

Certificate No.: PPM-014-10-08042013

AL-I'TISAM RELIEF PROGRAM ASSOCIATION

(Registered under Society Act, 1966)

Certificate No.: PPM-014-10-08042013

**REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

Auditors

FARIDAH & CO.

Chartered Accountants

AL-I'TISAM RELIEF PROGRAM ASSOCIATION

(Registered under Society Act, 1966)

STATEMENT OF FINANCIAL POSITION**AS AT 31 DECEMBER 2017**

| | NOTES | <u>2017</u> RM | <u>2016</u> RM |
|--|-------|-----------------------|-----------------------|
| ASSETS | | | |
| NON CURRENT ASSETS | | | |
| Plant and equipments | 6 | 40,846 | 15,161 |
| Total Non Current Assets | | <u>40,846</u> | <u>15,161</u> |
| CURRENT ASSETS | | | |
| Other receivables | 7 | 42,890 | 73,364 |
| Deposit and prepayments | 8 | 6,222 | 7,150 |
| Cash and cash equivalents | 9 | 327,337 | 251,630 |
| Total Current Assets | | <u>376,449</u> | <u>332,144</u> |
| TOTAL ASSETS | | <u><u>417,295</u></u> | <u><u>347,305</u></u> |
| ACCUMULATED FUND | | | |
| Balance as at 1 January | | 332,124 | 228,328 |
| Net surplus of income over expenditure during the year | | 68,731 | 103,796 |
| Balance as at 31 December | | <u>400,855</u> | <u>332,124</u> |
| CURRENT LIABILITIES | | | |
| Other payables | 10 | 16,440 | 15,181 |
| Total Current Liabilities | | <u>16,440</u> | <u>15,181</u> |
| TOTAL ACCUMULATED FUND AND LIABILITIES | | <u><u>417,295</u></u> | <u><u>347,305</u></u> |

AL-I'TISAM RELIEF PROGRAM ASSOCIATION

(Registered under Society Act, 1966)

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

| | NOTES | <u>2017</u> RM | <u>2016</u> RM |
|------------------------------------|-------|--------------------|--------------------|
| Income | 11 | 3,113,570 | 1,395,499 |
| Charitable expenditure | 11 | <u>(2,879,628)</u> | <u>(1,155,317)</u> |
| Gross surplus | | 233,942 | 240,182 |
| Other operating income | | - | - |
| Administrative expenses | | (102,565) | (93,005) |
| Employment expenses | | (50,940) | (38,171) |
| Other operating expenses | | <u>(11,706)</u> | <u>(5,210)</u> |
| Surplus of income over expenditure | 12 | <u>68,731</u> | <u>103,796</u> |

AL-I'TISAM RELIEF PROGRAM ASSOCIATION

(Registered under Society Act, 1966)

**STATEMENT OF CHANGES IN CHARITABLE FUNDS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

| | Charitable Funds RM |
|-------------------------|--------------------------------|
| As at 01 January, 2016 | 228,328 |
| Surplus for the year | 103,796 |
| As at 31 December, 2016 | <u>332,124</u> |
| As at 01 January, 2017 | 332,124 |
| Surplus for the year | <u>68,731</u> |
| As at 31 December, 2017 | <u><u>400,855</u></u> |

AL-I'TISAM RELIEF PROGRAM ASSOCIATION

(Registered under Society Act, 1966)

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

| | <u>2017</u> RM | <u>2016</u> RM |
|--|-------------------|-------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Surplus before taxation | 68,731 | 103,796 |
| Adjustments for: | | |
| Depreciation of plant and equipment | 4,371 | 2,312 |
| Operating surplus before working capital changes | 73,102 | 106,108 |
| Decrease / (Increase) in other receivables | 30,474 | (42,764) |
| Increase in deposit and prepayments | 928 | - |
| Increase in other payables | 1,259 | 3,556 |
| Net cash inflows from operating activities | <u>105,763</u> | <u>66,900</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| * Purchase of plant and equipment | (30,056) | (4,139) |
| Net cash outflows from investing activities | <u>(30,056)</u> | <u>(4,139)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| | - | - |
| Net increase in cash and cash equivalents | 75,707 | 62,761 |
| Cash and cash equivalents at beginning | 251,630 | 188,869 |
| Cash and cash equivalents at ending | <u>327,337</u> | <u>251,630</u> |

