO) and Sarawak State Development Office (SDO), Sejahtera had identified Kampung Pinggan Jaya, which was about 45 minutes away from Kuching as one of the potential community to undertake its Community Development Programme (CDP). The village which was only accessible via Sarawak River previously, was recently connected by road.

Information obtained from SDO showed that the village has 98 households with 16 and 11 households were under the poor and hardcore poor category respectively. As a follow up from the meetings with Kuching DO and SDO, Village Head (Ketua Kaum) of Kampung Pinggan Jaya, Encik Abang Merawi and his village committee (JKKK) members were consulted to find

out more information on the target group and the needs of the community. Latest information on Kampung Pinggan Jaya indicated a total population of 437, 60% of them were 20 years old and above and the remaining 40% were children and school-goers.

Main economic activities for the residents of Kampung Pinggan Jaya were from agriculture, carpentry, tailoring, food processing and fishing. However, the village has a unique potential product produced by some villagers in gula apong (nipah palm sugar) which was made from the sap of the nipah palm. Currently the product was only produced in small quantity utilising the traditional method (boiled over firewood) and sold to middlemen for distribution in Kuching.

### Project Goal

Within 5 years of CDP implementation, this project was expected to alleviate 80% of the poor and hardcore poor households in Kampung Pinggan Jaya. The project was expected to drive the growth of the gula apong business in the community to a bigger cottage industry and provide better quality of life and opportunities for Kampung Pinggan Jaya's future generation.



- **Kampung Pinggan Jaya transformed into a hub of small businesses in supporting the village's gula apong industry (50 adult participants)**
  - o 70% of the small businesses incubated in the programme to generate additional income for their families at least 30% from average household income of RM700 (RM920) consistently for at least 3 months.
- **Youths in Kampung Pinggan Jaya to be economically-skilled and enabled to uplift and sustain quality of life for their families via supporting the gula apong initiative (Pilot Programme for 10 youths)**
  - o 50% of the participants of the programme to generate income based on the skills learned from the capacity-building activities to add on to their total household income with a minimum of RM300.
- **Children in Kampung Pinggan Jaya to have equal opportunities in educational development to uplift the quality of life for their families (100 children participants)**
  - o 50% of the participants of the programme to improve their grades one level up in school examinations for English and Mathematics subjects.

### Improvement / Enhancement

CDP Kampung Pinggan Jaya was an improved version of the CDP programme implemented by Sejahtera before, especially in terms of the coverage of end-to-end supply chain of the selected product (gula apong) and the inclusion of youth and children in one single project in instilling the community adoption approach.

The timeline was also extended to reflect the long-term view and longer monitoring period in realising the outcome and impact of the programme to the community at large.

**YAYASAN SEJAHTERA (867639-M)**  
(Incorporated in Malaysia)

**Trustees' Report,  
Statement by Trustees and Audited  
Financial Statements  
31 December 2015**

**Yayasan Sejahtera**  
(Incorporated in Malaysia)

**Trustees' report**

The Trustees hereby present their report together with the audited financial statements of Yayasan Sejahtera ("the Foundation") for the financial year ended 31 December 2015.

**Principal activity**

The principal activity of the Foundation is to address extreme poverty based on sustainable living approach which encompasses sustainable livelihood or skills development programme, access to education and social services/amenities and provision of habitable homes. There have been no significant changes in the nature of the principal activities during the financial year.

**Results**

**RM**

Net surplus for the year

**184,270**

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

In the opinion of the Trustees, the results of the operations of the Foundation during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

**Dividend**

The Foundation, being a company limited by guarantee, is not allowed to pay or declare dividends to its corporate member in accordance with the requirements of the Companies Act, 1965 in Malaysia.

**Trustees**

The name of the Trustees of the Foundation in office since the date of the last report and at the date of this report are:

Tan Sri Faizah binti Mohd Tahir  
Puan Sri Ng Siew Yong  
Prof. Madya Dr. Sulochana Nair a/p Kutiri Raman Nair  
Shareen Shariza binti Dato' Abd Ghani  
Shahira Binti Ahmed Bazari (appointed on 15 January 2016)



**Yayasan Sejahtera (Incorporated in Malaysia)****Trustees' benefits**

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Foundation was a party, whereby the Trustees might acquire benefits by means of the acquisition of debentures of the Foundation, or shares in or debentures of any other body corporate.

