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PERTUBUHAN PEDULI INSAN MALAYSIA

Registration No. : PPM-028-10-29082018
(Registered in Malaysia under Societies Act, 1966)

Reports and Financial Statements
For The Year Ended 31 December 2025

Registration No: PPM-028-10-29082018

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PERTUBUHAN PEDULI INSAN MALAYSIA
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MANAGEMENT COMMITTEE INFORMATION

Committee Members

Chairman	:	Muhamad Basil Bin Isharudin
Deputy Chairman	:	Muhammad Nur Hafizuddin Bin Dzulkarnain
Secretary	:	Siti Nur Syuhada Binti Shikh Azhar
Assistant Secretary	:	Hashrul Niezam Bin Abdul Haniff
Treasurer	:	Nur Shahira Irwani Binti Amran
Committee Member	:	Haji Mohd Idrus Bin Ahmad @ Abd Kadir
Committee Member	:	Amir Bin Abd Wahab
Committee Member	:	Khairul Azmi Bin Ismail

Principal Place of Business	:	No. 38, Jalan Bola Tampar 13/14 Seksyen 13, 40100 Shah Alam Selangor Darul Ehsan
Auditors	:	Afrizan Tarmili Khairul Azhar PLT (LLP0031255-LCA) (AF1300) 4-04-2, Presint Alami Pusat Perniagaan Worldwide Seksyen 13, 40100 Shah Alam Selangor Darul Ehsan
Principal Bankers	:	Maybank Berhad CIMB Bank Berhad Bank Islam Malaysia Affin Bank Bank Muamalat RHB Bank

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PERTUBUHAN PEDULI INSAN MALAYSIA
(Registered in Malaysia under Societies Act, 1966)

MANAGEMENT COMMITTEE'S REPORT

The Management Committee hereby submit their report together with the audited financial statements of the Society for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The Society is non-profit organisation registered under the Societies Act, 1966. The organisation have been established for humanitarian support and assistance in Syria, Turkey, Yemen, Palestine, Africa and Malaysia.

The Society is located at No. 38, Jalan Bola Tampar 13/14, Seksyen 13, 40100 Shah Alam, Selangor Darul Ehsan.

FINANCIAL RESULTS

	RM
Accumulated surplus	**134,153**
Deficit for the financial year	**(380,856)**
Total accumulated fund	**(246,703)**

AUDITORS' REMUNERATIONS

Total amounts paid to or receivable by the auditors as remunerations for their services as auditors are as follows:-

	RM
Auditors' remuneration	**15,000**

MANAGEMENT COMMITTEE MEMBERS

Chairman	:	Muhamad Basil Bin Isharudin
Deputy Chairman	:	Muhammad Nur Hafizuddin Bin Dzulkarnain
Secretary	:	Siti Nur Syuhada Binti Shikh Azhar
Assistant Secretary	:	Hashrul Niezam Bin Abdul Haniff
Treasurer	:	Nur Shahira Irwani Binti Amran
Committee Member	:	Haji Mohd Idrus Bin Ahmad @ Abd Kadir
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PERTUBUHAN PEDULI INSAN MALAYSIA
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STATEMENT BY THE MANAGEMENT COMMITTEE REPRESENTATIVES

We, being the management Committee members of **PERTUBUHAN PEDULI INSAN MALAYSIA (INSAN CARE)**, do hereby state that, in the opinion of the Committee, the accompanying statement of financial position of **PERTUBUHAN PEDULI INSAN MALAYSIA (INSAN CARE)** as at **31 DECEMBER 2025** and the statement of income and expenditure, statement of changes in funds and statement of cash flows for the financial year then ended, together with the notes thereto, are properly drawn up in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Society Act, 1966 in Malaysia so as to give a true and fair view of the state of affairs of the Society as of **31 DECEMBER 2025** and of its financial performance for the year then ended.

