

Yayasan Penyelidikan Dan Pembangunan Pendidikan Tamil Malaysia

(Registered in Malaysia)

Reports and Financial Statements

31st December

2015

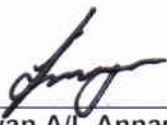
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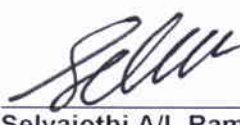
Yayasan Penyelidikan Dan Pembangunan Pendidikan Tamil Malaysia

Statement By The Central Committee

We, the undersigned, being two of the Central Committee members of **Yayasan Penyelidikan Dan Pembangunan Pendidikan Tamil Malaysia**, do hereby state that, in the opinion of the central committee, the financial statements set out on pages 4 to 11 are drawn up in accordance with the applicable approved Accounting Standards in Malaysia so as to exhibit a true and fair view of the state of affairs of the Foundation as at **31 December 2015** and of the results for the year ended on that date.

Signed on behalf of the Board of Central Committee in accordance with a resolution of the Central Committee


Raghavan A/L Annamalai
(President)

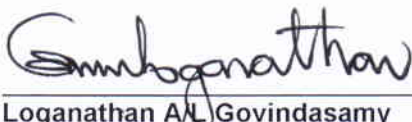

Selvajothi A/L Ramalingam
(Secretary)

Kuala Lumpur.

Dated: **27 APR 2016**

Statutory Declaration

I, **Loganathan A/L Govindasamy**, being the treasurer primarily responsible for the financial management of **Yayasan Penyelidikan Dan Pembangunan Pendidikan Tamil Malaysia**, do solemnly and sincerely declare that to the best of my knowledge and belief, the financial statements set out on pages 4 to 11 are correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.


Loganathan A/L Govindasamy
(Treasurer)

Subscribed and solemnly declared by the above named at Puchong in the state of Selangor Darul Ehsan on **27 APR 2016**

Before me,



Commissioner For Oaths

No. C-2-45, IOI Boulevard
Jalan Kenari 5
Bandar Puchong Jaya
47170 Puchong, Selangor

**nk associates**

(Chartered Accountants)
(AF 1313)

www.nk.com.my
audit@nk.com.my

Unit D-3-4, Level 4, Block D
SetiaWalk, Persiaran Wawasan
Pusat Bandar Puchong
47160 Puchong
Selangor Darul Ehsan
Malaysia

Tel : 603-5882 2054
Fax : 603-5882 2053

Independent Auditors' Report

to the members of Yayasan Penyelidikan Dan Pembangunan Pendidikan Tamil Malaysia (Registration No. 334) (Registered in Malaysia)

Report on the Financial Statements

We have audited the financial statements of **Yayasan Penyelidikan Dan Pembangunan Pendidikan Tamil Malaysia**, which comprise the balance sheet as at **31 December 2015**, and the income and expenditure statement, and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 4 to 10.

Central Committee Members' Responsibility for the Financial Statements

The Central Committee members' of the Foundation are responsible for the preparation of financial statements that give a true and fair view in accordance with applicable Approved Accounting Standards and the Societies Act 1966 in Malaysia. 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 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 about 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 controls relevant to Foundation's preparation of financial statements that give a true and fair view 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 Foundation's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the central committee members', 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.

**nk associates**

(Chartered Accountants)
(AF 1313)

www.nk.com.my
audit@nk.com.my

Unit D-3-4, Level 4, Block D
SetiaWalk, Persiaran Wawasan
Pusat Bandar Puchong
47160 Puchong
Selangor Darul Ehsan
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Tel : 603-5882 2054
Fax : 603-5882 2053

Independent Auditors' Report

to the members of Yayasan Penyelidikan Dan Pembangunan Pendidikan Tamil Malaysia

(Registration No. 334) (Registered in Malaysia)(Cont'd)

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with applicable Approved Accounting Standards and the Societies Act 1966 in Malaysia so as to give a true and fair view of the financial position of the Foundation as of **31 December 2015** and of its financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of the Societies Act 1966 in Malaysia, we also report that in our opinion:

- a) the accounting and other records have been properly kept in accordance with Section 14 of the Act;
- b) the receipt, expenditure and investment of monies and the acquisition and disposal of assets by the Foundation during the year 31 December 2015 (if any) are in accordance with the Act, the regulations and the by-laws;
- c) the assets and liabilities, in all material respects, are fairly stated in accordance with the accounting policies.

