MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS
(Incorporated in Malaysia)

No. Pendaftaran: 1682-11-Sel

FINANCIAL STATEMENTS – 31st December, 2016

YEAP CHENG CHUAN & CO. (AF 0116)
Chartered Accountants
Petaling Jaya

葉程權會計公司

Registration no: 1682-11-Sel

MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS
(Registered in Malaysia)

FINANCIAL STATEMENTS - 31st December, 2016

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Registration no: 1682-11-Sel

MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS
(Registered in Malaysia)

STATEMENT BY THE COMMITTEE MEMBERS

On behalf of the Committee of MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS, we hereby state that, in the opinion of the Committee, the accompanying balance sheet as at 31st December, 2016 and the Statement Income and Expenditure and the Statement of Receipts and Payments for the financial period then ended together with the notes thereto have been properly prepared in accordance with the Malaysian Association of Professional Property Managers' significant accounting policies.

Signed on behalf of the Committee,

.....	.....
SR. SARKUNAN SUBRAMANIAM	**JASMINE LIAU**
PRESIDENT	**TREASURER GENERAL**

Date : 28 JUL 2017

YEAP CHENG CHUAN, C.A. (M), FCCA, CPA

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YEAP CHENG CHUAN & CO.
Chartered Accountants (No. AF 0116)

葉程權會計公司

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Registration no: 1682-11-Sel

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS
(Registered in Malaysia)

Report on Financial Statements

We have audited the financial statements of MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS ('MIPPM'), which comprise the balance sheet as at 31st December, 2016 and the income and the expenditure account and statement of receipts and payments for the year ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 13.

Committee's responsibility for the financial statements

The Committee of the MIPPM is responsible for the preparation and fair presentation of these financial statements in accordance with the MIPPM's significant accounting policies. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in circumstances.

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 entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, 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
MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS (continued)
(Registered in Malaysia)

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the MIPPM's significant accounting policies so as to give a true and fair view of the financial position of the MIPPM as of 31st December, 2016 and of its financial performance and cash flows for the year then ended.

Other Matters

This report is made solely to the members of the MIPPM, as a body, and far no other purpose. We do not assume responsibility to any other person for the content of this report.

YEAP CHENG CHUAN & CO.
No. AF 0116
Chartered Accountants

YEAP CHENG CHUAN
No. 566/04/18 (J/PH)
Chartered Accountant

Petaling Jaya,
Date : 28 JUL 2017

MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS
(Registered in Malaysia)

BALANCE SHEET
As at 31st December, 2016

	Note	2016 RM	2015 RM
PLANT AND EQUIPMENT	4	1,626.05	2,567.07
CURRENT ASSETS			
Receivables	5	30.00	1,250.00
Cash and bank balances	6	111,114.97	107,119.72
		111,144.97	108,369.72
Less :			
CURRENT LIABILITY			
Payables	7	7,009.30	19,987.96
		7,009.30	19,987.96
Net current assets		104,135.67	88,381.76
		105,761.72	90,948.83
Represented by :-			
ACCUMULATED FUNDS	8	105,761.72	90,948.83

.....
SR. SARKUNAN SUBRAMANIAM
PRESIDENT

.....
JASMINE LIAU
TREASURER GENERAL

The above balance sheet is to be read in conjunction with the accompanying notes to financial statements.

MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS
(Registered in Malaysia)

STATEMENT OF INCOME AND EXPENDITURE
For the financial year ended 31st December, 2016

