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Azimy & Co.

(AF 002200)

Chartered Accountants

INSTITUTE OF MATERIALS, MALAYSIA
(Registered in Malaysia under the Societies Act, 1966)

COMMITTEE MEMBERS' STATEMENT AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



AUDIT & ASSURANCE • TAXATION • BUSINESS ADVISORY

INSTITUTE OF MATERIALS, MALAYSIA
(Registered in Malaysia under the Societies Act, 1966)

**COMMITTEE MEMBERS' STATEMENT AND
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

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INSTITUTE OF MATERIALS, MALAYSIA
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COMMITTEES' REPORT

The Committee hereby submit their report together with the audited financial statements of the Institute for the financial year 31 December 2018.

PRINCIPAL ACTIVITIES

The principal activities of the Institute during the financial year are principally engaged in the training and development of individuals and companies in Malaysia to attain professional recognition in various fields of materials science, technology and engineering.

FINANCIAL RESULTS

	2018 RM
Surplus during the year	<u>123,134</u>

COMMITTEE

The Committee who served since the date of the last report are:

Advisor	: Datuk Ir. (Dr.) Abdul Rahim Hj. Hashim
President	: Mohd. Azmi Mohd. Noor
Deputy President	: Dato' Dr. Ir. Haji Mohd Abdul Karim Abdullah
Honorary Secretary	: Assoc. Prof. Dr. Melissa Chan Chin Han
Honorary Treasurer	: Dr. Zulkarnain Kedah
Immediate Past President	: Prof. Ts. Dr. Mohamad Kamal Harun

INSTITUTE OF MATERIALS, MALAYSIA
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COMMITTEE (cont'd)

Council Members : Dato' Udani Dato' Seri Mohamed Daud
Ts. Dr. Chew Khoon Hee
Assoc. Prof. Lim Teck Hock
Dr. Tay Chia Chay
Ir. Ong Hock Guan
Brian Lim Siong Chung
Danny Tan Kim Chew
Nurul Asni Mohamed
Rehan Ahmed
Sofiyah Yahya
Prof. Dr. Esah Hamzah
Assoc. Prof. Dr. Andri Andriyana
Dr. Mohamed Ackiel Mohamed
Dr. Yong Soon Kong
Ir. Pau Kiew Huai
Mohamed Siraj Abdul Razack
Muhammad Hawari Hasan
Tan Su Anne

INSTITUTE OF MATERIALS, MALAYSIA
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STATEMENT BY COMMITTEE

The Committee Members have pleasure in submitting the audited financial statements of the Institute for the year ended 31 December 2018.

In the opinion of the Committee Members the results of the operations of the Institute for the year ended 31 December 2018 have not been materially affected by items of an abnormal character.

No circumstances have arisen which render adherence to the existing method of valuation of assets or liabilities of the Institute misleading or inappropriate.

No contingent liabilities in respect of the Institute of Materials, Malaysia have arisen since the end of the financial year ended 31 December 2018.

In the opinion of the Committee Members, the Statement of Financial Position, Statement of Comprehensive Income, and Statement of Cash Flows together with the Notes to the financial statements, are drawn up in accordance with applicable approved Malaysian Private Entities Reporting Standards ("MPERS") and the Constitutional Rules of the Institute so as to give a true and fair view of the financial position of the as at 31 December 2018 and of its financial performance and cash flows for the year then ended.

On behalf of the Committee,



MOHD. AZMI BIN MOHD. NOOR
President



DR. ZULKARNAIN KEDAH
Hon. Treasurer

Subang Jaya

Date: 19 MAR 2019

INSTITUTE OF MATERIALS, MALAYSIA
(Registered in Malaysia under the Societies Act, 1966)

INTERNAL AUDITORS' STATEMENT

We have examined the books and records of the Institute for the financial year ended 31 December 2018 and, in our opinion, the accounting and other records are properly kept and maintained in accordance with the applicable approved Malaysian Private Entities Reporting Standard ("MPERS") and the requirements of the Societies Act, 1966 in Malaysia.