Other Matters

This report is made solely to the members of Foundation, as a body, in accordance with Section 26 of the Societies Act 1966 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

NK ASSOCIATES
Chartered Accountants
Firm No: AF 1313

SATHIAH A/L MUTHIAH CA(M)
Approval No: 1889/09/16 (J)
Partner

Puchong
Dated : **27 APR 2016**

Yayasan Penyelidikan dan Pembangunan Pendidikan Tamil Malaysia

(Incorporated in Malaysia)

Balance Sheet

as at 31st December 2015

| | NOTE | 2015 RM | 2014 RM |
|--------------------------------|------|------------------|------------------|
| Non-Current Asset | | | |
| Property, plant and equipment | 4 | <u>57,812</u> | <u>62,549</u> |
| Current Assets | | | |
| Deposits and prepayments | | 4,500 | 4,500 |
| Fixed deposits | 5 | 315,704 | 660,707 |
| Cash and bank balances | | 1,756,597 | 586,114 |
| | | <u>2,076,801</u> | <u>1,251,321</u> |
| Less: Current Liability | | | |
| Other payables and accruals | 6 | 1,518,100 | 584,901 |
| Current tax liabilities | | 1,488 | - |
| | | <u>1,519,588</u> | <u>584,901</u> |
| Net Current Assets | | 557,213 | 666,420 |
| | | <u>615,025</u> | <u>728,969</u> |
| Financed by : | | | |
| Accumulated funds | | | |
| Balance brought forward | | 728,969 | 455,946 |
| (Deficit)/Surplus for the year | | <u>(113,944)</u> | <u>273,023</u> |
| Balance carried forward | | <u>615,025</u> | <u>728,969</u> |

Yayasan Penyelidikan dan Pembangunan Pendidikan Tamil Malaysia

(Incorporated in Malaysia)

Income Statement

for the year ended 31st December 2015

| | NOTE | 2015 RM | 2014 RM |
|---|------|------------------|------------------|
| Income | | | |
| Project income | 7 | 2,003,458 | 2,004,920 |
| Donation received | | 3,700 | 27,600 |
| Members' subscription | 8 | 3,820 | 1,260 |
| Other income | | 40,879 | 18,260 |
| | | <u>2,051,857</u> | <u>2,052,040</u> |
| Less: Expenditure | | | |
| Project costs | 7 | 1,736,996 | 1,430,140 |
| Accounting fees | | 1,800 | 1,500 |
| Advertisement | | 2,150 | 8,900 |
| Attestation fees | | 76 | - |
| Audit fees | | 2,000 | 2,000 |
| Bank charges | | 1,213 | 679 |
| Courier and postage | | 1,004 | 620 |
| Depreciation of property, plant and equipment | | 21,973 | 13,369 |
| Designer's fees | | 1,200 | - |
| EPF contributions | | 21,783 | 16,757 |
| Electricity and water | | 14,524 | 13,372 |
| Insurance | | 1,468 | - |
| Licence fees | | 300 | - |
| Meals and refreshment | | 4,305 | 6,102 |
| Medical charges | | 130 | 180 |
| Newspaper and periodical | | 3,537 | 2,377 |
| Office expenses | | 4,657 | 2,207 |
| Petrol, parking and toll | | - | 35 |
| Printing and stationery | | 23,533 | 12,948 |
| Rental of office | | 24,000 | 24,000 |
| Salary, allowances and bonus | | 203,176 | 222,227 |
| SOCSSO contributions | | 2,848 | 1,920 |
| Subscription fees | | - | 300 |
| Tax agent fees | | 1,733 | 492 |
| Telephone charges | | 13,382 | 12,560 |
| Training expenses | | 2,000 | - |
| Travelling and transport charges | | 826 | 443 |
| Upkeep of computers | | 2,529 | 1,390 |
| Upkeep of office | | 4,831 | - |
| Wages | | 54,500 | - |
| Website charges | | 10,860 | 4,499 |
| | | <u>2,163,334</u> | <u>1,779,017</u> |
| (Deficit)/Surplus before taxation | | (111,477) | 273,023 |
| Income tax expenses | 9 | (2,467) | - |
| (Deficit)/Surplus for the year | | <u>(113,944)</u> | <u>273,023</u> |