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

**Trustees' interests**

According to the register of Trustees' shareholdings, none of the Trustees in office at the end of the financial year had any interest in shares in the Foundation or its related corporations during the financial year.

**Other statutory information**

- (a) Before the statement of comprehensive income and statement of financial position of the Foundation were made out, the Trustees took reasonable steps:
- (i) 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 there were no known bad debts and that no allowance for impairment is necessary, and
  - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Trustees are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or to make any allowance for doubtful debt in respect of the financial statements of the Foundation, and
  - (ii) the values attributed to current assets in the financial statements of the Foundation misleading.

**Yayasan Sejahtera (incorporated in Malaysia)****Other statutory information (cont'd.)**

- (c) At the date of this report, the Trustees are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Foundation misleading or inappropriate.
- (d) 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 Foundation which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
  - (i) any charge on the assets of the Foundation which 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 Foundation which has arisen since the end of the financial year.
- (f) In the opinion of the Trustees:
  - (i) no contingent liability 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 will or may affect the ability of the Foundation to meet its obligations as and when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the Foundation for the financial year in which this report is made.

**Auditors**

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board of Trustees in accordance with a resolution of the Trustees dated 30 June 2016.

.....  
Tan Sri Faizah binti Mohd Tahir

.....  
Shareen Shariza binti Dato' Abd Ghani

Kuala Lumpur, Malaysia

**Yayasan Sejahtera  
(incorporated in Malaysia)**

**Statement by Trustees  
Pursuant to Section 169(15) of the Companies Act, 1965**

We, Tan Sri Faizah binti Mohd Tahir and Shareen Shariza binti Dato' Abd Ghani, being two of the Trustees of Yayasan Sejahtera, do hereby state that, in our opinion, the accompanying financial statements set out on pages 7 to 23 are drawn up in accordance with Malaysian Financial Reporting Standards, international Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Foundation as at 31 December 2015 and of the financial performance and cash flows of the Foundation for the year then ended.

Signed on behalf of the Board of Trustees in accordance with a resolution of the Trustees dated 30 June 2016.

Tari Sri Faizah binti Mohd Tahir

Shareen Shariza binti Dato' Abd Ghani

**Statutory declaration  
Pursuant to Section 169(16) of the Companies Act, 1965**

I, Shareen Shariza binti Dato' Abd Ghani, being the Trustee primarily responsible for the financial management of Yayasan Sejahtera, do solemnly and sincerely declare that the accompanying financial statements set out on pages 7 to 23 are in my opinion Correct, and 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 Shareen Shariza binti  
Dato' Abd Ghani at Kuala Lumpur in the  
Federal Territory on 30 June 2016

Shareen Shariza binti Dato' Abd Ghani

**Before me.**

**Independent auditors' report to the members of  
Yayasan Sejahtera  
(Incorporated in Malaysia)**

**Report on the financial statements**

We have audited the financial statements of Yayasan Sejahtera, which comprise the statement of financial position as at 31 December 2015, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, as Set Out on pages 7 to 23.

*Trustees' responsibility for the financial statements*

The Trustees of the Foundation are responsible for the preparation of financial statements so as to give a true and fair view in accordance with Malaysian Financial Reporting Standards, 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 Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

*Auditors' responsibility*

Our responsibility is to express an opinion on these financial statements based on Our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures Selected depend on Our judgment, including the assessment of risks of material misstatement of the financial Statements, whether due to fraud or error. In making those risk assessments, we consider internal Control relevant to the Foundation's preparation of financial statements that give a true and fair view 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 Foundation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Independent auditors' report to the members of  
Yayasan Sejahtera (cont'd.)  
(Incorporated in Malaysia)**

*Opinion*

In our opinion, the financial statements give a true and fair view of the financial position of the Foundation as at 31 December 2015 and of its financial performance and cash flows for the year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

**Report on other legal and regulatory requirements**

In accordance with the requirements of the Companies Act, 1965 ("the Act") in Malaysia, we also report that in our opinion, 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.

**Other matters**

This report is made solely to the member of the Foundation, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the Content of this report.