MUHAMAD BASIL BIN ISHARUDIN	**SITI NUR SYUHADA BINTI SHIKH AZHAR**
Chairman	Secretary

NUR SHAHIRA IRWANI BINTI AMRAN
Treasurer

Date: 02 SEP 2026

Before me,

PESURUHJAYA SUMPAH
B 672
MUHAMMAD ZAIDI BIN ZAINAL ABIDIN
01.01.2025 - 31.12.2027
MALAYSIA

Commissioner for Oaths
Shah Alam, Selangor

NO. 36, JLN. NELAYAN 19/B,
SEKSYEN 19,
40300 SHAH ALAM,
SELANGOR DARUL EHSAN.

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AFRIZAN TARMILI KHAIRUL AZHAR PLT
Chartered Accountants (LLP0031255-LCA) (AF1300)
Aftaas, 2, Jalan Rampai Niaga 2, Rampai Business Park, 53300, Kuala Lumpur
(603) 4143 9330 (603) 4142 9330 aftaas@aftaas.com

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERTUBUHAN PEDULI INSAN MALAYSIA (INSAN CARE)
(Registered in Malaysia under Societies Act, 1966)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **PERTUBUHAN PEDULI INSAN MALAYSIA (INSAN CARE)**, which comprise the statement of financial position as at **31 DECEMBER 2025**, and the statement of income and expenditure, statement of changes in fund and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 24.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Society as at **31 DECEMBER 2025**, and of its financial performance and its cash flows for the financial year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of Society Act, 1966 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

Our opinion on the financial statements of the Society does not cover any other report that may accompany the financial statement and we do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERTUBUHAN PEDULI INSAN MALAYSIA (INSAN CARE)
(Registered in Malaysia under Societies Act, 1966)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Society as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:-

- Identify and assess the risks of material misstatement of the financial statements of the Society, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Committee of the Society.

- Conclude on the appropriateness of the Management Committee of the Society use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Society or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Society to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Society, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERTUBUHAN PEDULI INSAN MALAYSIA (INSAN CARE)
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Other Matters

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

AFRIZAN TARMILI KHAIRUL AZHAR PLT
(LLP0031255-LCA) (AF1300)
Chartered Accountants (Malaysia)

HAJI TAMILI DULAH KUSNI
1735/01/2028 (J)
Chartered Accountants (M)
Partner

Shah Alam, Selangor

Date: 02 SEP 2026

PERTUBUHAN PEDULI INSAN MALAYSIA
(Registered in Malaysia under Societies Act, 1966)

STATEMENT OF INCOME AND EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 RM	2024 RM
Income			
Donation - Project Ramadan		**3,147,441**	4,464,867
Donation - Project Qurban		**2,526,843**	2,149,259
Donation - Project Winter		**1,771,709**	4,487,413
Donation - Project Gaza		**5,816,564**	5,796,448
Donation - Urgent for Lebanon		**-**	141,199
Donation - Afiat for Ummah		**250,291**	163,004
Cash donation		**-**	35,265
Others donation		**1,507,033**	-
		15,019,881	17,237,455
Less: Project Expenditure			
Project Ramadan		**3,431,643**	5,747,592
Project Qurban		**2,284,351**	2,005,489
Project Winter		**764,041**	3,996,522
Project Yemen		**508,984**	123,504
Project Aqsa		**225,500**	66,150
Project Gaza		**5,231,891**	2,096,788
Project Education		**-**	165,313
Project Food		**533,951**	336,757
Afiat for Ummah		**35,866**	48,260
Overseas Assistance		**94,455**	80,890
Local Assistant		**329,266**	276,722
Project Others		**55,296**	704,786
		13,495,244	15,648,773
Gross surplus		**1,524,637**	1,588,682

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STATEMENT OF INCOME AND EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