	Note	2016 RM	2015 RM
INCOME			
Commission received	10	18,254.46	7,836.25
Membership fee		22,850.00	11,300.00
MIPPM conference		134,954.40	-
PMS Blue Book		-	680.00
Profit sharing for CPD Talk		1,869.00	5,887.43
Workshop for Negotiators	9	75,949.87	213,693.28
		253,877.73	239,396.96
Less :			
EXPENDITURE			
Accounting fee		7,590.00	-
Advertisement		1,475.20	-
AGM meeting		-	3,638.65
Allowances		8,911.20	-
Asset written off		700.00	-
Auditor's remuneration		2,000.00	2,000.00
Bank charges		75.00	64.45
Continuing professional development		450.00	-
Contribution to RISM – ASEAN Valuers Association		-	5,000.00
Depreciation		655.02	729.60
Donation and contribution		1,842.20	-
EPF		6,069.00	3,600.00
Exhibition		-	199.15
Graduation ceremony for BOVAEA		3,130.00	2,300.00
GST expenses		5.70	-
Legal fees – SMA Joint Action		-	10,000.00
Medical claim		304.00	111.00
Meeting expenses		1,204.07	798.65
MIPPM conference		96,004.57	-
Office expenses		1,061.00	310.62
Other expenses		1,676.15	-
Penalty, fine and late payment		15.00	-
Postage and courier		1,137.23	2,340.82

MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS
(Registered in Malaysia)

STATEMENT OF INCOME AND EXPENDITURE
For the financial year ended 31st December, 2016 (continued)

	Note	2016 RM	2015 RM
Less :			
EXPENDITURE (continued)			
Printing and stationeries		1,998.44	2,745.26
Rental		8,530.00	6,000.00
Service tax		-	390.00
SOCSO		777.85	514.20
Staff remuneration		52,180.75	32,500.00
Telephone and internet charges		2,625.45	2,138.25
Traveling expenses		2,910.83	5,277.49
Upkeep of office		599.00	249.00
Water and electricity		633.80	1,457.42
Website and domain charges		3,700.00	910.00
Workshop for Negotiators		30,803.38	181,539.56
		239,064.84	264,814.12
Surplus/(Deficit) of income over expenditure	8	14,812.89	(25,417.16)

The above statement of income and expenditure is to be read in conjunction with the accompanying notes to financial statements.

MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS
(Registered in Malaysia)

STATEMENT OF RECEIPTS AND PAYMENTS
For the financial year ended 31st December, 2016

	Note	2016 RM	2015 RM
RECEIPTS			
Commission received	10	18,254.46	7,836.25
Membership fee		22,850.00	11,300.00
MIPPM conference		134,954.40	-
PMS Blue Book		-	680.00
Profit sharing for CPD Talk		1,869.00	5,887.43
Refund of rental & utilities deposit		1,250.00	-
Workshop for Negotiators	9	75,949.87	213,693.28
		255,127.73	239,396.96
Less :			
PAYMENTS			
Accounting fee		6,690.00	-
Advertisement		1,475.20	-
AGM expenses		-	3,638.65
Allowances		8,911.20	-
Auditors' remuneration		3,770.00	-
Bank charges		75.00	64.45
Continuing professional development		450.00	-
Contribution to RISM – ASEAN Valuers Association		-	5,000.00
EPF		5,976.00	3,600.00
Exhibition		-	199.15
Gifts and contribution		1,342.20	-
Graduation ceremony for BOVAEA		3,130.00	2,300.00
GST expenses		5.70	-
Legal fees – Joint SMA		-	10,000.00
Medical claim		304.00	111.00
Meeting expenses		1,204.07	798.65
MIPPM conference		96,004.57	-
Office expenses		1,061.00	310.62
Penalty		15.00	-
PO BOX		30.00	-
Postage and courier		1,137.23	2,340.82
Printing and stationeries		1,998.44	2,745.26

MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS
(Registered in Malaysia)

STATEMENT OF RECEIPTS AND PAYMENTS
For the financial year ended 31st December, 2016 (continued)

	Note	2016 RM	2015 RM
Less :			
PAYMENTS (continued)			
Purchase of fixed asset		414.00	-
Rental		8,530.00	6,000.00
Ren-course expenses		1,676.15	-
Staff remuneration		52,180.75	32,500.00
SOCSO		761.55	514.20
Telephone and internet charges		2,625.45	2,138.25
Traveling expenses		2,910.83	5,277.49
Upkeep of office		599.00	249.00
Website and domain charges		3,700.00	910.00
Water and electricity		633.80	1,457.42
Workshop for Negotiators		43,521.34	170,621.60
		251,132.48	250,776.56
Surplus/(Deficit) of receipts over payments	6	3,995.25	(11,379.60)

The above statement of receipts and payments is to be read in conjunction with the accompanying notes to financial statements.