Ernst & Young  
AF: OO39  
Chartered ACCountants

Ahmad Qadri Bin Jahiubar Sathik  
No. 3254/05/18(J)  
Chartered ACCountant

Kuala Lumpur, Malaysia  
30 June 2016

**Yayasan Sejahtera  
(Incorporated in Malaysia)**

**Statement of comprehensive income  
For the financial year ended 31 December 2015**

	Note	2015 RM	2014 RM
<b>INCOME</b>			
Government Grant	3	1,513,726	1,996,356
Donations / Contributions	4	1,981,112	1,398,267
Interest Income	5	162,488	198,115
		<u>3,657,326</u>	<u>3,592,738</u>
<b>EXPENDITURE</b>			
Project costs		1,884,330	1,693,177
Staff costs	6	960,877	981,586
Staff Training		56,787	34,230
Marketing and Communications		103,050	81,755
Travelling Expenses		95,399	20,422
Professional fees		38,261	102,769
Auditors' remuneration			
Current year		13,000	10,000
- Underprovision in prior year		15,440	-
- Depreciation	8	33,983	72,099
Office rental		123,614	132,925
Office utilities		38,478	32,140
Trustees allowance		24,000	4,800
Other expenses		85,837	79,544
		<u>3,473,056</u>	<u>3,245,448</u>
<b>Surplus before taxation</b>		184,270	347,290
Taxation	7	-	-
<b>Surplus for the year, representing total comprehensive income for the year</b>		<u>184,270</u>	<u>347,290</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**
**Statement of financial position As at 31 December 2015**

	Note	2015 RM	2014 RM
<b>Non-current asset</b>			
Property and equipment	8	98,648	100,219
<b>Current assets</b>			
Other receivables	9	402,120	214,002
Cash and bank balances	10	4,850,811	6,065,686
		5,252,931	6,279,688
<b>Current liabilities</b>			
Other payables	11	20,374	173,909
Deferred income	12	1,250,556	795,890
		1,270,930	969,799
<b>Net current assets</b>		3,982,001	5,309,889
		4,080,649	5,410,105
<b>Represented by:</b>			
Contribution from member	13	-	-
Retained surplus		1,600,244	1,415,974
		1,600,244	1,415,974
<b>Non-current liability</b>			
Government grant	3	2,480,405	3,994,131
		4,080,649	5,410,105

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**
**Statement of changes in equity**  
**For the financial year ended 31 December 2015**

	Contribution from members RM (Note 13)	Retained surplus RM	Total RM
<b>At 1 January 2014</b>		1,068,684	1,068,682
Total Comprehensive income for the year	-	347,290	347,292
<b>At 31 December 2014</b>	-	1,415,974	1,415,974
<b>At 1 January 2015</b>	-	1,415,974	1,415,974
Total Comprehensive income for the year	-	184,270	184,270
<b>At 31 December 2015</b>	-	1,600,244	1,600,244

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

**867639-M**  
**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**

**Statement of cash flow**  
**For the financial year ended 31 December 2015**

	2015 RM	2014 RM
<b>Cash flows from operating activities</b>		
Surplus before taxation	184,270	347,290
Adjustments for :		
Interest in Income	(162,488)	(198,115)
Depreciation	33,983	72,099
Amortisation of Government grant	(1,513,726)	(1,996,356)
Operating loss before working capital changes	(1,457,961)	(1,775,082)
Increase in receivables	(188,118)	(109,817)
Decrease in payables	(153,535)	(629,834)
Net cash used in operating activities	(1,799,614)	(2,514,733)
<b>Cash flows from investing activities</b>		
Purchase of property and equipment	(32,411)	(90,346)
Interest received	42,912	58,010
Net cash used in investing activities	10,501	(32,336)
<b>Cash flow from financing activities</b>		
Donation received, representing net cash generated from financing activities	1,132,617	(42,126)
<b>Net changes in cash and cash equivalents</b>	(656,496)	(2,589,195)
<b>Cash and cash equivalents at beginning of year</b>	5,499,366	8,088,561
<b>Cash and cash equivalents at end of year</b>	4,842,870	5,499,366
<b>Cash and cash equivalents comprise of (Note 10):</b>		
Cash on hand and at bank	1,418,260	228,072
Deposits with a licensed financial institution	3,424,610	5,271,294
Total cash and cash equivalents	4,842,870	5,499,366
Add: Deposits with maturity more than 3 months	7,941	566,320
Total cash and bank balances	4,850,811	6,065,686

**867639-M**  
**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**

**Notes to the financial statement**  
**For the financial year ended 31 December 2015**

**1. Corporate information**

The principal activity of the Foundation is to address extreme poverty based on sustainable living approach which encompasses sustainable livelihood or skills development programme, access to education and social services/amenities and provision of habitable homes. There have been no significant changes in the nature of the principal activities during the financial year.