	Note	2025 RM	2024 RM
Other income			
Unrealised gain on foreign exchange		**16,663**	35,584
Less : Administrative expenses			
Auditors' remuneration		**15,000**	15,000
Accounting fee		**5,000**	5,000
Repair and maintenance		**66,471**	2,831
Depreciation of property, plant and equipment		**25,917**	18,868
EPF contribution		**120,029**	-
Realised loss on foreign exchange		**30,895**	127,914
Office expenses		**23,910**	106,612
Professional and consultation fees		**96,000**	51,176
Rental expenses		**54,000**	58,800
Salary, wages and bonus		**1,271,908**	1,198,656
SOCSO contribution		**13,165**	-
Staff entertainment		**25,766**	-
Subscription fees		**118,278**	20,857
Travelling fees		**4,917**	10,357
Medical fees		**11,993**	-
Utilities		**26,153**	26,283
Printing & stationery		**5,797**	-
Postage & courier		**769**	-
Uniform		**3,840**	-
Program expenses		**6,380**	-
Total administrative expenses		**1,926,188**	1,642,354
(Deficit)/surplus before taxation		**(384,887)**	(18,088)
Taxation	3	**4,031**	(4,031)
Deficit for the financial year		**(380,856)**	(22,119)

PERTUBUHAN PEDULI INSAN MALAYSIA
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STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	2025 RM	2024 RM
Assets			
Non-current assets			
Property, plant and equipment	4	**129,707**	89,102
Current assets			
Other receivables and deposits		**11,903**	11,903
Cash and bank balances	5	**634,571**	1,517,122
Total current assets		**646,474**	1,529,025
Total assets		**776,181**	1,618,127
Accumulated fund and liability			
Accumulated fund			
Net (loss)/t surplus from operations		**(246,703)**	134,153
Total accumulated fund		**(246,703)**	134,153
Non-current liability			
Deferred tax liability	6	**-**	4,031
Current liabilities			
Other payables and accruals	7	**1,017,821**	1,474,880
Tax payable		**5,063**	5,063
Total current liabilities		**1,022,884**	1,479,943
Total accumulated funds and liabilities		**776,181**	1,618,127

PERTUBUHAN PEDULI INSAN MALAYSIA
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STATEMENT OF CHANGES IN FUND
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Accumulated funds RM	Total RM
As at 1 January 2024	156,272	156,272
Deficit for the financial year	(22,119)	(22,119)
As at 31 December 2024	134,153	134,153
As at 1 January 2025	**134,153**	**134,153**
Deficit for the financial year	**(380,856)**	**(380,856)**
As at 31 December 2025	**(246,703)**	**(246,703)**

PERTUBUHAN PEDULI INSAN MALAYSIA
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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Notes	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit before taxation		**(384,887)**	(18,088)
Adjustments for:-			
Depreciation of property, plant and equipment		**25,917**	18,868
Unrealised gain on foreign exchange		**(16,663)**	(35,584)
Operating loss before working capital changes		**(375,633)**	(34,804)
Changes in working capital			
Other payables and accruals		**(457,059)**	(3,010,480)
Cash flows used in operations		**(832,692)**	(3,045,284)
Tax paid		**-**	-
Net cash flows used in operating activities		**(832,692)**	(3,045,284)
Cash flows from financing activities			
Acquisition of property, plant and equipment		**(66,521)**	(3,350)
Net cash flows used in operating activities		**(66,521)**	(3,350)
Net changes in cash and cash equivalents		**(899,213)**	(3,048,634)
Cash and cash equivalents at the beginning of financial year		**1,517,122**	4,530,172
Effect of changes in foreign exchange rates		**16,662**	35,584
Cash and cash equivalents at the end of financial year	**5**	**634,571**	1,517,122

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

The Society is a non-profit organisation registered under the Societies Act, 1966. The organisation have been established for humanitarian support and assistance in Syria, Lebanon and Turkey.

The registered address of the Society is located at 38, Jalan Bola Tampar 13/14 Seksyen 13, 40100 Shah Alam, Selangor Darul Ehsan.

The financial statements of the Society are presented in the functional currency, which is the currency of the primary economic environment in which the entity operates. The functional currency of the Society is Ringgit Malaysia as the sales and purchases are mainly denominated in Ringgit Malaysia and receipts from operations are usually retained in Ringgit Malaysia and funds from financing activities are generated in Ringgit Malaysia.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The financial statements have been prepared in accordance with the Malaysian Private Entities Reporting Standard ("MPERS") and the requirements of the Society Act, 1966.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain assets and liabilities. The principal accounting policies adopted are set out below. The principal accounting policies adopted are set out below.