MARK HEW YOON ONN
Internal Auditor



RAHIZAR RAMLI
Internal Auditor

Subang Jaya
Date: 19 MAR 2019



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

INSTITUTE OF MATERIALS, MALAYSIA (Registered in Malaysia under the Societies Act, 1966)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **INSTITUTE OF MATERIALS, MALAYSIA**, which comprise the statement of financial position as at 31 December 2018, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Institute as at 31 December 2018, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Societies 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 Institute 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

The Committee Members of the Institute are responsible for the other information. The other information comprises the Statement by Committee Members but does not include the financial statements of the Institute and our auditors' report thereon.

Our opinion on the financial statements of the Institute does not cover the Statement by the Committee Members and we do not express any form of assurance conclusion thereon.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF (CONT'D)

INSTITUTE OF MATERIALS, MALAYSIA (Registered in Malaysia under the Societies Act, 1966)

In connection with our audit of the financial statements of the Institute, our responsibility is to read the Statement by the Committee Members and, in doing so, consider whether the Statement by the Committee Members is materially inconsistent with the financial statements of the Institute or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Statement by the Committee Members, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Committee Members for the Financial Statements

The Committee Members of the Institute are responsible for the preparation of the financial statements of the Institute that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Societies Act, 1966 in Malaysia. The Committee Members are also responsible for such internal control as the Committee Members determine is necessary to enable the preparation of financial statements of the Institute that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Institute, the Committee Members are responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Committee Members either intend to liquidate the Institute or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Institute 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.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF (CONT'D)

INSTITUTE OF MATERIALS, MALAYSIA (Registered in Malaysia under the Societies Act, 1966)

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 Institute, 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 Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Committee Members.
- Conclude on the appropriateness of the Committee Members' 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 Institute'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 Institute 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 Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Institute, 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 Committee Members 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.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF (CONT'D)

INSTITUTE OF MATERIALS, MALAYSIA
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Report on Other Legal and Regulatory Requirements

We also report that in our opinion the accounting and other records and the registers required to be kept by the Institute have been properly kept in accordance with the Societies Act, 1966.

Other Matters

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


AZIMY & CO
AF 002200
Chartered Accountants


Azimy bin Derahman
02670/07/2020J
Chartered Accountant

Subang Jaya
Date: 19 MAR 2019

INSTITUTE OF MATERIALS, MALAYSIA
(Registered in Malaysia under the Societies Act, 1966)

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	2018 RM	2017 RM
ASSETS			
Non-current assets			
Property, plant and equipment	4	22,873	11,469
Investment	5	100,000	100,000
Total non-current assets		<u>122,873</u>	<u>111,469</u>
Current assets			
Trade and other receivables	6	185,888	125,846
Amount owing by related company	7	85,434	-
Cash and cash equivalents	8	317,291	348,317
Taxation recoverable		873	873
Total current assets		<u>589,486</u>	<u>475,036</u>
TOTAL ASSETS		<u>712,359</u>	<u>586,505</u>
EQUITY AND LIABILITIES			
Equity			
General fund	9	704,299	581,165
Total equity		<u>704,299</u>	<u>581,165</u>
Current liabilities			
Trade and other payables	10	7,920	5,200
Amount owing to related company	7	140	140
Total current liabilities		<u>8,060</u>	<u>5,340</u>
TOTAL LIABILITIES		<u>8,060</u>	<u>5,340</u>
TOTAL EQUITY AND LIABILITIES		<u>712,359</u>	<u>586,505</u>

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

INSTITUTE OF MATERIALS, MALAYSIA
(Registered in Malaysia under the Societies Act, 1966)