The Foundation was incorporated on 7 August 2009 and is a company limited by guarantee, incorporated and domiciled in Malaysia. The registered office of the Foundation is located at Epsilon Advisory Services Sdn Bhd, 312, 3rd Floor, Block C, Kelana Square, 17 Jalan SS 7126, 47301 Petaling Jaya, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Trustees in accordance with a resolution of the Trustees on 30 June 2016.

**2. Significant accounting policies**

**2.1 Basis of preparation**

The financial statements of the Foundation have been prepared in accordance with the provisions of the Companies Act, 1965 and with the Malaysian Financial Reporting Standards ("MFRSs"), which is in compliance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("ISB").

The financial statements have been prepared on a historical cost basis, except when otherwise indicated.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the functional currency of the Foundation.

**2.2 Changes in accounting policies**

The new and revised MFRSs which are mandatory for companies with financial year beginning on or after 1 January 2015 did not give rise to any significant effect on the financial statements of the Foundation.

**2.3 Standards issued but not yet effective**

The Trustees expect that the new MFRSs which are issued but not yet effective for the financial year ended 31 December 2015 will not have a material impact on the financial statements of the Foundation in the period of initial application.

**867639-M**  
**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**

**2.4 Significant accounting estimates and judgments**

The preparation of financial statements in accordance with MFRSs requires the use of certain accounting estimates and exercise of judgments. Estimates and judgments are continuously evaluated and are based on past experience, reasonable expectations of future events and other factors.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**2.5 Summary of significant accounting policies**

**(a) Property and equipment, and depreciation**

All items of property and equipment are initially recorded at cost. The cost of an item of property and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Foundation and the cost of the item can be measured reliably.

Subsequent to recognition, property and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

When significant parts of property and equipment are required to be replaced in intervals, the Foundation recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation of property and equipment is computed on a straight-line basis over the estimated useful life of the assets as follows:

Renovation	33%
Computer equipment	33%
Office equipment	33%
Motor vehicle	20%

The residual values, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

**867639-M**  
**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

**(b) impairment of non-financial assets**

The Foundation assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Foundation makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

**867639-M**  
**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**

**(c) Financial assets**

Financial assets are recognised in the statement of financial position when, and only when, the Foundation becomes a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus directly attributable transaction costs. The Foundation determines the classification of its financial assets at initial recognition. The classification is described below:

**(i) Receivables**

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as receivables. The Foundation's receivables include deposit and other receivables.

Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the receivables are derecognised or impaired, and through the amortisation process.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

**(d) Impairment of financial assets**

The Foundation assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

**(i) Receivables carried at amortised cost**

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Foundation considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

**867639-M**  
**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying value and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If in a subsequent period, the amount of impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

**(e) Financial liabilities**

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 139 Financial Instruments: Recognition and Measurement, are recognised in the statement of financial position when, and only when, the Foundation becomes a party to the contractual provisions of the financial instrument.

The Foundation's financial liabilities include other payables.

A financial liability is derecognised when the obligation under the liability is extinguished.

**(f) Cash and cash equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and at bank and short term deposits with financial institution which have an insignificant risk of changes in value.

**867639-M**  
**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**

**(g) Employee benefits**

**(i) Short term benefits**

Wages, salaries, bonuses and social security Contributions are recognised as an expense in the year in which the associated services are rendered by employees. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non accumulating Compensated absences such as sick leave are recognised when the absences occur.

**(ii) Defined contribution plan**

Defined contribution plans are post-employment benefits plan under which the Foundation pays fixed contribution into separate entities or fund and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current financial period. Such contributions are recognised as an expense in the profit and loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF").

**(h) Equity instruments**

Contribution from members are classified as equity.

**(i) Government grant**

Government grant is recognised initially at their fair value in the statement of financial position where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grant that compensates the Foundation for expenses incurred is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate. Grant that compensates the Foundation for the cost of an asset is recognised as income on a systematic basis over the useful life of the asset.

**867639-M**  
**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**

**(j) income recognition**

Income is recognised to the extent that it is probable that the economic benefits will flow to the Foundation and the income can be reliably measured.

**(i) Interest income**

Interest income is recognised on accrual basis using the effective interest method.

**(ii) Donations/contributions**

Donations/contributions are recognised when the Foundation's rights to receive the payment is established or conditions attached to the donations/contributions have been fulfilled. Donation is recognised initially as deferred income and will be recognised as income in profit or loss as and when expenses are incurred.

