

Towards Self Sustenance



BACKGROUND OF MYSKILLS FOUNDATION

- A. MySkills was formally registered on 3.3.2011. Primary objective of MySkills is to provide a SECOND opportunity (to many it is ONLY opportunity) to transform and acquire a skill. With the acquired skills, they are free to lead a decent and crime free life. MySkills works with only dropout and at-risk students from the tender age of 13 to 17 years old.
- B. Every year approximately 150 students graduate from MySkills with a government recognised skills training certificate and gainfully employed.

CURRENT FINANCIAL STATUS

1. As of December 2024, all students are provided with transformation and skills training together with meal and accommodation at no cost.
2. It cost RM 15,000 to maintain a student for a year at MySkills. This includes cost of transformation, skills training, accommodation, trainees' salary, Campus upkeep and maintenance.

3. On an average, we require RM 3 Million a year to meet the Operational and Capital Expenditures. From January 2011 to December 2024, we have spent **RM 39.3 million** to meet the Operational Expenditure and **RM 21 Million** for the Capital Expenditure (Please refer to the table below):

YEAR	GRANT / DONATION Income (RM)		EXPENDITURE (RM)
2011	Operational	1,098,147	973,569
2012	Operational	2,190,027	2,217,013
2013	Operational	1,850,469	1,539,862
2014	Operational	3,457,141	2,170,056
2015	Operational	3,526,094	2,367,989
2016	Operational	3,677,311	4,435,446
2017	Operational	3,205,073	2,705,635
2018	Operational	2,258,749	3,215,323
2019	Operational	2,456,255	3,211,302
2020	Operational	3,723,798	3,291,917
2021	Operational	4,676,054	4,604,918
2022	Operational	4,597,149	4,277,990
2023	Operational	4,756,920	4,339,036
	TOTAL	41,473,187	39,350,056

YEAR	GRANT / DONATION Income		Amount (RM)
2013	Capital Expenditure	Malaysian Government & General Collection	3,500,000
2014	Capital Expenditure	General Collection	500,000
2015	Capital Expenditure	Malaysian Government	10,000,000
2019	Capital Expenditure	General Collection	2,000,000
2020	Capital Expenditure	Sekhar Foundation	2,000,000
		General Collection	1,000,000
2021	Capital Expenditure	General Collection	1,000,000
2022	Capital Expenditure	General Collection	1,000,000
	TOTAL		21,000,000

4. Assuming in 2011, we had an Endowment Fund of RM 30 million, the income from the Endowment Fund would have taken care of the Operational expenses while maintaining the capital of the Endowment Fund of RM 30 Million.

5. In short, our ultimate aim is the income from the Endowment Fund will take of MySkills Foundation Operational expenses **perpetually**.

WHAT IS AN ENDOWMENT FUND

Endowment operates like an EPF, a Pension Fund of a person after his retirement from a non-governmental organization (NGO). Endowment Fund is a financial asset, typically held by the NGO that is invested to generate income over the long term. The principal amount of the Endowment Fund is usually kept intact, while the income generated from the investments is used for Operational expenses, progress or any other permitted initiations of the organisation.

Key Features of an Endowment Fund :

- 1. Permanent Capital :**
The principal amount is preserved to ensure the fund can generate income indefinitely.
- 2. Investment Income:**
The fund generates income through various investments, such as stocks, bonds, or real estate.
- 3. Spending Policy :**
Organizations often have a specific policy that defines how much of the generated income can be spent each year.

IMPORTANCE OF ENDOWMENT FUND FOR FINANCIAL SUSTAINABILITY OF NGO'S

- 1. Steady Revenue Stream :**
Endowment funds provide a consistent and predictable source of income, which can help NGOs manage their finances more effectively and plan for the long term.
- 2. Financial Stability :**
With endowment funds, NGOs can reduce their reliance on fluctuating donation levels and grants, making them less vulnerable to economic downturns or changes in funding landscapes.
- 3. Capacity for Long-term Planning :**
The steady income enables NGOs to engage in strategic planning, allowing them to invest in larger projects or initiatives without the constant pressure of fundraising.

4. Increased Credibility :

A well-managed endowment fund can enhance an NGO's reputation and credibility with donors, showing that the organization is committed to long-term sustainability and responsible financial management.

5. Support for Mission :

Endowment funds can help ensure that an organization's mission continues to be funded over time, ensuring that valuable programs and services can persist and grow.

FUTURE SUSTAINABILITY OF MYSKILLS FOUNDATION

- A. From Students – MySkills spends on the average RM 45,000 to maintain a student at MySkills for the period of 3 years. At the end of the course, MySkills wants the student to be financially responsible by paying maximum RM 10,000 to MySkills for future financial sustenance.

From this stream, MySkills may be able to raise **RM 800,000 to RM 1,000,000** per year.

- B. We have regular monthly donors who contribute **RM 40,000** a month (ranging from RM 50 to RM 1,000).

- C. Assuming MySkills managed to create an **Endowment Fund of RM 20 Million**. Based on 8% return, MySkills may be able to raise **RM 1,600,000**.

Summarising the various Financial Stream for future:

	(RM)
i. Graduate Student Contribution	800,000
ii. Regular Monthly Donors	500,000
iii. Dividend from Endowment Fund	1,600,000
	<u>2,900,000</u>

- D. The regular financial grants from individuals and corporation will be added to the Endowment Fund.

PLANS TO RAISE THE CAPITAL FUND FOR THE ENDOWMENT FUND.

As of 1st December 2024, our Endowment Fund status is at RM 3.5 Million.

We need to raise RM 16.5 Million to achieve our target by 2027.

OUR HOPE

If you are convinced that MySkills has contributed in a small but significant way to transform the lives of at-risk dropout youths in the past 15 years, please consider to contribute to the MYSKILLS ENDOWMENT FUND.

WAYS TO CONTRIBUTE

YOU MAY SEND US A CHEQUE, BANK IN OR PERFORM INTERBANK TRANSFER TO MYSKILLS ENDOWMENT FUND AS BELOW:

ACCOUNT NAME :
MYSKILLS FOUNDATION ENDOWMENT FUND

ACCOUNT NUMBER :
8010661652

BANK :
CIMB

*Thank you for your **Spiritual** journey with us.*

You may contact :
Dr. Siva @ 014-3602737
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For further information,
visit our website @

www.myskills.org.my