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 RM	2017 RM
Income	11	649,245	731,829
Cost of sales		(119,424)	(192,151)
Gross surplus		<u>529,821</u>	<u>539,678</u>
Other income		904	-
Administration and operating expenses		(407,591)	(155,671)
Surplus from operation		<u>123,134</u>	<u>384,007</u>
Surplus before taxation		<u>123,134</u>	<u>384,007</u>
Taxation	12	-	-
Surplus for the year		<u>123,134</u>	<u>384,007</u>
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>123,134</u></u>	<u><u>384,007</u></u>

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

INSTITUTE OF MATERIALS, MALAYSIA
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STATEMENT OF CHANGES IN FUND
FOR THE YEAR ENDED 31 DECEMBER 2018

	<u>TOTAL</u> RM
As at 1 January 2017	197,158
Surplus for the year	384,007
As at 31 December 2017	<u>581,165</u>
As at 1 January 2018	581,165
Surplus for the year	123,134
As at 31 December 2018	<u>704,299</u>

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

INSTITUTE OF MATERIALS, MALAYSIA
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 RM	2017 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus before taxation	123,134	384,007
Adjustment for:		
Depreciation of property, plant and equipment	5,266	1,306
Operating surplus before working capital changes	<u>128,400</u>	<u>385,313</u>
Changes in working capital:		
Amount owing by related companies	(85,434)	-
Amount owing to related companies	-	140
Receivables	(60,042)	(74,147)
Payables	2,720	(5,613)
Cash inflows from operations	<u>(14,356)</u>	<u>305,693</u>
Tax paid	-	-
Net cash inflows from operating activity	<u>(14,356)</u>	<u>305,693</u>
CASH FLOWS FROM INVESTING ACTIVITY		
Purchase of property, plant and equipment	<u>(16,670)</u>	<u>(12,117)</u>
Net cash outflows from investing activity	<u>(16,670)</u>	<u>(12,117)</u>
CASH FLOWS FROM FINANCING ACTIVITY		
Net changes in cash and cash equivalents	(31,026)	293,576
Cash and cash equivalent at the beginning of the year	<u>348,317</u>	<u>54,741</u>
Cash and cash equivalent at the end of the year	<u><u>317,291</u></u>	<u><u>348,317</u></u>
CASH AND CASH EQUIVALENTS:-		
Cash and bank balances	<u>317,291</u>	<u>348,317</u>
	<u><u>317,291</u></u>	<u><u>348,317</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS

31 December 2018

1. FUNCTIONS OF THE INSTITUTE

The Institute is involved in the training and development of individuals and companies in Malaysia to attain professional recognition in various fields of materials science, technology and engineering.

2. BASIS OF PREPARATION

a. Statement of compliance

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

b. Basis of measurement

The financial statements of the Institute have been prepared on the historical cost basis unless otherwise stated in the summary of significant accounting policies. The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest Ringgit except when otherwise indicated.

c. Use of estimates and judgements

The preparation of the financial statements in conformity with MPERS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset would flow to the Institute and the cost of the asset could be measured reliably. The carrying amount of parts that are replaced is derecognized. The cost of the day-to-day servicing of an item property, plant and equipment are recognised in profit or loss in the period in which the costs are incurred.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

a. Property, plant and equipment and depreciation (cont'd)

Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Institute is obligated to incur when the asset is acquired, if applicable.

For major component of an item of property, plant and equipment which have significantly different patterns of consumption of economic benefits, the initial cost of the asset shall be allocated to its major components and each such component is depreciated separately over its useful life.

After initial recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write off the cost of the assets to their residual values on a straight-line basis over their estimated useful life. The principal depreciation periods and annual rates are as follows:

	<u>Rate</u>
Computer equipment	20%
Office equipment	10%

The residual values, useful life and depreciation method of previous estimates shall be reviewed if there is indication of impairment to ensure that the amount, 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 property, plant and equipment. If current expectations differ from previous estimates, the changes are accounted for as change in an accounting estimate.

