

**IMM RESOURCES SDN. BHD.**  
**(533109-M)**

REPORTS AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2018

**K. L. NG & CO. (AF 1478)**  
CHARTERED ACCOUNTANTS

IMM RESOURCES SDN. BHD.  
(533109-M)

REPORTS AND FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2018

<u>CONTENTS</u>	<u>PAGES</u>
DIRECTORS' REPORT	1 - 5
STATEMENT BY DIRECTORS AND STATUTORY DECLARATION	6
INDEPENDENT AUDITORS' REPORT	7 - 10
STATEMENT OF FINANCIAL POSITION	11
STATEMENT OF COMPREHENSIVE INCOME	12
STATEMENT OF CHANGES IN EQUITY	13
STATEMENT OF CASH FLOWS	14
NOTES TO THE FINANCIAL STATEMENTS	15 - 27

## DIRECTORS' REPORT

The directors have pleasure in presenting their report together with the audited financial statements of the Company for the financial year ended 31 December 2018.

## PRINCIPAL ACTIVITY

The Company is principally engaged in the business of conducting public and in-house seminars, forums and related training programmes. There has been no significant change in the nature of this activity of the Company during the financial year.

## RESULTS

	RM
Profit after tax for the year	<u>143,124</u>

In the opinion of the directors, the results of operations of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

## DIVIDENDS

No dividend has been paid or declared by the Company since the end of the previous financial year. The directors do not recommend any dividend payment for the current financial year.

## RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

## SHARE OPTIONS

No options have been granted by the Company to any parties during the financial year to take up unissued shares of the Company.

No shares have been issued during the financial year by virtue of the exercise of any option to take up unissued shares of the Company. As at the end of the financial year, there were no unissued shares of the Company under options.

## SHARES AND DEBENTURES

The Company did not issue any new shares or debentures during the financial year.

DIRECTORS

The directors of the Company in office since the date of the last report and at the date of this report are:

UDANI BIN MOHAMED DAUD  
ZULKARNAIN BIN KEDAH

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, the interests of directors in office at the end of the financial year in the ordinary shares of the Company during the financial year were as follows:

	Number of ordinary shares			
	As at 1.1.2018	Bought	Sold	As at 31.12.2018
UDANI BIN MOHAMED DAUD	-	-	-	-
ZULKARNAIN BIN KEDAH	-	-	-	-

DIRECTORS' BENEFITS

Since the end of the previous financial year, no directors has received or become entitled to receive any benefit (other than benefits included in the aggregate amount of remunerations received or due and receivable by the directors as disclosed in the financial statements or the fixed salary of a full-time employee) by reason of a contract made by the Company or a related corporation with any director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest except for the related party transactions as disclosed in Note 16 to the financial statements.

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, with the objects of enabling directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

OTHER STATUTORY INFORMATION

- (a) Before the financial statements of the Company were prepared, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
  - (ii) to ensure that any current assets which were unlikely to be realised at their book values in the ordinary course of business have been written down to their estimated realisable value.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) the amount written off for bad debts or the amount of the allowance for doubtful debts inadequate to any substantial extent in the financial statements of the Company; or
  - (ii) the values attributed to current assets in the financial statements of the Company misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Company which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
  - (ii) any contingent liability of the Company which has arisen since the end of the financial year.
- (f) In the opinion of the directors:
- (i) no contingent or other liability has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may substantially affect the ability of the Company to meet its obligations as and when they fall due; and
  - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Company for the financial year in which this report is made.

IMM RESOURCES SDN. BHD.  
(533109-M)

DIRECTORS' REMUNERATIONS

None of directors or past directors of the Company have received any remunerations from the Company during the financial year.

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been the director, officer or auditor of the Company.

AUDITORS' REMUNERATIONS

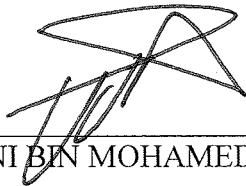
Total amount paid to or receivable by the auditors as remuneration for their statutory audit services as auditors for the financial year is RM3,000.00.

IMM RESOURCES SDN. BHD.  
(533109-M)

AUDITORS

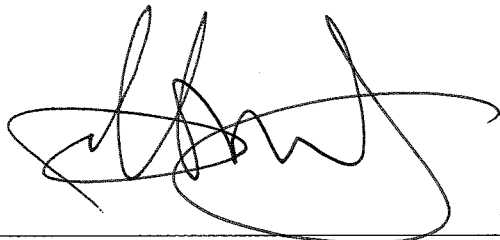
The auditors, K.L. NG & CO., have expressed their willingness to be re-appointed.