MALAYSIAN INSTITUTE OF PROFESSIONAL PROPERTY MANAGERS
(Registered in Malaysia)

NOTES TO FINANCIAL STATEMENTS - 31st December, 2016

1. **ORGANISATION AND OBJECTIVES**

The association is a non-profit making organisation with the following main objectives :-

(a) To promote the role of property managers, asset managers and facilities managers in Malaysia as well as to respect an uphold the integrity of the profession of property managers and the Board of Valuers, Appraisers and Estate Agents Malaysia.

(b) To upkeep and promote the development of the profession of property managesrs, asset managers and facilities managers through active participation of the affairs of Royal Institution of Surveyors, Malaysia (RISM) and the Persatuan Penilai, Pengurus Harta, Ejen Harta and Perunding Harta Swasta Malaysia (PEPS) and common representation in the Board of Valuers, Appraisers and Estate Agents Malaysia.

2. **SIGNIFICANT ACCOUNTING POLICIES**

(a) Basis of Accounting

The financial statements of the Association have been prepared in accordance with applicable approved accounting standards in Malaysia.

(b) Plant and equipment

(i) Measurement basis

Plant and equipment is stated at historical cost less accumulated depreciation and any impairment losses. The plant and equipment comprises their purchase prices and any directly attributable costs in bringing the plant and equipment to working condition.

Plant and equipment retired from active use and held for disposals are stated at the lower of net book value and net realisable value. Gain and loss on disposal of plant and equipment is determined by references to its carrying amount and is taken to the income statement in the financial year in which it was disposed.

(ii) Depreciation

Plant and equipment are depreciated on a straight line basis over their estimated useful lives. The principal annual rates used are as follows :-

	%
Computer	20
Office equipment	10

2. **SIGNIFICANT ACCOUNTING POLICIES** (continued)

(c) Receivables

Receivables are stated at nominal value as reduced by the appropriate allowances for estimated irrecoverable amounts. Known bad debts are written off and allowance is made for any specific receivables considered to be doubtful of collection.

(d) Payables and Provisions

Payables are carried at cost which is the fair value of the consideration to be paid in the future for the goods and services received.

Provisions are recognised when the Association has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

(f) Impairment of Assets

At each balance sheet date, the Association reviews the carrying amounts of its assets (other than inventories and deferred tax assets), to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of net selling price and value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

An impairment loss is charged to the income statement immediately. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately.

(g) Income Recognition

Subscription income is recognised on a receipt basis.

(h) Cash and Cash Equivalents

Cash comprises cash in hand, at bank and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

3. FINANCIAL RISK MANAGEMENT POLICIES

The Association's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Association's businesses whilst managing its risks. The Association operates within clearly defined guidelines that are approved by the Board of Committee and the Association's policy is not to engage in speculative transactions.

The main areas of financial risks faced by the Association and the policy in respect of the major areas of treasury activity are set out as follows :-

(a) Credit risk
This is the risk that a counter party is unable to pay its debts or meet its obligations.

The credit risk attributed to receivables is mitigated by the application of internal credit review procedures.

(b) Liquidity and cash flow risks
Liquidity or funding risk is the risk of the inability to meet commitments associated with financial instruments while cash flow risk is the risk of uncertainty of future cash flow amount associated with a monetary financial instrument.

As part of its overall prudent liquidity management, the Association maintains sufficient levels of cash and cash equivalents to meet its working capital requirement.