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

b. Trade and Other Receivables

Trade and other receivables are carried at anticipated realizable value. Bad debts are written off in the period in which they are identified. An estimate is made for doubtful debts on a review of all outstanding amounts at the period end.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

c. Other Payables

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

d. Impairment of Assets

At each balance sheet date, the Institute reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. 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. Recoverable amounts are estimated for individual assets or, if it not possible, for the cash-generating unit to which the asset belongs.

An impairment loss is charged to the income statement immediately, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognized revaluation surplus for the same asset.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised to the extent of the carrying amount of the asset that would have been determined (net of amortization and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement.

e. Cash and Cash Equivalents

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value. They are held to meet short-term cash commitments instead of for investment or other purposes.

If bank overdrafts are repayable on demand and form an integral part of cash management, bank overdrafts are a component of cash and cash equivalents.

f. Financial Instruments

The particular recognition method adopted for financial instruments recognised in the balance sheet is disclosed in the individual policy statements associated with each item.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2018

3. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

f. Financial Instruments (cont'd)

Financial instruments are recognised in the balance sheet when the Institute has become a party to the contractual provisions of the instrument. Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Institute has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

g. Revenue recognition

Revenue from membership annual and entrance fees are recognized on receipt basis.

Revenue from seminar and courses organized are recognised when the services are performed.

Interest income is recognised on receipt basis.

h. Investment

Investment in shares held as long-term investment is stated at cost less impairment losses, if any.

i. Income Taxes

Current tax is the expected amount of income tax payable in respect of the taxable income for the year and is measured using the tax rates that have been enacted at the balance sheet date.

INSTITUTE OF MATERIALS, MALAYSIA
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2018

4. PROPERTY, PLANT AND EQUIPMENT

	Cost		
	As at 01.01.2018 RM	Additions RM	As at 31.12.2018 RM
Office equipment	2,858	5,346	8,204
Computer	10,898	11,324	22,222
	<u>13,756</u>	<u>16,670</u>	<u>30,426</u>

	Accumulated Depreciation		
	As at 01.01.2018 RM	Charge for the year RM	As at 31.12.2018 RM
Office equipment	1,267	821	2,088
Computer	1,020	4,445	5,465
	<u>2,287</u>	<u>5,266</u>	<u>7,553</u>

	Net Book Value	
	As at 31.12.2018 RM	As at 31.12.2017 RM
Office equipment	6,116	1,591
Computer and software	16,757	5,878
	<u>22,873</u>	<u>11,469</u>

5. INVESTMENT

	2018 RM	2017 RM
At cost:		
Unquoted shares	100,000	100,000
	<u>100,000</u>	<u>100,000</u>

This represents investment in IMM Resources Sdn. Bhd. (533109-M), a company incorporated in Malaysia wherein the Institute has 100% equity interest.

INSTITUTE OF MATERIALS, MALAYSIA
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NOTES TO THE FINANCIAL STATEMENTS

31 December 2018

6. TRADE AND OTHER RECEIVABLES

	2018 RM	2017 RM
Trade receivables	26,730	62,914
Other receivables	159,158	62,932
	<u>185,888</u>	<u>125,846</u>

Trade receivables are non-interest bearing and the normal credit terms ranges from one (1) to three (3) months. They are recognised at their original invoice amounts which represent their fair value on initial recognition.

7. AMOUNT OWING BY/(TO) RELATED COMPANY

This represents unsecured interest free advances which have no fixed term of repayment.