Signed on behalf of the Board in accordance with a resolution of the directors.



---

UDANI BIN MOHAMED DAUD



---

ZULKARNAIN BIN KEDAH

Date : 27 MAY 2019

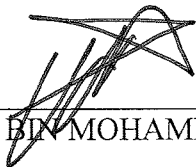
**IMM RESOURCES SDN. BHD.**  
**(533109-M)**

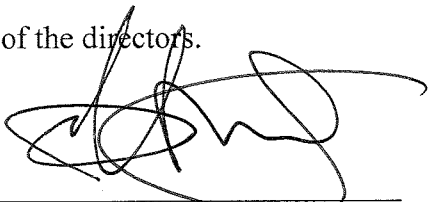
**STATEMENT BY DIRECTORS**

Pursuant to Section 251(2) of the Companies Act 2016

We, UDANI BIN MOHAMED DAUD and ZULKARNAIN BIN KEDAH, being two of the directors of IMM RESOURCES SDN. BHD., do hereby state that, in the opinion of the directors, the accompanying financial statements comprising 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 together with the notes thereto are drawn up in accordance with the Malaysian Private Entities Reporting Standard issued by the Malaysian Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as at 31 December 2018 and of its financial performance and its cash flows for the financial year then ended.

Signed on behalf of the Board in accordance with a resolution of the directors.

  
\_\_\_\_\_  
UDANI BIN MOHAMED DAUD

  
\_\_\_\_\_  
ZULKARNAIN BIN KEDAH

Date : 27 MAY 2019

**STATUTORY DECLARATION**

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, UDANI BIN MOHAMED DAUD (I.C No. : 610108-03-5773), being the director primarily responsible for the financial management of IMM RESOURCES SDN. BHD., do solemnly and sincerely declare that the accompanying financial statements comprising 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 together with the notes thereto are in my opinion 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.

Subscribed and solemnly declared by  
the abovenamed UDANI BIN MOHAMED DAUD  
at Petaling Jaya in Selangor  
on 27 MAY 2019

Before me,

\_\_\_\_\_  
COMMISSIONER FOR OATHS



No. 11-2B, Jalan PJU 1/3F,  
Sunwaymas Commercial Centre,  
47301 Petaling Jaya, Selangor



# **K.L. NG & CO.** (AF 1478)

Chartered Accountants

921, Block A, Kelana Centre Point, Jalan SS 7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.

Tel : 03-7887 8895 / 7787 9527, Email: nklgroup@live.com

---

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IMM RESOURCES SDN. BHD. (533109-M)**

### **Report on the Audit of the Financial Statements**

#### *Opinion*

We have audited financial statements of IMM RESOURCES SDN. BHD., 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 of the Company 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 Company as at 31 December 2018, and of its financial performance and its cash flows for the financial year then ended in accordance with the Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 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 IESBA Code.

#### *Information Other than the Financial Statements and Auditors' Report Thereon*

The directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

## **K.L. NG & CO.** (AF 1478)

Chartered Accountants

921, Block A, Kelana Centre Point, Jalan SS 7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.

Tel : 03-7887 8895 / 7787 9527, Email: nklgroup@live.com

---

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IMM RESOURCES SDN. BHD. (533109-M) (Cont'd)**

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company 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 Directors' Report, we are required to report that fact. We have nothing to report in this regard.

#### *Responsibilities of the Directors for the Financial Statements*

The directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with the Malaysian Private Entities Reporting Standard and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the directors are responsible for assessing the Company'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 directors either intend to liquidate the Company 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 Company 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.

## **K.L. NG & CO.** (AF 1478)

Chartered Accountants

921, Block A, Kelana Centre Point, Jalan SS 7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.

Tel : 03-7887 8895 / 7787 9527, Email: nklgroup@live.com

---

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IMM RESOURCES SDN. BHD. (533109-M) (Cont'd)**

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 Company, 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 directors.
- Conclude on the appropriateness of the directors' 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 Company'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 Company 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Company, 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 directors 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.

# **K.L. NG & CO.** (AF 1478)

Chartered Accountants

921, Block A, Kelana Centre Point, Jalan SS 7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor Darul Ehsan.