Yayasan Penyelidikan dan Pembangunan Pendidikan Tamil Malaysia

(Incorporated in Malaysia)

Cash Flow Statement

for the year ended 31st December 2015

| | 2015 RM | 2014 RM |
|---|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| (Deficit)/Surplus for the year | (111,477) | 273,023 |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 21,973 | 13,369 |
| Cash flow (used in)/from operation before working capital | (89,504) | 286,392 |
| Decrease in receivables | - | 400 |
| Increase in payables | 933,199 | 50,149 |
| Cash from operation | 843,695 | 336,941 |
| Tax paid | (979) | - |
| Net cash from operating activities | 842,716 | 336,941 |
| CASH FLOWS FROM INVESTING ACTIVITY | | |
| Purchase of property, plant and equipment | (17,236) | (34,717) |
| Net cash used in investing activity | (17,236) | (34,717) |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 825,480 | 302,224 |
| OPENING CASH/CASH EQUIVALENTS | 1,246,821 | 944,597 |
| CLOSING CASH/CASH EQUIVALENTS | 2,072,301 | 1,246,821 |
| CASH/CASH EQUIVALENTS COMPRISES OF:- | | |
| Fixed deposits | 315,704 | 660,707 |
| Cash and bank balances | 1,756,597 | 586,114 |
| | 2,072,301 | 1,246,821 |

Yayasan Penyelidikan Dan Pembangunan Pendidikan Tamil Malaysia

(Registered in Malaysia)

Notes to the Financial Statements 31 December 2015

1. General Information

The principal activities of the Foundation are to consolidate the strength of Malaysia Indian Communities in seeking to improve Tamil Schools and promote the cause of Tamil Education.

The Foundation registered under the Society Act, 1966 and domiciled in Malaysia. The registered office and management office are at No. 3, Jalan Yap Ah Shak, 50300 Kuala Lumpur.

There have been no significant changes in the nature of these activities during the year.

The number of employees in the Foundation at the end of the financial year was 10 (2014: 6).

The functional currency is stated in Ringgit Malaysia (RM).

2. Basis of Preparation

The financial statements of the Foundation have been prepared under the historical cost convention, unless otherwise indicated in the accounting policies set out below, and applicable Approved Accounting Standards in Malaysia, issued by the Malaysian Accounting Standards Board.

3. Significant Accounting Policies

3.1 Property, plant & equipment

Property, plant & equipment are stated at cost less accumulated depreciation and impairment loss (if any). Depreciation is provided on a straight line basis calculated to write off the cost of each asset over its estimated useful life. The principal annual depreciation rates are as follows:-

| | |
|------------------------|---------|
| Air conditioner | 20% |
| Computer | 33 1/3% |
| Furniture and fittings | 20% |
| Office equipment | 20% |
| Renovation | 20% |

3.2 Cash and Cash Equivalents

Cash and cash equivalents comprise of cash in hand, cash at banks, and fixed deposits. It is highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.3 Payables

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

3.4 Non-monetary Donations

Non-monetary donation are recognised at their estimated fair values where it is possible to measure the value of such donations with reasonable accuracy. Otherwise, non-monetary donations are not accounted for.

3.5 Income Recognition

Donations, subscriptions, grants and programme fees are recognised on receipt basis.

3.6 Employee Benefits

(i) Short Term Employee Benefits

Wages, salaries, bonuses, and social security contributions are recognised as expenses in the year in which the associated services are rendered by employees of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Define Contribution Plan

The Company contributes to the state pension scheme, the Employees Provident Fund (EPF) which is a defined contribution plan regulated and manage by the government. The contributions are recognised as an expense in the income statement in the period to which they relate.

3.7 Currency Translation

Foreign currency assets and liabilities are translated into Ringgit Malaysia at the rates of exchange ruling at the balance sheet date and income statement items, where applicable, are converted at the rates ruling on the transaction dates. Differences in exchange are taken to the income statements.

3.8 Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is recognised, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principal, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credit 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 not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit.

3.8 Income Tax (Cont'd)

Deferred tax is measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or negative goodwill.