**(k) Key management personnel**

Key management personnel is defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. All Board of Trustees and the Chief Operating Officer of the Foundation are considered key management personnel.

**3. Government grant**

	2015 RM	2014 RM
At 1 January	3,994,131	5,990,487
Amortised to Profit or Loss	(1,513,726)	(1,996,356)
At 31 December	<u>2,480,405</u>	<u>3,994,131</u>

**867639-M**  
**Yayasan Sejahtera (Incorporated in Malaysia)**

**4. Donations/Contributions**

	2015	2014
	RM	RM
Project funds (note 13)	1,865,776	1,249,091
Donations/corporates Contributions	115,335	149,176
	<u>1,981,112</u>	<u>1,398,267</u>

Relates to donations/contributions from Lembaga Tabung Haji, Yayasan Hasanah/ Khazamah Nasional Berhad, Kuwait Finance House, Pusat Pungutan Zakat, United Nation Development Programmes and PEMANDU (2014: Lembaga Tabung Haji, Khazanah Nasional Berhad, Kuwait Finance House, Pusat Pungutan Zakat, PEMANDU, Ministry of Finance and Malaysian Banking Berhad).

**5. Interest income**

Interest income relates to interest earned from the Foundation's fixed deposits account and current account.

**6. Staff costs**

	2015	2014
	RM	RM
Wages and salaries	642,401	699,870
Statutory contributions to Employees		
Provident Fund and Social Security	126,837	138,016
Other allowances	191,639	143,700
	<u>960,877</u>	<u>981,586</u>

Included in staff costs is remuneration of the Chief Operating Officer, amounting to RM202,346 (2014: RM 169,105).

**7. Taxation**

The Foundation has been granted tax exemption status on all gross income except dividend income under Section 44(6) of the income Tax Act, 1967, from year assessment 2011 onwards.

**867639-M**  
**Yayasan Sejahtera (Incorporated in Malaysia)**

**8. Property and equipment**

	Reno- vation RM	Computer equipment RM	Office equipmen RM	Motor vehicle RM	Total RM
<b>At 31 December 2015</b>					
<b>Cost</b>					
At 1 January 2015	156,902	89,075	45,920	122,501	414,398
Additions	20,024	6,150	6,237	-	32,411
At 31 December 2015	<u>176,926</u>	<u>95,225</u>	<u>52,157</u>	<u>122,501</u>	<u>446,809</u>
<b>Accumulated Depreciation</b>					
At 1 January 2015	156,901	78,240	42,886	36,152	314,179
Depreciation charge for the year	5,229	8,707	3,357	16,691	33,983
At 31 December 2015	<u>162,130</u>	<u>86,947</u>	<u>46,243</u>	<u>52,842</u>	<u>348,162</u>
<b>Net carrying amount</b>					
At 31 December 2015	<u>14,797</u>	<u>8,278</u>	<u>5,914</u>	<u>69,659</u>	<u>98,648</u>
<b>At 31 December 2014</b>					
<b>Cost</b>					
At 1 January 2014	156,902	82,182	45,920	39,048	324,052
Additions	-	6,893	-	83,453	90,346
At 31 December 2014	<u>156,902</u>	<u>89,075</u>	<u>45,920</u>	<u>122,501</u>	<u>414,398</u>
<b>Accumulated depreciation</b>					
At 1 January 2014	126,393	60,083	32,825	22,779	242,080
Depreciation charge for the year	30,508	18,157	10,061	13,373	72,099
At 31 December 2014	<u>156,901</u>	<u>78,240</u>	<u>42,886</u>	<u>36,152</u>	<u>314,179</u>
<b>Net carrying amount</b>					
At 31 December 2014	<u>1</u>	<u>10,835</u>	<u>3,034</u>	<u>85,349</u>	<u>100,219</u>

**867639-M**  
**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**

**9. Other receivables**

	Note	2015 RM	2014 RM
Deposits		47,809	55,809
Prepayments		48,251	18,087
Interest receivable		119,576	140,106
Donation receivable	(i)	186,484	-
		<u>402,120</u>	<u>214,002</u>
Add:			
Cash and bank balances (Note10)		<u>1,418,260</u>	<u>228,072</u>
Total loans and receivables		<u><u>1,820,380</u></u>	<u><u>442,074</u></u>

(i) Amount is in relation to contribution due from a sponsor.