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

- International Tax Reform - Pillar Two Model Rules (Amendments to the *Malaysian Private Entities Reporting Standard*)

In December 2021, the OECD released a draft legislative framework for global minimum tax that is expected to be used by individual jurisdictions. The goal of the framework is to reduce from the shifting of profit from one jurisdiction to another, in order to reduce global tax obligations, incorporate structures. In March 2022, the OECD released detailed technical guidance on Pillar Two of the rules and in February 2025 further administrative guidance.

The Malaysian government has announces that it will adopt the Pillar Two rules to apply no earlier than 1 January 2025 for Malaysian Multi National Entities (MNEs) operations under the income inclusion rule and 1 January 2025 for overseas MNEs subject to the undertaxed profits rule. Legislation to affect these Pillar Two changes has not yet been passed in Malaysia.

The nature and impact of the amended MPERS and the interpretations do not have material impact to the financial statements of the Society.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Income tax

Income tax on the surplus or deficit for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profits for the year and is measured using the tax rates that have been enacted at the financial position date.

Deferred tax is provided for, using the liability method, on temporary differences at the financial position date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, unused tax losses and unused tax credits 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 credits can be utilised.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the financial position date. Deferred tax is recognized in the comprehensive income, except when it arises from a transaction which is recognized directly in equity, in which case the deferred tax is also charged or credited directly in equity.

(c) Foreign Currency

(i) Functional and Presentation Currency

The individual financial statements of each entity in the Company are presented in Ringgit Malaysia, the currency of the primary economic environment in which the entities operate (its functional currency).

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recorded at the exchange rates prevailing on the date of the transactions. Monetary items denominated in foreign currencies at the reporting date are to the functional currency at the exchange rate at that date. Non-monetary items denominated in foreign currencies are not retranslated at the reporting date except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Exchange differences arising on the settlement of monetary items and on the translation of monetary items are included in profit or loss for the period.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Foreign Currency (cont'd)

(i) Functional and Presentation Currency (cont'd)

Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in the profit or loss for the period except for differences arising on the retranslation of non-monetary item in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(d) Financial assets

Financial assets are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, financial assets are measured at transaction price, include transaction costs for financial assets not measured at fair value through profit or loss, unless the arrangement constitutes, in effect, a financing transaction for the counterparty to the arrangement.

After initial recognition, financial assets are classified into one of five categories: financial assets measured at fair value through profit or loss, financial assets that are debt instruments measured at amortised cost, financial assets that are equity instruments measured at cost less impairment, impairment of financial assets and derecognition of financial assets.

(i) Financial assets at fair value through profit or loss

Financial assets are classified as at fair value through profit or loss when the financial assets are within the scope of Section 12 of the MPERS or if the financial assets are publicly traded or their fair value can otherwise be measured reliably without undue cost or effort.

Changes in fair value are recognised in statement of comprehensive income.

If a reliable measure of fair value is no longer available for an equity instrument that is not publicly traded but is measured at fair value through profit or loss, its fair value at the last date that instrument was reliably measurable is treated as the cost of the instrument, and it is measured at this cost amount less impairment until a reliable measure of fair value becomes available.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial assets

(ii) Financial assets that are debt instruments measured at amortised cost

After initial recognition, debt instruments are measured at amortised cost using the effective interest method. Debt instruments that are classified as current assets are measured at the undiscounted amount of the cash or other consideration expected to be received.

Effective interest method is a method of calculating the amortised cost of financial assets and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash receipts through the expected life of the financial assets or, when appropriate, a shorter period, to the carrying amount of the financial assets.

(iii) Financial assets that are equity instruments measured at cost less impairment

Equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably without undue cost or effort, and contracts linked to such instruments that, if exercised, will result in delivery of such instruments, are measured at cost less impairment.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Financial assets (cont'd)

(iv) *Impairment of financial assets*

At the end of each reporting period, the Company assesses whether there is any objective evidence that financial assets that are measured at cost or amortised cost, are impaired.