Non cash transactions:*** Plant and equipment:**

During the year ended 31 December 2017, the Society acquired plant and equipment with an aggregate cost of RM 30,056. Cash payments of RM 30,056 were made to purchase the property, plant and equipment.

During the year ended 31 December 2016, the Society acquired plant and equipment with an aggregate cost of RM 4,139. Cash payments of RM 4,139 were made to purchase the property, plant and equipment.

AL-I'TISAM RELIEF PROGRAM ASSOCIATION

(Registered under Society Act, 1966)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

1. GENERAL INFORMATION

The Society, AL-I'TISAM RELIEF PROGRAM ASSOCIATION is incorporated and domiciled in Malaysia. The principal activities of the Society are providing non-profit organisation, humanitarian and charitable body in Malaysia. There have been no significant changes to the principal activities of the Society during the financial year under review.

The Society principle place of business is located at No.17 Jalan Opera D U2/D, Taman TTDI Jaya, 40200 Shah Alam, Selangor.

The financial statements of the Society are presented in Ringgit Malaysia (RM).

The financial statements were authorized for issue by the Board of Society on 30 June 2019.

2. COMPLIANCE WITH FINANCIAL REPORTING STANDARDS AND THE SOCIETY ACT, 1966

The financial statements of the Society have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Society Act, 1966 in Malaysia.

2.1 Standards, Amendments to Published Standards and Interpretations to Existing Standards that are Applicable to the Society But Not Yet Effective

MFRS 9 'Financial Instruments' (effective from 1 January 2018) will replace MFRS 139 'Financial Instruments: Recognition and measurement'.

MFRS 9 retains but simplifies the mixed measurement in MFRS 139 and establishes three primary measurement categories for financial assets; amortised cost, fair value through profit or loss and fair value through other comprehensive income ("OCI"). The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investment in equity instruments are always measured at fair value through profit or loss with an irrevocable option at inception to present changes in fair value in OCI (provided the instrument is not held for trading). A debt instrument is measured at amortised cost only if the entity is holding it to collect contractual cash flows and the cash flows and cash flows represent principal and interest.

For liabilities, the standard retains most of the MFRS 139 requirements. These include amortised cost accounting for most financial liabilities, with bifurcation of embedded derivatives. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather other the income statement, unless this creates an accounting mismatch.

MFRS 9 introduces an expected credit loss model on impairment that incurred loss impairment model used in MFRS 139. The expected credit loss model is forward-looking and eliminates the need for a trigger event to have occurred before credit losses are recognized.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

3. BASIS OF PREPARATION

The financial statements of the Society have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Trustees to exercise their judgment in the process of applying the Society accounting policies. Although these estimates and judgment are based on the Trustees best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Plant and Equipment

All items of plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of an item of property, plant and equipment includes the initial estimates of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the Society incurs either when the item is acquired or as a consequence of having used the item during a particular period for a purpose other than to produce inventories during that period.

The policy for recognition and measurement of impairment losses is in accordance with Note 4.2.

Depreciation is calculated on the straight line method to write off the cost of the plant and equipment over their estimated useful lives.

The principal annual rates are as follows:

| | Method | Useful life (years) |
|--------------------------|---------------|------------------------|
| Air conditioner | Straight-line | 10 |
| Computer and peripherals | Straight-line | 10 |
| Office Equipment | Straight-line | 10 |
| Renovation | Straight-line | 10 |

The residual values, useful lives and depreciation method are reviewed at each financial year end to ensure that the residual value, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of plant and equipment. If expectations are significantly different from previous estimates, the depreciation charges for the current and future periods are adjusted.