8. CASH AND CASH EQUIVALENTS

	2018 RM	2017 RM
Cash at bank	315,951	347,590
Cash in hand	1,340	727
	<u>317,291</u>	<u>348,317</u>

9. GENERAL FUND

	2018 RM	2017 RM
Balance brought forward	581,165	197,158
Net surplus for the year	123,134	384,007
Balance carried forward	<u>704,299</u>	<u>581,165</u>

INSTITUTE OF MATERIALS, MALAYSIA
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NOTES TO THE FINANCIAL STATEMENTS
31 December 2018

10. OTHER PAYABLES

	2018 RM	2017 RM
Audit fee	4,000	4,000
Tax agent fee	3,320	1,200
Photocopy rental	600	-
	<u>7,920</u>	<u>5,200</u>

11. INCOME

	2018 RM	2017 RM
Members' annual and entrance fee	259,269	184,115
Income from professional activities organised:		
Examination fee	317,987	99,660
Seminars and courses fees	50,842	23,590
Sponsorship and advertisement	-	407,301
Royalty income on seminar courses	21,147	17,163
	<u>649,245</u>	<u>731,829</u>

12. TAXATION

For income tax purpose, the Institute is treated as "Trade Association" under Section 53(3) of the Income Tax Act, 1967, under which its income is taxed at scaled rates.

No provision for taxation has been made for the year due to utilization of unabsorbed losses brought forward from previous years.

INSTITUTE OF MATERIALS, MALAYSIA
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FOR MANAGEMENT PURPOSE ONLY
APPENDIX I

DETAIL INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 RM	2017 RM
Income:		
Members' annual and entrance fee	259,269	184,115
Income from professional activities organised		
Examination fee	317,987	99,660
Seminars and courses fees	50,842	23,590
Sponsorship and advertisement	-	407,301
Royalty income	21,147	17,163
	<u>649,245</u>	<u>731,829</u>
Less: Cost of sales <i>(Appendix II)</i>	(119,424)	(192,151)
<i>Add:</i> Other income - CIMB	904	-
Gross surplus	<u>530,725</u>	<u>539,678</u>
Less: Administration and operating expenses <i>(Appendix III)</i>	(407,591)	(155,671)
Surplus before taxation	<u>123,134</u>	<u>384,007</u>

INSTITUTE OF MATERIALS, MALAYSIA
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FOR MANAGEMENT PURPOSE ONLY
APPENDIX II

SCHEDULE OF COST OF SALES
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 RM	2017 RM
Advertisement and promotion	11,761	23,066
Examiner and invigilator fee	37,311	8,380
Futsal friendly	-	3,421
IMM Anniversary dinner	-	96,607
Sponsorship	10,000	-
Launching ceremony	-	13,588
Materials lecture competition expenses (MLC)	7,800	8,823
SSPC licence and fees	20,136	-
Publication cost	7,694	33,446
AGM and Conference	16,461	-
Website home page expenses	8,261	4,820
	<u>119,424</u>	<u>192,151</u>

INSTITUTE OF MATERIALS, MALAYSIA
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FOR MANAGEMENT PURPOSE ONLY
APPENDIX III

SCHEDULE OF ADMINISTRATION AND OPERATING EXPENSES
FOR THE YEAR ENDED 31 DECEMBER 2018

	2018 RM	2017 RM
Accounting fees	26,196	12,926
Audit fee	4,000	4,000
Bank charges	1,765	584
Chapter's activity expenses	-	3,207
Council and committee meeting expenses	31,311	8,428
Depreciation	5,266	1,306
Gift and donation	165	-
Golf tournament expenses	1,640	7,277
IMM away day	-	7,258
Postage and stamps	3,922	1,330
Printing and stationery	17,314	7,413
Professional fees	20,597	8,480
Office rental	31,379	8,657
Photocopier rental	2,418	-
Training and development	1,300	-
Office expenses	4,407	2,868
Repair and maintenance	4,865	-
Staff cost:		
EPF	23,715	6,203
Salaries and allowance	186,722	56,481
SOCSO	2,005	803
EIS	206	-
Medical expenses	2,334	705
Telephone and internet	4,292	-
Insurance	8,363	3,355
Subscription fees and conference fee	698	2,300
Travelling, entertainment and meals expenses	17,654	9,784
Fuel, toll and parking	3,149	1,106
Tax agent fee	1,908	1,200
	<u>407,591</u>	<u>155,671</u>