Tel : 03-7887 8895 / 7787 9527, Email: nkllgroup@live.com

---

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IMM RESOURCES SDN. BHD. (533109-M) (Cont'd)**

### **Report on Other Legal and Regulatory Requirements**

In accordance with the requirements of the Companies Act 2016 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

### **Other Matters**

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



K.L. NG & CO.  
AF 1478  
Chartered Accountants

Petaling Jaya  
Date: 27 MAY 2019



NG KUAN LOONG  
02195/01/2021J  
Chartered Accountant

IMM RESOURCES SDN. BHD.  
(533109-M)

STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2018

	Note	2018 RM	2017 RM
<b>ASSETS</b>			
<u>NON-CURRENT ASSETS</u>			
Property, plant and equipment	5	24,742	-
Other investment	6	75,000	75,000
		<u>99,742</u>	<u>75,000</u>
 <u>CURRENT ASSETS</u>			
Trade receivables		56,700	103,080
Cash and bank balances		222,324	51,836
		<u>279,024</u>	<u>154,916</u>
<b>TOTAL ASSETS</b>		<u>378,766</u>	<u>229,916</u>
 <b>EQUITY AND LIABILITIES</b>			
<u>EQUITY</u>			
Contributed share capital	7	100,000	100,000
Retained profits	8	147,705	4,581
<b>TOTAL EQUITY</b>		<u>247,705</u>	<u>104,581</u>
 <u>CURRENT LIABILITIES</u>			
Other payables and accruals	9	125,645	119,919
Current tax liabilities		5,416	5,416
		<u>131,061</u>	<u>125,335</u>
<b>TOTAL LIABILITIES</b>		<u>131,061</u>	<u>125,335</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>378,766</u>	<u>229,916</u>

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

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

	Note	2018 RM	2017 RM
Revenue	10	446,720	144,210
Cost of sales		<u>(62,410)</u>	<u>(110,522)</u>
Gross profit		384,310	33,688
Other income	11	165,524	-
Selling and administrative expenses	12	(403,572)	(7,256)
Other expenses	13	<u>(3,138)</u>	<u>-</u>
<b>Profit before taxation</b>		143,124	26,432
Tax expense	14	<u>-</u>	<u>(5,416)</u>
<b>Profit for the year</b>		143,124	21,016
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><u>143,124</u></u>	<u><u>21,016</u></u>

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

**STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

2017	Contributed share capital RM	(Accumulated losses)/ Retained profits RM	Total RM
Balance at 1 January 2017	100,000	(16,435)	83,565
Profit for the year	-	21,016	21,016
Other comprehensive income for the year	-	-	-
Balance at 31 December 2017	<u>100,000</u>	<u>4,581</u>	<u>104,581</u>

2018	Contributed share capital RM	Retained profits RM	Total RM
Balance at 1 January 2018	100,000	4,581	104,581
Profit for the year	-	143,124	143,124
Other comprehensive income for the year	-	-	-
Balance at 31 December 2018	<u>100,000</u>	<u>147,705</u>	<u>247,705</u>

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

**STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

	<u>Note</u>	2018 RM	2017 RM
<b>Cash flows from operating activities</b>			
Cash receipts from customers		493,100	41,130
Cash payments to suppliers		(62,410)	-
Cash payments to employees and for expenses		<u>(232,322)</u>	<u>(4,328)</u>
Net cash generated from operating activities		<u>198,368</u>	<u>36,802</u>
<b>Cash flows from investing activity</b>			
Purchase of property, plant and equipment	15	<u>(27,880)</u>	-
Net cash used in investing activity		<u>(27,880)</u>	-
<b>Net increase in cash and cash equivalents</b>		170,488	36,802
<b>Cash and cash equivalents at beginning of year</b>		<u>51,836</u>	<u>15,034</u>
<b>Cash and cash equivalents at end of year</b>		<u>222,324</u>	<u>51,836</u>
<b>Cash and cash equivalents comprise :</b>			
Cash and bank balances		<u>222,324</u>	<u>51,836</u>

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



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018**

1. GENERAL INFORMATION

The Company is a private company incorporated and domiciled in Malaysia. The principal activity of the Company is conducting public and in-house seminars, forums and related training programmes. There has been no significant change in the nature of the principal activity of the Company during the financial year.

The registered office of the Company is located at 919, Block A, Kelana Centre Point, No. 3, Jalan SS 7/19, Kelana Jaya, 47301 Petaling Jaya, Selangor.

The principal place of business is located at A-8-1, Block A, Megan Avenue 1, 189, Jalan Tun Razak, 50400 Kuala Lumpur.