AL-I'TISAM RELIEF PROGRAM ASSOCIATION

(Registered under Society Act, 1966)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.1 Plant and Equipment (Cont'd)

The carrying amount of an item of plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The difference between net disposal proceeds, if any, and the carrying amount is included in profit or loss.

4.2 Impairment of Non-Financial Assets

The carrying amounts of the Society non-current assets are reviewed at each financial year end date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of the asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognised in the statement of profit or loss and other comprehensive income.

The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash generating unit.

The recoverable amount is the higher of an asset's net selling price and value in use. The net selling price is the amount obtainable from the sale of an asset in an arm's length transaction. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash generating unit.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amounts. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss has been recognised in the statement of profit or loss and other comprehensive income.

4.3 Financial Assets

(a) Initial Recognition and Measurement

A financial asset is recognised on the statement of financial position when, only when, the Society becomes a party to the contractual provisions of the financial instrument. When the financial asset is recognised initially, it is measured at fair value which is normally represented by the transaction price. The transaction price for financial asset not classified at fair value through income statement includes the transaction costs that are directly attributable to the acquisition or issue of financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit and loss are expensed immediately. The transactions are recorded at the trade date.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 Financial Assets (Cont'd)

(b) Subsequent Measurement

Subsequent measurement of financial assets depends on the classification of the financial assets on initial recognition and the purpose for which the financial assets were acquired. The Society classifies the financial assets in one of the following categories:

(i) Financial Assets at Fair Value Through Profit or Loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition.

Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or net losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value through profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that are held primarily for trading purposes are presented as current whereas financial assets that are not held primarily for trading purposes are presented as current or non-current based on the settlement date.

As at financial year end date, there were no financial assets classified in this category.

(ii) Loans and Receivables

Financial assets with fixed or determined payments that are quoted in an active market are classified as loans and receivables. Assets that are for sale immediately or in the near term are not classified in this category.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method except that short term duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant minus any reduction for impairment or uncollectibility. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 Financial Assets (Cont'd)

(b) Subsequent Measurement (Cont'd)

(ii) Loans and Receivables (cont'd)

Loans and receivables are classified as current assets, except for those having maturity dates later than 12 months after the financial year end date which are classified as non-current. Typically, other receivables are classified in this category.

(iii) Held-to-Maturity Investments

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Society has the positive intention and ability to hold the investment to maturity.

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

Held-to-maturity investments are classified as non-current assets, except for those having maturity within 12 months after the financial year end date which are classified as current.

As at financial year end date, there were no financial assets classified in this category.

(iv) Available-for-Sale Financial Assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are included in equity through the statement of changes in equity except that impairment losses and foreign exchange gains and losses are recognised in profit or loss. The cumulative gain or loss previously recognised in equity is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Society right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss, if any.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within 12 months after the financial year end date.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.3 Financial Assets (Cont'd)

(c) Derecognition of Financial Assets

A financial asset is derecognised when 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 equity is recognised in profit or loss.

(d) Impairment of Financial Assets

The Society assess at each financial year end date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

(i) Receivables and Other Financial Assets Carried at Amortised Cost

An impairment loss is established when there is objective evidence that the Society will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, a breach of contract or adverse changes in the payment status of the debtor are considerations to determine whether there is any objective evidence that the trade receivable is impaired. To the extent possible, impairment is determined individually for each item.

In cases where that process is not possible, a collective evaluation of impairment is performed. As a consequence, the way individual and collective evaluation is carried out and the timing relating to the identification of objective evidence of impairment require significant judgment and may materially affect the carrying amount of receivables at each financial year end date.

The amount of impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited in the statements of profit or loss and other comprehensive income.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 Financial Liabilities

(a) Initial Recognition and Measurement

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. On initial recognition the financial liability is recognised at fair value. The fair value is normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the financial year end date.

