

**PERSATUAN RAKAN-INDUSTRI REKABENTUK DALAMAN MALAYSIA**  
**(MALAYSIAN INTERIOR INDUSTRY PARTNERS ASSOCIATION)**  
Registered in Malaysia  
Under the Societies Act  
(2857-10-WKL)

**PERSATUAN RAKAN-INDUSTRI REKABENTUK**  
**DALAMAN MALAYSIA**  
**(MALAYSIAN INTERIOR INDUSTRY PARTNERS ASSOCIATION)**

**ANNUAL REPORT**  
**31 DECEMBER 2020**

**Y. M. WONG & CO.**  
**CHARTERED ACCOUNTANTS MALAYSIA**

*Audit Report 2020*

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**STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2020**

		2020 RM	2019 RM
<b>NON-CURRENT ASSETS</b>			
Plant and equipment	4	3,898	2,020
<b>CURRENT ASSETS</b>			
Inventories		2,870	2,870
Deposit and prepayment		3,921	3,921
Cash and bank balances		73,938	58,651
Fixed deposits		258,945	253,416
		339,674	318,858
<b>CURRENT LIABILITIES</b>			
Subscription fee and registration fee received in advance		6,500	48,000
Other payables and accruals		11,756	2,000
Current tax liabilities		6	16
		18,262	50,016
<b>Net current assets</b>		321,412	268,842
		325,310	270,862
<b>ACCUMULATED FUNDS</b>			
Balance as at 1 January		270,862	243,601
Surplus of income over expenditure		54,448	27,261
<b>Balance as at 31 December</b>		325,310	270,862

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

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**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	<u>Notes</u>	<u>2020</u> RM	<u>2019</u> RM
<b>INCOME</b>			
Subscription		129,000	126,875
Registration fees		5,000	22,000
Income received from bowling competition		-	2,200
Income received from badminton competition		-	2,800
Income received from networking		-	2,650
Fixed deposits interest		5,528	6,562
Commission received		-	437
Income received from talk		100	-
		<u>139,628</u>	<u>163,524</u>
<b>LESS : EXPENDITURE (As per schedule attached)</b>			
		85,174	136,247
Surplus of income over expenditure before taxation		<u>54,454</u>	<u>27,277</u>
Taxation	5	(6)	(15)
Surplus of income over expenditure after taxation		<u>54,448</u>	<u>27,262</u>

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

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**SCHEDULE OF EXPENDITURE  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<u>Notes</u>	<u>2020</u> RM	<u>2019</u> RM
Advertisement		500	3,430
Audit fee		2,000	2,000
Badminton competition expenses		-	3,730
Bank charges		445	388
Bowling competition expenses		-	3,208
Certificates		300	383
CRS event		988	2,002
Depreciation of plant and equipment		1,406	1,967
Electricity and water		312	851
Etching plate		140	-
Gift and donation		-	3,150
Insurance		-	193
MIP pins and banners		3,885	4,246
Networking expenses		600	48,417
Office rental		16,536	16,536
Parking and toll		-	113
Postage and courier		2,178	860
Printing and stationery		299	320
Salaries and allowances		21,664	39,000
Secretariat management fee		28,000	-
Seminar		1,908	-
Subscription fee		697	500
Sundry expenses		347	771
Tax agent fee		850	850
Telephone and fax		2,119	3,332
Travelling expenses		-	-
		<u>85,174</u>	<u>136,247</u>

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

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**STATEMENT OF RECEIPTS AND PAYMENTS**  
**(CASH FLOW STATEMENT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 RM	2019 RM
<b>BALANCE AS AT 1 JANUARY</b>		
Cash at bank	312,067	272,323
<b>RECEIPTS</b>		
Subscription	88,500	137,375
Registration fees	4,000	22,000
Bowling competition	-	2,200
Badminton competition	-	2,800
Networking	-	2,650
Commission received	-	437
Fixed deposits interest	5,528	6,562
Talk	100	-
<b>Total Receipts</b>	<u>98,128</u>	<u>174,024</u>
	410,195	446,347
<b>PAYMENTS (As per schedule attached)</b>	<u>(77,312)</u>	<u>(134,280)</u>
	<u>332,883</u>	<u>312,067</u>
<b>BALANCE AS AT 31 DECEMBER</b>		
Cash at bank	73,938	58,651
Fixed deposits	258,945	253,416
	<u>332,883</u>	<u>312,067</u>

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

**STATEMENT OF PAYMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 RM	2019 RM
Advertisement	500	3,430
Audit fee	2,000	2,000
Badminton competition expenses	-	3,730
Bank charges	445	388
Bowling competition expenses	-	3,208
Certificates	300	383
CRS event	988	2,002
Electricity and water	311	851
Etching plate	140	-
Gift and donation	-	3,150
Insurance	-	193
MIIP pins and banners	3,885	4,246
Networking expenses	600	48,417
Office rental	13,781	16,536
Parking and toll	-	113
Postage and courier	2,178	860
Printing and stationery	299	320
Purchase of plant and equipment	3,284	-
Salaries and allowances	21,664	39,000
Secretariat management fee	21,000	-
Seminar	1,908	-
Subscription fee	697	500
Sundry expenses	347	771
Tax agent fee	850	850
Taxation	16	-
Telephone and fax	2,119	3,332
Travelling expenses	-	-
<b>Total Payments</b>	<b>77,312</b>	<b>134,280</b>

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 1. BASIS OF PREPARATION

The financial statements of the Association have been prepared under the historical cost convention.

### 2. PRINCIPAL ACTIVITIES

The Association principally activities are to promote the interior industry.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The below are the Association's significant accounting policies:

#### **Plant and equipment**

Plant and equipment are stated at historical cost less accumulated depreciation.

