

# TREASURER REPORT

The MSB business conditions generally improvised in 2022 from the post-Covid 19 impacts following the reopening of borders in April 2022.

The Association reported a total income of RM651,095.00 in FY2022, an increase of 11.67% compared to RM583,027.00 in FY2021. However, the expenditure had increased by 28.39% to RM923,326 from RM719,156.00 a year ago. As a result, the Association recorded a deficit of income over expenditure amounting to RM272,231.00 in FY2022 compared to a deficit of RM136,129.00 in FY2021, a widening deficit of 99.98%.

Excluding depreciation and amortization, the total operating expenses that approximate cash expenses are RM867,360 and RM697,312 in FY2022 and FY2021 respectively. After considering the total income, the net “cash” losses are RM216,265 and RM114,285 in FY2022 and FY2021 respectively. The total net “cash” loss for these two FYs is approximately RM330,550.

Major sources of incremental revenue are from the annual and administration fee of RM210,510, GOCO training of RM266,296, and the sale of window glass stickers of RM130,947. Meanwhile, the major sources of incremental expenses are staff costs (including EPF, SOCSO, and EIS) of RM403,042 training expenses of RM86,111, rental of premises of RM89,374, and traveling expenses of RM30,766. Given the increase in YoY expenses of RM204,170 is larger than the increase in the YoY total income of RM68,068 from the year 2022 to 2021, it led to a larger net loss (deficit) of RM272,231 in FY2022 versus a deficit of RM136,129 in 2021.

The overall financial performance of the association in FY 2022 has declined compared to the previous year due to various internal and external factors. With the depleting reserves and the declining memberships, the financial health and sustainability of the association will be a big concern going forward. Hence, the association is taking various measures to increase revenue and reduce expenses for the upcoming year.