(b) Subsequent Measurement

Financial liabilities falling within the scope of MFRS 139 are classified according to the substance of the contractual arrangements entered into.

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories is as follows:

(i) Financial Liabilities at Fair Value Through Profit or Loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Society that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Society has not designated any financial liabilities at fair value through profit or loss.

(ii) Other Financial Liabilities

The Society other financial liabilities include other payables.

Other payables are recognised initially at fair value plus directly attributable transactions costs, and subsequently measured at amortised cost using the effective interest method.

For other financial liabilities, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.4 Financial Liabilities (Cont'd)

(b) Subsequent Measurement (Cont'd)

(iii) Derecognition of Financial Liabilities

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

4.5 Revenue Recognition

Donations contributions refer to donations received for organising of events and operation and running of the Society. Donations are recognised when it is probable that the economic benefits associated with the transaction will flow to the Society.

4.6 Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand and bank balances, which are readily convertible to cash and which are subject to an insignificant risk of changes in value.

4.7 Employee Benefits

The Company recognizes a liability when an employee has provided service in exchange for employee benefits to be paid in the future and an expense when the Company consumes the economic benefits arising from service provided by an employee in exchange for employee benefits.

(a) Short Term Employee Benefits

Wages and salaries are accrued and paid on a monthly basis and are recognised as an expense, unless they relate to cost of producing inventories or other assets.

Paid absences (annual leave, maternity leave, paternity leave, sick leave, etc.) are accrued in each period if they are accumulating paid absences that can be carried forward, or in the case of non-accumulating paid absences, recognised as and when the absences occur.

(b) Post-Employment Benefits - Defined Contribution Plan

The Company makes statutory contributions to approved provident funds and the contributions made are charged to profit or loss in the period to which they relate. When the contributions have been paid, the Company has no further payment obligations.

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NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017

5. CRITICAL JUDGEMENTS, ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

The critical judgements made in the process of applying the Society's accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key sources of estimation uncertainty at the financial year end date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below. These estimates and assumptions are periodically monitored to make sure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

5.1 Useful Lives of Property, Plant and Equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over the assets' estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment to be five years.

These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual value of these assets, and therefore future depreciation changes could be revised.

5.2 Impairment of Loans and Receivables

An allowance for impairment of loans and receivables is made for estimated losses resulting from subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. Management generally analyses accounts receivables and analyses historical bad debt, customer concentrations, customer creditworthiness, current economic trends and changes in customer payment terms when evaluating the adequacy of the allowance for impairment. To the extent that is feasible, impairment and uncollectibility is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. At the financial year end date, the receivables carrying amount approximates the fair value and the carrying amounts might change materially within the next financial year but these changes would not arise from assumptions or other sources of estimation uncertainty at the financial year end date.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017****6. PLANT AND EQUIPMENT****GROSS CARRYING AMOUNT**

| | At 01/01/17 | Addition | Disposal/ Transfer | At 31/12/2017 |
|---------------------------|---------------|---------------|-----------------------|---------------|
| | RM | RM | RM | RM |
| Air conditioner | 4,035 | 1,500 | - | 5,535 |
| Computer and peripherals | 10,266 | 5,711 | - | 15,977 |
| Office equipment | 8,821 | 19,699 | - | 28,520 |
| Renovation | - | 3,146 | - | 3,146 |
| Total - 31.12.2017 | 23,122 | 30,056 | - | 53,178 |
| Total - 31.12.2016 | 18,983 | 4,139 | - | 23,122 |