Subsequent restoration costs relating to an item of plant and equipment that has been recognised are capitalised only if such costs improve the condition of the asset beyond its originally assessed standard of performance. All other subsequent expenditures are charged to income statement when incurred.

Depreciation is calculated on a straight-line method to depreciate the cost of the assets over their estimated useful lives. The principal annual rates used are as follows:

	%
Office equipment	20
Furniture & fittings	20
Computer	20

#### **Impairment of Assets**

The carrying amounts of property, plant and equipment and other non-current assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount is the higher of an asset's net selling price and its value in use, which is measured by reference to the discounted future cash flows of identified group of assets.



If any such indication exists, the asset's recoverable amount is estimated and an impairment loss is recognised in the income statement immediately whenever the recoverable amount is less than the carrying amount of the asset.

Reversal of an impairment loss recognised in prior years is recorded when there is an indication that the impairment loss recognised for the asset no longer exists or has 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. All subsequent reversals of an impairment loss are recognised as income immediately.

### **Cash and cash equivalents**

Cash comprises of cash at bank and fixed deposits. Cash equivalents comprises of investments maturing within three months from the date of acquisition and which are readily convertible to known amount of cash which are subject to an insignificant risk of changes in value.

### **Taxation**

Income tax on the income for the current year comprises current and deferred tax.

Current tax is the expected amount of income tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in full, using the balance sheet liability method, providing for temporary differences at balance sheet date between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credit can be utilised.

### **Revenue Recognition**

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

#### **Fee income**

Subscription fee for current year are brought into the income and expenditure accounts only to the extent that they are received in respect of that year. Subscription fee received in respect of future periods are carried forward.

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**Interest income**

Interest income is recognised on an accrual basis.

**4. PLANT AND EQUIPMENT**

The details of plant and equipment are as follows:

<u>2020</u>	<u>Cost</u> RM	<u>Accumulated Depreciation</u> RM	<u>Carrying Value</u> RM	<u>Current Depreciation</u> RM
Furniture & fittings	3,108	2,817	291	290
Office equipment	6,401	5,237	1,164	654
Computer	3,611	1,168	2,443	462
	<u>13,120</u>	<u>9,222</u>	<u>3,898</u>	<u>1,406</u>

<u>2019</u>	<u>Cost</u> RM	<u>Accumulated Depreciation</u> RM	<u>Carrying Value</u> RM	<u>Current Depreciation</u> RM
Furniture & fittings	3,108	2,527	581	621
Office equipment	5,720	4,583	1,137	1,144
Computer	1,008	706	302	202
	<u>9,836</u>	<u>7,816</u>	<u>2,020</u>	<u>1,967</u>

**5. TAXATION**

	<u>2020</u> RM	<u>2019</u> RM
Taxation for the year		
- Current year	<u>6</u>	<u>15</u>

There is no taxation charge for the financial year as statutory income from members' subscription fees and collections from members are exempted under The Income Tax (Exemption) (No. 19) Order 2005.

Subject to the approval by the Inland Revenue Board, the Association has unabsorbed tax losses of approximately RM13,755 which is available for set off against future taxable income.

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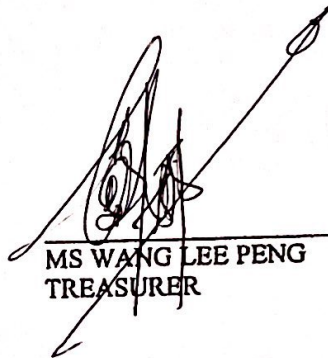
### **STATEMENT BY THE COUNCIL**

We, MR U MUN LIANG and MS WANG LEE PENG, being the two members of the Committee of PERSATUAN RAKAN-INDUSTRI REKABENTUK DALAMAN MALAYSIAN (MALAYSIAN INTERIOR INDUSTRY PARTNERS ASSOCIATION), do hereby state that, in the opinion of the Council, the financial statements set out on pages 2 to 9 are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Association as at 31 December 2020 and of the results and receipts and payments statements for the year ended on that date.

On behalf of the Council



MR U MUN LIANG  
PRESIDENT



MS WANG LEE PENG  
TREASURER

Kuala Lumpur  
Dated:

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**Y. M. WONG & CO.**

Chartered Accountants Malaysia  
11-2-4 Suite 1, Jalan 1/125E, Megan Salak Park, Desa Petaling, 57100 Kuala Lumpur  
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**REPORT OF THE AUDITORS TO THE MEMBERS OF**  
**PERSATUAN RAKAN-INDUSTRI**  
**REKABENTUK DALAMAN MALAYSIA**  
**(MALAYSIAN INTERIOR INDUSTRY PARTNERS ASSOCIATION)**  
(Registered with the Registrar of Societies, Malaysia)

Report on the Financial Statements

We have audited the financial statements of MALAYSIAN INTERIOR INDUSTRY PARTNERS ASSOCIATION, which comprise the statement of financial position as at 31 December 2020, the statement of comprehensive income and the receipts and payments account for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 2 to 9.

*Management Committees' Responsibility for the Financial Statements*

The management committees of the Association are responsible for the preparation and fair presentation of these financial statements in accordance with the Malaysian Private Entities Reporting Standards. 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 the making accounting estimates that are reasonable in the 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 Association'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 Association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee member, 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.

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*Opinion*

In our opinion, the financial statements have been properly drawn up in accordance with Malaysian Private Entities Reporting Standards and the Registrar of Societies Malaysia so as to give a true and fair view of the financial position of the Association as of 31 December 2020 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 Association, we do not assume responsibility to any other person for the content of this report.

**Y. M. WONG & CO. AF 0780**  
Chartered Accountants Malaysia

**WONG YIP MOON**  
1432/5/2022(J)

Kuala Lumpur  
Dated