**10. Cash and bank balances**

	2015 RM	2014 RM
Cash at banks	1,418,260	228,072
Short term deposits with licensed banks with maturity less than 90 days	<u>3,424,610</u>	<u>5,271,294</u>
	4,842,870	5,499,366
Fixed deposit with maturity more than 90 days	<u>7,941</u>	<u>566,320</u>
Total cash and bank balances	<u><u>4,850,811</u></u>	<u><u>6,065,686</u></u>

	WAEIR per annum		Average maturity	
	2015 %	2014 %	2015 Days	2014 Days
Fixed rate deposits	<u>3.6</u>	<u>3.27</u>	<u>353</u>	<u>325</u>

**867639-M**  
**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**

**11. Other payables**

	2015 RM	2014 RM
Accrual	19,000	23,090
Other payables	<u>1,374</u>	<u>150,819</u>
	<u><u>20,374</u></u>	<u><u>173,909</u></u>

Other payables are interest free and are normally settled on an average term of 30 days (2014: average term of 30 days)

**12. Deferred Income**

	2015 RM	2014 RM
At 1 January	795,890	838,019
Received during the year	2,320,442	1,206,963
Amortised to profit or loss	<u>(1,865,776)</u>	<u>(1,249,091)</u>
At 31 December	<u><u>1,250,556</u></u>	<u><u>795,890</u></u>

Deferred income relates to donations received, where the conditions attached to the usage of the donations have yet to be fulfilled as at the reporting date.

**13. Contribution from members**

The members undertake to contribute, not exceeding RM100, to the assets of the Foundation in the event of the Foundation being wound up.

**14. Financial risk management objectives and policies**

The Foundation's financial risk management policy seeks to ensure that adequate financial resources are available for the achievement of the Foundation's objectives and principal activities whilst managing its liquidity risk, credit risk and interest rate risk.

**(a) Liquidity risk**

Liquidity risk is the risk that funds will not be available to meet liabilities as and when they fall due. The Foundation actively manages this risk by maintaining good governance over the cash management of the Government grant and contribution received from third parties, and operates within clearly defined guidelines that are approved by the Trustees.

**867639-M**  
**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**

The table below summarises the maturity profile of the Foundation's liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Within one year	
	2015	2014
	RM	RM
Other payables	20,374	173,909

**(b) Credit risk**

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Foundation's exposure to Credit risk arises primarily from its other receivables and cash and bank balances.

At the reporting date, the Foundation's maximum exposure to credit risk is represented by the carrying amounts of these financial assets. The Foundation minimises this risk by dealing exclusively with high credit rating and/or credit worthy Counterparties.

**(c) Interest rate risk**

The Foundation's primary interest rate risk relates to its short term deposit placements. The Foundation actively reviews its short term and long term portfolio, taking into account the holding period.

The following table analyses the Foundation's interest rate risk exposure. The Foundation's assets and liabilities are included at fair value and categorised by the earlier of contractual re-pricing or maturity dates.

Management's best estimate of the effect on the surplus for the year due to a reasonably possible change in profit/interest rate with all other variables held Constant is indicated in the table below:

**Effects on surplus for the year**

	Within one year	
	2015	2014
	RM	RM
Increase in 0.25% of interest rate	2,673	3,340
Decrease in 0.25% of interest rate	(2,673)	(3,340)

**867639-M**  
**Yayasan Sejahtera**  
**(Incorporated in Malaysia)**

**15. Fair values**

The fair values of all financial assets and liabilities approximate the carrying amounts due to their relative short term maturities.

**16. Capital management**

The Foundation manages its capital by following the Foundation's policies and guidelines and also seeks approval from the Trustees with regard to all capital management matters. Presently, the Foundation's activities are entirely funded via Government grant and donations/contributions from third parties.

**17. Related party transactions**

In addition to the transactions detailed elsewhere in the financial statements, the Foundation had the following transactions with the following related parties during the financial year.

	2015 RM	2014 RM
<b>(i) Pintar Foundation, a foundation related to a member</b>		
<b>Statement of comprehensive income</b>		
Other operating expenses	38,002	18,128
<b>(i) Yayasan Hasanah, a foundation related to a Trustee</b>		
<b>Statement of comprehensive income</b>		
Donations/contributions	1,466,320	-
<b>Statement of financial position</b>		
Deferred income	444,053	-



**Building Sustainable Communities**

**YAYASAN SEJAHTERA** (867639-M)

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