ACCUMULATED DEPRECIATION

| | At 01/01/2017 | Addition | Disposal/ Transfer | At 31/12/2017 |
|---------------------------|------------------|--------------|-----------------------|---------------|
| | RM | RM | RM | RM |
| Air conditioner | 1,613 | 442 | - | 2,055 |
| Computer and peripherals | 4,003 | 1,541 | - | 5,544 |
| Office equipment | 2,345 | 2,257 | - | 4,602 |
| Renovation | - | 131 | - | 131 |
| Total - 31.12.2017 | 7,961 | 4,371 | - | 12,332 |
| Total - 31.12.2016 | 5,649 | 2,312 | - | 7,961 |

NET BOOK VALUE

| | 2017 RM | 2016 RM |
|--------------------------|--------------------------|--------------------------|
| Air conditioner | 3,480 | 2,422 |
| Computer and peripherals | 10,433 | 6,263 |
| Office equipment | 23,918 | 6,476 |
| Renovation | 3,015 | - |
| | 40,846 | 15,161 |

7. OTHER RECEIVABLES

| | 2017 RM | 2016 RM |
|--|--------------------------|--------------------------|
| Other receivables | 42,890 | 73,364 |
| Total current other receivables | 42,890 | 73,364 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017****8. DEPOSIT AND PREPAYMENTS**

| | <u>2017</u> RM | <u>2016</u> RM |
|--------------------------------|-------------------|-------------------|
| Deposits | 5,750 | 5,750 |
| Prepayments | 472 | 1,400 |
| Total deposits and prepayments | <u>6,222</u> | <u>7,150</u> |

9. CASH AND CASH EQUIVALENTS

The Company's cash management policy is to use cash and bank balances, money market instruments, bank overdrafts and short-term trade financings to manage cash flows to ensure sufficient liquidity to meet the Company's obligations. The components of cash and equivalents consist of:

| | <u>2017</u> RM | <u>2016</u> RM |
|---|-------------------|-------------------|
| Bank Islam | 40,034 | 71,977 |
| Cash in hand | 7 | 4,790 |
| CIMB Islamic Bank | 191,440 | 91,110 |
| Maybank Islamic Berhad | 86,705 | 83,753 |
| Maybank Islamic Berhad | 9,151 | - |
| Cash and cash equivalents as current assets | <u>327,337</u> | <u>251,630</u> |

10. OTHER PAYABLES

| | <u>2017</u> RM | <u>2016</u> RM |
|-----------------------------|-------------------|-------------------|
| Other payables and accruals | 16,440 | 15,181 |
| Total carrying amount | <u>16,440</u> | <u>15,181</u> |

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NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017****11. INCOME AND CHARITABLE EXPENDITURE**

| | <u>2017</u> RM | <u>2016</u> RM |
|----------------------------------|-------------------|-------------------|
| Income from : | | |
| - Donation | 2,145,455 | 999,879 |
| - Humanitarian mission income | 25,800 | 129,851 |
| - Inter-project transfer | 277,209 | - |
| - Non syariah compliant fund | 30,767 | 10,915 |
| - Other income | 912 | 296 |
| - Qurban | 311,120 | 254,558 |
| - Rehabilitation | 102,260 | - |
| - Unallocated fund | 220,047 | - |
| Total income | <u>3,113,570</u> | <u>1,395,499</u> |
| Charitable expenditure | | |
| - Charitable expenditures | 2,442,657 | 957,354 |
| - Staff cost | 252,473 | 184,608 |
| - Other charitables expenditures | 184,498 | 13,355 |
| | <u>2,879,628</u> | <u>1,155,317</u> |
| Gross surplus | <u>233,942</u> | <u>240,182</u> |

12. SURPLUS OVER EXPENDITURE

Surplus over expenditure is arrived at after charging the followings:

| | <u>2017</u> RM | <u>2016</u> RM |
|---|-------------------|-------------------|
| <i>After Charging:</i> | | |
| Auditors' remunerations | | |
| - for statutory audit | 5,800 | 3,988 |
| Depreciation of property, plant and equipment | 4,371 | 2,312 |
| Expenses for employee benefits | 50,940 | 38,171 |
| Rental of office | 19,511 | 15,800 |
| Rental of office equipment | 1,800 | 2,556 |

13. COMPARATIVE FIGURES

No comparative figure have been reclassified to confirm to the current year presentation.

