

**INSOLVENCY PRACTITIONERS
ASSOCIATION OF MALAYSIA
("IPAM")
(0354-10-WKL)**

Financial Statements
For the Financial Year Ended
31 December 2015

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**COUNCIL MEMBERS OF THE INSOLVENCY PRACTITIONERS
ASSOCIATION OF MALAYSIA**

Stephen Duar Tuan Kiat (President) - Chairman

Ooi Woon Chee (Vice President)

Ong Hock An (Secretary)

Datuk Ng Seing Liong (Treasurer)

Dato' Gan Ah Tee (Immediate Past President)

Lim San Peen

Lim Tian Huat

Yip Kok Leong

Lee Shih

Suhendran Sockanathan

Raveenda Kumar Nathan

Rabindra Santhanasegira

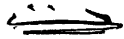
Kumar Kanagasingam

Khoo Poh Poh

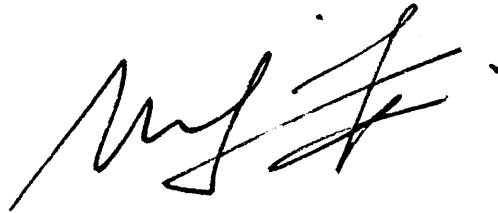
Yoong Sin Min

STATEMENT BY COUNCIL MEMBERS

We, Stephen Duar Tuan Kiat and Datuk Ng Seing Liong, being two of the Council Members of the Insolvency Practitioners Association Of Malaysia, do hereby state that, in the opinion of the Council Members, the accounts set out on pages 3 to 10 are drawn up so as to give a true and fair view of the financial position of the Insolvency Practitioners Association Of Malaysia as at 31 December 2015 and of its income and expenditure and changes in cash flows for the financial year then ended in accordance with the basis of accounting described in Notes 3 and 4 to the accounts.



STEPHEN DUAR TUAN KIAT
PRESIDENT



DATUK NG SEING LIONG
TREASURER

Date: 8 March 2016
Kuala Lumpur

**REPORT OF THE AUDITORS TO THE MEMBERS OF THE INSOLVENCY
PRACTITIONERS ASSOCIATION OF MALAYSIA**

I have audited the accounts set out on pages 3 to 10. The accounts are the responsibility of the Council Members of the Insolvency Practitioners Association Of Malaysia. My responsibility is to express an opinion on the accounts based on the audit, and to report my opinion to you, as a body and for no other purpose. I do not assume responsibility to any other person for the content of the report.

I conducted my audit in accordance with approved auditing standards in Malaysia. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the accounts are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the accounts. An audit also includes assessing the accounting principles used and significant estimates made by the Council Members of the Insolvency Practitioners Association Of Malaysia, as well as evaluating the overall accounts presentation. I believe that the audit provides a reasonable basis for my opinion.

In my opinion, the accounts present fairly, in all material respects, the financial position of Insolvency Practitioners Association Of Malaysia as at 31 December 2015 and of its income and expenditure and cash flows for the year then ended, in accordance with the basis of accounting described in Notes 3 and 4 to the accounts.



Bala Subramaniam Rasu

Approval Number : 1324/9/16 (J/PH)
Chartered Accountant

Date: 8 March 2016

Kuala Lumpur

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Note	2015 RM	2014 RM
ASSETS			
Current Assets			
Bank and cash balances		100,472	15,423
Fixed deposits	4c	73,776	71,595
		<u>174,248</u>	<u>87,018</u>
LIABILITIES			
Current Liabilities			
Other payables	4d	-	1,044
Taxation		1,356	-
		<u>1,356</u>	<u>1,044</u>
TOTAL NET ASSETS		<u>172,892</u>	<u>85,974</u>
ACCUMULATED FUND			
		<u>172,892</u>	<u>85,974</u>
		<u>172,892</u>	<u>85,974</u>

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

**STATEMENT OF INCOME AND EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	Note	2015 RM	2014 RM
Income	4a	78,998	23,800
Operating expenses		(16,880)	(13,816)
Surplus from operations	5	62,118	9,984
Other income	6	27,200	1,595
Surplus before taxation		89,318	11,579
Taxation	7	(2,400)	(1,044)
Surplus for the year		<u>86,918</u>	<u>10,535</u>

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

**STATEMENT OF CHANGES IN ACCUMULATED FUND
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	2015	2014
	Accumulated	Accumulated
	Fund	Fund
	RM	RM
Balance as at 1 January	85,974	75,439
Surplus for the financial year	86,918	10,535
Balance as at 31 December	<u>172,892</u>	<u>85,974</u>