Objective evidence could include:-

- Significant financial difficulty of the issuer; or

- A breach of contract; or

- The lender granting to the borrower a concession that the lender would not otherwise consider; or

- It becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

- Observable data indicating that there is a measurable decrease in the estimated future cash flows from the financial assets since the initial recognition of those assets.

For certain category of financial assets, such as trade receivables, if it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the assets are included in a group with similar credit risk characteristics and collectively assessed for impairment.

Impairment losses, in respect of financial assets measured at amortised cost, are measured as the differences between the assets' carrying amounts and the present values of their estimated cash flows discounted at the assets' original effective interest rate.

If there is objective evidence that impairment losses have been incurred on financial assets measured at cost less impairment, the amount of impairment losses are measured as the difference between the asset's carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Financial assets (cont'd)

(iv) Impairment of financial assets (cont'd)

The carrying amounts of the financial assets are reduced directly, except for the carrying amounts of trade receivables which are reduced through the use of an allowance account. Any impairment loss is recognised in profit or loss immediately. If, in subsequent period, the amount of an impairment loss decreases, the previously recognised impairment losses are reversed directly, except for the amounts related to trade receivables which are reversed to write back the amount previously provided in the allowance account. The reversal is recognised in statement of comprehensive income immediately.

(v) Derecognition of financial assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire, or are settled, or the Company transfers to another party substantially all of the risks and rewards of ownership of the financial assets.

On derecognition of financial assets in their entirety, the differences between the carrying amounts and the sum of the consideration received and any cumulative gains or losses are recognised in comprehensive income in the period of the transfer.

(d) Receivables

Receivables are carried at net realizable value. Bad debts are written-off in the period in which they are identified. An estimate is made for doubtful debts based on review of all outstanding amounts at year end.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, short term bank deposit and other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Financial liabilities

Financial liabilities are recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, financial liabilities are measured at transaction price, include transaction costs for financial liabilities not measured at fair value through profit or loss, unless the arrangement constitutes, in effect, a financing transaction for the Company to the arrangement.

After initial recognition, financial liabilities are classified into one of four categories: financial liabilities measured at fair value through profit or loss, financial liabilities measured at amortised cost, loan commitments measured at cost less impairment or derecognition of financial liabilities.

(i) Financial liabilities measured at fair value through profit or loss

Financial liabilities are classified as at fair value through profit or loss when the financial liabilities are within the scope of Section 12 of the MPERS or if the financial liabilities are publicly traded or their fair value can otherwise be measured reliably without undue cost or effort.

If a reliable measure of fair value is no longer available for an equity instrument that is not publicly traded but is measured at fair value through profit or loss, its fair value at the last date that instrument was reliably measurable is treated as the cost of the instrument, and it is measured at this cost amount less impairment until a reliable measure of fair value becomes available.

(ii) Financial liabilities measured at amortised cost

After initial recognition, financial liabilities other than financial liabilities at fair value through profit or loss are measured at amortised cost using the effective interest method. Gains or losses are recognised in comprehensive income when the financial liabilities are derecognised or impaired.

Effective interest method is a method of calculating the amortised cost of financial liabilities and of allocating the interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash payments through the expected life of the financial liabilities or, when appropriate, a shorter period, to the carrying amount of the financial liabilities.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Financial liabilities (cont'd)

(iii) Loan commitments measured at cost less impairment

Commitments to receive loan that meet the conditions of Section 11 of the MPERS are measured at cost less impairment.

(iv) Derecognition of financial liabilities

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Any difference between the carrying amounts of the financial liabilities derecognised and the consideration paid is recognised in comprehensive income.

(g) Provisions for liabilities

Provisions for liabilities are recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(h) Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2 (i).

Depreciation of property, plant and equipment is provided on a straight-line basis to write off the cost or valuation of each asset to its residual value over the estimated useful life, at the following annual rates:-

Air conditioner	20%
Furniture and fittings	10%

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication of impairment. If any 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.

An impairment loss is recognised as an expense in statement of comprehensive income.

Reversal of impairment losses recognised in prior years is recorded when the impairment losses recognised for the asset no longer exist or have decreased.