AL-I'TISAM RELIEF PROGRAM ASSOCIATION

(Registered under Society Act, 1966)

DETAILED STATEMENT OF INCOME**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

(For management purposes only)

| | <u>2017</u> | <u>2016</u> |
|----------------------------------|------------------|------------------|
| | RM | RM |
| REVENUE | | |
| Donation | | |
| Ace Fund | 100,544 | 56,353 |
| Children Sponsorship Program | 112,305 | 110,320 |
| Clean Water Project | 54,482 | 48,694 |
| Food Aid | 380,666 | 367,294 |
| Disaster Fund | 1,217,602 | 294,485 |
| Special Project | 279,856 | 122,733 |
| | <u>2,145,455</u> | <u>999,879</u> |
| Humanitarian mission income | 25,800 | 129,851 |
| Inter-project transfer | 277,209 | - |
| Non syariah compliant fund | 30,767 | 10,915 |
| Other income | 912 | 296 |
| Qurban | 311,120 | 254,558 |
| Rehabilitation | 102,260 | - |
| Unallocated fund | 220,047 | - |
| | <u>3,113,570</u> | <u>1,395,499</u> |
| CHARITABLE EXPENDITURE | | |
| Charitable activities | | |
| Ace Fund | 84,540 | 71,224 |
| Children Sponsorship Program | 55,645 | 77,012 |
| Clean Water Project | 39,148 | 82,024 |
| Food Aid | 337,886 | 236,737 |
| Disaster Fund | 1,042,736 | 79,667 |
| Special Project | 206,686 | 76,488 |
| | <u>1,766,641</u> | <u>623,152</u> |
| Humanitarian mission expenditure | 16,913 | 115,360 |
| Interproject transfer | 277,174 | - |
| Non syariah compliant fund | 14,876 | 6,485 |
| Other charitables expenditures | 7,249 | - |
| Qurban | 261,579 | 212,357 |
| Rehabilitation | 86,776 | - |
| Unallocated fund | 11,449 | - |
| | <u>2,442,657</u> | <u>957,354</u> |

This statement is prepared for management purposes only and does not form part of the audited financial statements of the Company.

AL-I'TISAM RELIEF PROGRAM ASSOCIATION

(Registered under Society Act, 1966)

DETAILED STATEMENT OF INCOME**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 (CONT'D)**

(For management purposes only)

| | <u>2017</u> | <u>2016</u> |
|--|------------------|------------------|
| | RM | RM |
| COST OF SALES (CONT'D) | | |
| Other charitable expenditures | | |
| Advertising and promotion | 10,974 | 950 |
| Bakery / office rental | 4,430 | - |
| Communication | 1,213 | 2,790 |
| Facilities rental | 1,190 | - |
| Handling cost | 7,876 | - |
| Honorarium | 1,242 | - |
| Loss in foreign exchange | 88 | - |
| Management fee | 530 | - |
| Misc expenses | 6,303 | - |
| Postage and courier | 10,325 | 606 |
| Printing and stationery | 2,165 | 192 |
| Refreshment | 18,415 | - |
| Repair and maintenance | 7,600 | - |
| Transportation | 12,769 | 2,356 |
| Travelling and accomodation | 93,736 | 6,461 |
| Uniform | 45 | - |
| Upkeep of computer hardware and software | 387 | - |
| Visa / Permit fee | 5,210 | - |
| | <u>184,498</u> | <u>13,355</u> |
| Staff cost | | |
| EPF | 16,717 | 15,773 |
| Insurance | 2,815 | 2,795 |
| Medical | 945 | 1,121 |
| Other benefits | 11,517 | 1,242 |
| Salary | 198,010 | 155,074 |
| Wages | 22,469 | 8,603 |
| | <u>252,473</u> | <u>184,608</u> |
| TOTAL CHARITABLE EXPENDITURE | 2,879,628 | 1,155,317 |
| GROSS SURPLUS | 233,942 | 240,182 |