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

**STATEMENT OF CASH FLOWS
 FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

	2015	2014
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Subscription fees	23,450	22,550
Seminar income	55,548	-
Contribution received	25,000	-
Interest earned	2,200	1,595
Annual dinner 2015 (net of expenses)	(99)	-
Bank charges	(75)	(24)
Website for IPAM	(297)	(280)
INSOL international membership	(14,173)	(9,080)
Banquet expenses	(1,078)	(4,432)
Other payables	(2,202)	-
Taxation paid	(1,044)	-
Net cash from operating activities	87,230	10,329
Cash and cash equivalents as at 1 January	87,018	76,689
Cash and cash equivalents as at 31 December	174,248	87,018
Represented by:		
Bank and cash balances	100,472	15,423
Fixed deposit	73,776	71,595
	174,248	87,018

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

1. GENERAL INFORMATION

The Insolvency Practitioners' Association of Malaysia ("Association") is an association registered with the Registrar of Societies in Malaysia.

The registered office and principal place of business of the Association is located at KPMG, Level 10, KPMG Tower, 8 First Avenue, Bandar Utama, 47800 Petaling Jaya, Selangor.

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

The financial statements were authorised for issuance in accordance with a resolution by the Council Members on 8 March 2016.

2. PRINCIPAL ACTIVITIES

The Association is principally engaged in supporting and advancing the status and interest of the insolvency practice in Malaysia.

3. BASIS OF ACCOUNTING

The financial statements of the Association have been prepared under the historical cost convention except as otherwise stated in the financial statements. Income and Expenditure are accounted for on a cash basis. On this basis, income is recognised when received rather than when earned and include cheques received up to 31 December 2015 but banked in after 31 December 2015. Expenditures are recognised when paid rather than when incurred.

The accounts are therefore prepared not in accordance with applicable approved accounting standards in Malaysia for Private Entities.

Notes to the financial statements...cont'd

4. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

(a) Income

Income consists of membership subscriptions and surplus arising from seminars and functions held during the year.

(b) Cash and cash equivalents

Cash and cash equivalents for the purpose of the cash flow statement represent cash and bank balances and unpledged deposits reduced by outstanding bank overdraft, if any.

The statement of cash flows is prepared using the direct method.

(c) Fixed deposit

Fixed deposits represents placements with approved financial institutions. The fixed deposits bears interest at the rate of 3% per annum.

(d) Other payables

Other payables relating to the previous year represents amount advanced by a Council member.

(e) Significant Accounting Judgements And Estimates

(i) Critical judgements made in applying accounting policies

There are no critical judgements made by the Council Members in the process of applying the accounting policies of the Association that have significant effect on the amounts recognised in the financial statements.

(ii) Key sources of accounting estimates

There are no key sources of estimation uncertainty as at the end of the financial year that have a significant effect on the carrying amounts of assets and liabilities within the next financial year.

(iii) Fair Value

The fair values of financial assets and liabilities approximate to their carrying values.

Notes to the financial statements...cont'd

5. SURPLUS FROM OPERATIONS

Surplus from operations, amongst others, is stated after:-

	2015 RM	2014 RM
Crediting:-		
Subscription and admission fee	23,450	22,550
Seminar income	55,548	-
	<hr/>	<hr/>
And charging:-		
Annual dinner (net of expenses)	99	-
INSOL international membership	14,173	9,080
Banquet expenses	1,078	4,432
	<hr/>	<hr/>

6. OTHER INCOME

Other income comprise:-

	2015 RM	2014 RM
Contribution received	25,000	-
Interest earned	2,200	1,595
	<hr/>	<hr/>
	27,200	1,595

Notes to the financial statements...cont'd

7. TAXATION

	2015	2014
	RM	RM
For the current year	2,400	-
In respect of prior year	-	1,044
	<u>2,400</u>	<u>1,044</u>

The Association is treated as a "trade association" in accordance with the Section 53(3) of the Income Tax Act 1967. Tax exemption is allowed on the statutory income from members' subscription and admission fees. A reconciliation of tax expenses applicable to surplus before taxation at the statutory income tax rate to tax expense at the effective tax rate of the Association is as follows: -

	2015	2014
	RM	RM
Surplus before taxation	89,318	11,579
Taxation at Malaysian Statutory scales rates	9,657	131
Effect of Income Tax (exemption) (No.19) order 2005	(7,257)	(131)
Tax expense in respect of prior year	-	1,044
Tax expense for the year	<u>2,400</u>	<u>1,044</u>