3. TAXATION

	2025	2024
	RM	RM
Deferred taxation (Note 6):-		
Relating to origination & reversal of temporary differences	**(7,546)**	4,407
Over/(under)provision in prior year	**3,515**	(376)
Taxation for the financial year	**(4,031)**	4,031

3. TAXATION (CONT'D)

A reconciliation of income tax expense applicable to deficit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Society are as follows:-

	2025	2024
	RM	RM
Deficit before taxation	**(384,887)**	(18,088)
Taxation at statutory tax rate 15% (2024: 15%)	**(57,733)**	(2,713)
Tax effects on:-		
Expenses not deductible for tax purposes	**18,503**	12,458
Income not subject to tax	**(2,499)**	(5,338)
Over/underprovision of tax in prior year	**3,515**	(376)
Deferred tax asset not recognised	**34,183**	-
Taxation for the financial year	**(4,031)**	4,031

4. PROPERTY, PLANT AND EQUIPMENT

	Furniture and fittings RM	Air Conditioner RM	Computer Equipment RM	Mobile Phone RM	Electrical Equipment RM	Total RM
At cost						
As at 1 January 2025	60,904	8,168	56,093	-	-	125,165
Addition	15,905	5,994	28,107	1,447	15,068	66,521
As at 31 December 2025	76,809	14,162	84,200	1,447	15,068	191,686
Accumulated depreciation						
As at 1 January 2025	15,587	3,995	16,480	-	-	36,062
Charge for the financial year	7,446	2,330	15,214	48	879	25,917
As at 31 December 2025	23,033	6,325	31,694	48	879	61,979
Net book value						
As at 31 December 2025	53,776	7,837	52,506	1,399	14,189	129,707

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONT'D)

4. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Furniture and fittings RM	Air Conditioner RM	Computer Equipment RM	Mobile Phone RM	Electrical Equipment RM	Total RM
At cost						
As at 1 January 2024	57,553	8,168	56,093	-	-	121,814
Addition	3,350	-	-	-	-	3,350
As at 31 December 2024	60,903	8,168	56,093	-	-	125,164
Accumulated depreciation						
As at 1 January 2024	9,572	2,361	5,261	-	-	17,194
Charge for the year	6,015	1,634	11,219	-	-	18,868
As at 31 December 2024	15,587	3,995	16,480	-	-	36,062
Net book value						
As at 31 December 2024	45,316	4,173	39,613	-	-	89,102

5. CASH AND BANK BALANCES

	2025 RM	2024 RM
Cash in hand	**173,725**	250,476
Cash at bank	**460,846**	1,266,646
	634,571	1,517,122

6. DEFERRED TAX LIABILITIES

	2025 RM	2024 RM
As at beginning	**4,031**	-
Recognised in the income statement (Note 3)	**(4,031)**	4,031
As at financial year ended	**-**	4,031

Presented after appropriate offsetting as follows:-

	2025 RM	2024 RM
Deferred tax assets	**-**	(1,760)
Deferred tax liabilities	**-**	5,791
	-	4,031

6. DEFERRED TAX LIABILITIES (CONT'D)

Deferred tax liabilities recognized in the financial statements are in respect of the followings:-

	Property, plant and equipment RM	**Unabsorbed Capital Allowance RM**	**Unutilised Business Losses RM**	**Total RM**
As at 1 January 2025	**5,792**	**(557)**	**(1,204)**	**4,031**
Recognised in the income statement (Note 3)	**(5,792)**	**557**	**1,204**	**(4,031)**
As at 31 December 2025	**-**	**-**	**-**	**-**
As at 1 January 2024	6,448	-	(6,448)	-
Recognised in the income statement (Note 3)	(656)	(557)	5,244	4,031
As at 31 December 2024	5,792	(557)	(1,204)	4,031

7. OTHER PAYABLES AND ACCRUALS

	2025 RM	2024 RM
Other payables	**990,921**	1,447,980
Accruals	**26,900**	26,900
	1,017,821	1,474,880

8. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Management Committee Members on the date of these financial statements.