AL-I'TISAM RELIEF PROGRAM ASSOCIATION

(Registered under Society Act, 1966)

DETAILED STATEMENT OF INCOME

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 (CONT'D)

(For management purposes only)

| | <u>2017</u> | <u>2016</u> |
|--------------------------------------|------------------|------------------|
| | RM | RM |
| ADD: OTHER OPERATING INCOME | - | - |
| LESS: ADMINISTRATIVE EXPENSES | | |
| Employment expenses | 50,940 | 38,171 |
| Administration expenses | 102,565 | 93,005 |
| Other operating expenses | 11,706 | 5,210 |
| TOTAL ADMINISTRATIVE EXPENSES | <u>(165,211)</u> | <u>(136,386)</u> |
| SURPLUS FOR THE YEAR | <u>68,731</u> | <u>103,796</u> |

AL-I'TISAM RELIEF PROGRAM ASSOCIATION

(Registered under Society Act, 1966)

**ADMINISTRATIVE AND OTHER OPERATING EXPENSES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

(For management purposes only)

| | <u>2017</u> | <u>2016</u> |
|-------------------------------------|---------------|---------------|
| | RM | RM |
| A Employment Expenses | | |
| Staff costs - EPF | 3,505 | 2,521 |
| Staff costs - insurance | 138 | 598 |
| Staff costs - medical | 411 | 206 |
| Staff costs - other benefits | 600 | - |
| Staff costs - salaries | 26,821 | 31,120 |
| Staff costs - wages | 18,169 | 3,726 |
| Staff costs - welfare | 1,296 | - |
| | <u>50,940</u> | <u>38,171</u> |
| B Administrative Expenses | | |
| Advertising and marketing | 21,657 | 20,083 |
| Communication expenses | 10,334 | 6,183 |
| Depreciation of plant and equipment | 4,371 | 2,312 |
| Entertainment | 1,599 | - |
| Gifts and donation | - | 3,866 |
| Honorarium | 305 | 174 |
| IT expenses | 11,338 | 7,080 |
| Loss in foreign exchange | 170 | - |
| Office refreshment | 2,040 | 4,258 |
| Petrol, toll and parking | 116 | - |
| Postage and courier | 5 | 240 |
| Printing and stationeries | 8,206 | 12,046 |
| Publications | 82 | - |
| Rental of office | 19,511 | 15,800 |
| Rental of office equipment | 1,800 | 2,556 |
| Transportation | 50 | - |
| Travelling and accomodation | 2,752 | 5,592 |
| <i>Balance brought forward</i> | 84,336 | 80,190 |

AL-I'TISAM RELIEF PROGRAM ASSOCIATION

(Registered under Society Act, 1966)

**ADMINISTRATIVE AND OTHER OPERATING EXPENSES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017**

(For management purposes only)

| | <u>2017</u> | <u>2016</u> |
|--|-----------------------|-----------------------|
| | RM | RM |
| B Administrative Expenses | | |
| <i>Balance carried forward</i> | 84,336 | 80,190 |
| Uniform | 954 | - |
| Upkeep of air conditioner | 1,030 | - |
| Upkeep of computer software and hardware | 262 | - |
| Upkeep of office | 6,710 | 2,660 |
| Upkeep of office equipment | 206 | 887 |
| Utilities | 9,067 | 9,268 |
| | <u>102,565</u> | <u>93,005</u> |
| C Other Operating Expenses | | |
| Audit fees | 5,800 | 3,988 |
| Bank charges | 5,549 | 1,222 |
| Service tax | 357 | - |
| | <u>11,706</u> | <u>5,210</u> |
| TOTAL EXPENSES | <u>165,211</u> | <u>136,386</u> |