4. Property, Plant & Equipment

| | Balance at 01.01.2015 RM | Additions RM | Disposals RM | Balance at 31.12.2015 RM |
|------------------------|--------------------------------|-----------------|-----------------|--------------------------------|
| Cost | | | | |
| Air-conditioner | 2,450 | - | - | 2,450 |
| Computers | 26,252 | 9,947 | - | 36,199 |
| Furniture and fittings | 19,561 | 4,191 | - | 23,752 |
| Office equipment | 53,486 | 2,248 | - | 55,734 |
| Renovation | 52,190 | 850 | - | 53,040 |
| | 153,939 | 17,236 | - | 171,175 |

| | Balance at 01.01.2015 RM | Charge for the year RM | Disposals RM | Balance at 31.12.2015 RM |
|---------------------------------|--------------------------------|------------------------------|-----------------|--------------------------------|
| Accumulated depreciation | | | | |
| Air-conditioner | 1,909 | 270 | - | 2,179 |
| Computers | 24,363 | 4,521 | - | 28,884 |
| Furniture and fittings | 17,689 | 1,458 | - | 19,147 |
| Office equipment | 24,915 | 8,545 | - | 33,460 |
| Renovation | 22,514 | 7,179 | - | 29,693 |
| | 91,390 | 21,973 | - | 113,363 |

| | <u>Net Book Value</u> | | <u>Depreciation Charge</u> | |
|------------------------|-----------------------|------------|----------------------------|------------|
| | 2015 RM | 2014 RM | 2015 RM | 2014 RM |
| Air-conditioner | 271 | 541 | 270 | 270 |
| Computers | 7,315 | 1,889 | 4,521 | 1,775 |
| Furniture and fittings | 4,605 | 1,872 | 1,458 | 620 |
| Office equipment | 22,274 | 28,571 | 8,545 | 8,096 |
| Renovation | 23,347 | 29,676 | 7,179 | 2,608 |
| | 57,812 | 62,549 | 21,973 | 13,369 |

5. Fixed Deposits with a licensed bank

The fixed deposit of RM 315,704/- is deposited to a licensed bank which carries an interest of 3.10 – 3.20 % per annum (2014: 3.10 – 3.20 %)

6. Other Payables and Accruals

| | 2015 RM | 2014 RM |
|--|--------------------|--------------------|
| Other payables | | |
| - Federal Government grant for IMPAK project | 1,513,700 | 573,759 |
| Accruals | 4,400 | 11,142 |
| | <u>1,518,100</u> | <u>584,901</u> |

7. Project Income and Costs

| 2015 | INCOME RM | COSTS RM |
|---|----------------------|---------------------|
| Centre for Leadership & Management of Tamil Schools | - | (2,500) |
| Kumpulan Perangsang – CSR Project | 210,200 | 215,100 |
| Fund Raising Dinner | 10,525 | 19,100 |
| Ibu-Bapa Memastikan Peningkatan Akademik Anak (IMPAK) | 741,548 | 782,789 |
| Lembaga Pengelola Sekolah (LPS) | 408,250 | 235,652 |
| TEC Project | 578,240 | 408,708 |
| 200 Years Celebration Tamil Education | 54,695 | 74,490 |
| Mother Tongue Day Programme | - | 2,657 |
| Deepavali Treasure Hunt | - | 1,000 |
| | <u>2,003,458</u> | <u>1,736,996</u> |

| 2014 | INCOME RM | COSTS RM |
|---|----------------------|---------------------|
| Centre for Leadership & Management of Tamil Schools | 2,500 | 29,716 |
| Child Information, Learning & Development Centre | 23,964 | - |
| Elanthair | - | 303,490 |
| Kumpulan Perangsang – CSR Project | 200,000 | - |
| Fund Raising Dinner | 154,622 | 64,597 |
| Ibu-Bapa Memastikan Peningkatan Akademik Anak (IMPAK) | 1,623,834 | 1,016,187 |
| Lembaga Pengelola Sekolah (LPS) | - | 9,870 |
| Mother Tongue Day Programme | - | 5,280 |
| National Moral Quiz Competition | - | 1,000 |
| | <u>2,004,920</u> | <u>1,430,140</u> |

8. Members' Subscription

| | 2015 RM | 2014 RM |
|---------------------|--------------------|--------------------|
| Ordinary membership | 3,820 | 1,260 |
| | <u>3,820</u> | <u>1,260</u> |

9. Income Tax Expense

| | 2015 RM | 2014 RM |
|-------------------------------|--------------------|--------------------|
| Current year's provision | 1,488 | - |
| Under provision in prior year | 979 | - |
| | <u>2,467</u> | <u>-</u> |

Current year tax provision is based on interest earned during the financial year.