4. PLANT AND EQUIPMENT

	Computer	Office equipment	Total
	RM	RM	
Cost			
At 01.01.2016	2,948.00	1,400.00	4,348.00
Addition	414.00	-	414.00
Disposal	-	(1,400.00)	(1,400.00)
At 31.12.2016	3,362.00	-	3,362.00
Accumulated Depreciation			
At 01.01.2016	1,080.93	700.00	1,780.93
Charge for the financial year	655.02	-	655.02
Disposal	-	(700.00)	(700.00)
At 31.12.2016	1,735.95	-	1,735.95
Net Book Value			
At 31.12.2016	1,626.05	-	1,626.05
At 31.12.2015	1,867.07	700.00	2,567.07
Depreciation charged for the financial year ended 31.12.2015	589.60	140.00	729.60

5. RECEIVABLES

	2016 RM	2015 RM
Rental deposit	-	1,000.00
PO box key deposit	30.00	-
Utilities deposit	-	250.00
	30.00	1,250.00

6. CASH AND BANK BALANCES

	2016 RM	2015 RM
Maybank	110,381.13	104,785.52
Cash in hand	733.84	2,334.20
	111,114.97	107,119.72

Reconciliation of cash and bank balances :-

	2016 RM	2015 RM
Balance at 1st January	107,119.72	118,499.32
Surplus/(Deficit) of receipts over payments	3,995.25	(11,379.60)
Balance at 31st December	111,114.97	107,119.72

7. PAYABLES

	2016 RM	2015 RM
Ablebiz Sdn. Bhd.	2,400.00	1,500.00
IM Global	-	11,467.96
Nur Aliza Binti Mustapha	93.00	-
Royal Institution of Surveyor's Malaysia (RISM)	-	1,250.00
SOSCO	16.30	-
Sr Sarky	500.00	-
Yeap Cheng Chuan & Co.	4,000.00	5,770.00
	7,009.30	19,987.96

8. ACCUMULATED FUNDS

	2016 RM	2015 RM
Balance at 1st January	90,948.83	116,365.99
Surplus/(Deficit) for the financial year	14,812.89	(25,417.16)
Balance at 31st December	105,761.72	90,948.83

9. WORKSHOP FOR NEGOTIATORS

	2016 RM	2015 RM
Workshop for Negotiators - 21/01/15	-	1,200.00
Workshop for Negotiators - 08/02/15	-	23,400.00
Workshop for Negotiators - 01/03/15	-	2,740.58
Workshop for Negotiators - 15/03/15	-	21,600.00
Workshop for Negotiators - 19/03/15	-	16,200.00
Workshop for Negotiators - 24/05/15	-	27,000.00
Workshop for Negotiators - 31/05/15	-	4,869.27
Workshop for Negotiators - 16/08/15	-	22,234.43
Workshop for Negotiators - 28/09/15	-	2,850.00
Workshop for Negotiators - 11/10/15	-	19,956.00
Workshop for Negotiators - 05/11/15	-	3,243.00
Workshop for Negotiators - 08/11/15	-	26,400.00
Workshop for Negotiators - 25/11/15	-	12,000.00
Workshop for Negotiators - 20/12/15	-	30,000.00
Workshop for Negotiators - 19/12/15	1,200.00	-
Workshop for Negotiators - 26/12/15	1,891.49	-
Workshop for Negotiators - 20/02/16	27,000.00	-
Workshop for Negotiators - 16/04/16	2,069.57	-
Workshop for Negotiators - 30/04/16	17,397.20	-
Workshop for Negotiators - 14/05/16	612.60	-
Workshop for Negotiators - 26/08/16	5,526.00	-
Workshop for Negotiators - 27/08/16	1,812.82	-
Workshop for Negotiators - 30/07/16	3,495.64	-
Workshop for Negotiators - 22/10/16	7,771.62	-
Workshop for Negotiators - 03/12/16	1,336.58	-
Workshop for Negotiators - 24/12/16	5,836.35	-
	75,949.87	213,693.28

10. COMMISSION RECEIVED

	2016 RM	2015 RM
CSS Solutions Sdn. Bhd.	18,254.46	7,836.25

11. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The Association's financial statements were authorised for issue on .....**28th July 2017**.... by the Committee.