2. COMPLIANCE WITH FINANCIAL REPORTING STANDARDS AND THE COMPANIES ACT

The financial statements have been prepared in compliance with the Malaysian Private Entities Reporting Standard issued by the Malaysian Accounting Standards Board and the provisions of the Malaysian Companies Act 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Basis of Preparation

The financial statements of the Company have been prepared using cost and fair value bases.

3.2 Property, Plant and Equipment

Operating tangible assets that are used for more than one accounting period in the production and supply of goods and services, for administrative purposes or for rental to others are recognised as property, plant and equipment when the Company obtains control of the assets. The assets, including major spares, servicing equipment and stand-by equipment, are classified into appropriate classes based on their nature. Any subsequent replacement of a significant component in an existing asset is capitalised as a new component in the asset and the old component is derecognised.

All property, plant and equipment are initially measured at cost. For a purchased asset, cost comprises purchase price plus all directly attributable costs incurred in bringing the asset to its present location and condition for management's intended use. For a self-constructed asset, cost comprises all direct and indirect costs of construction (including provision for restoration and cost of major inspection) but excludes internal profits.

All property, plant and equipment are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Freehold land and capital work-in-progress are not depreciated but are subject to impairment test if there is any indication of impairment.

All other property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Depreciation is calculated on the straight line basis to write off the cost of the assets over their estimated useful lives at the following annual rates:-

Computer	20%
Equipment	10%

At the end of each reporting period, the residual values, useful lives and depreciation methods for the property, plant and equipment are reviewed for reasonableness. Any change in estimate of an item is adjusted prospectively over its remaining useful life.

### 3.3 Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash on hand, balances and deposits with banks which are subject to an insignificant risk of changes in fair value, net of outstanding bank overdrafts and pledged deposits.

### 3.4 Impairment of Non-Financial Assets

An impairment loss arises when the carrying amount of a Company's asset exceeds its recoverable amount.

At the end of each reporting date, the Company assesses whether there is any indication that a stand-alone asset or a cash-generating unit may be impaired by using external and internal sources of information. If any such indication exists, the Company estimates the recoverable amount of the asset or cash-generating unit.

If an individual asset generates independent cash inflows, it is tested for impairment as a stand-alone asset. If an asset does not generate independent cash inflows, it is tested for impairment together with other assets in a cash-generating unit, at the lowest level in which independent cash inflows are generated and monitored for internal management purposes.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and the value in use. The Company determines the fair value less costs to sell of an asset or a cash-generating unit in a hierarchy based on: (i) price in a binding sale agreement; (ii) market price traded in an active market; and (iii) estimate of market price using the best available information. The value in use is estimated by discounting the net

cash inflows (by an appropriate discount rate) of the asset or unit, using reasonable and supportable management's budgets and forecasts of five years and extrapolation of cash inflows for periods beyond the five-year forecast or budget.

For an asset measured on a cost-based model, any impairment loss is recognised in profit or loss.

For a cash-generating unit, any impairment loss is allocated to the assets of the unit pro rata based on the relative carrying amounts of the assets.

The Company reassesses the recoverable amount of an impaired asset or a cash-generating unit if there is any indication that an impairment loss recognised previously may have reversed. Any reversal of impairment loss for an asset carried at a cost-based model is recognised in profit or loss, subject to the limit that the revised carrying amount does not exceed the amount that would have been determined had no impairment loss been recognised previously.

### 3.5 Contributed Share Capital and Distributions

#### (a) Contributed Share Capital

Ordinary shares are classified as equity instruments.

When ordinary shares are issued to existing shareholders, they are recorded at the issue price. For ordinary shares issued in exchange for non-monetary assets, they are measured by reference to the fair values of the assets received.

When ordinary shares are issued as consideration transferred in a business combination or as settlement of an existing financial liability, they are measured at their fair value at the date of the exchange transaction.

Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax effect.

#### (b) Distributions

Distributions to holders of an equity instrument are recognised as equity transactions and are debited directly in equity, net of any related income tax effect.

A dividend declared is recognised as a liability only after it has been appropriately authorised, which is the date when the Board of Directors declares an interim dividend, or in the case of a proposed final dividend, the date the shareholders of the Company approve the proposed final dividend.

For a distribution of non-cash assets to owners, the Company measures the dividend payable at the fair value of the assets to be distributed.

### 3.6 Financial Instruments

#### (a) Initial Recognition and Measurement

The Company recognises a financial asset or a financial liability (including derivative instruments) in the statement of financial position when, and only when, it becomes a party to the contractual provisions of the instruments.

On initial recognition, all financial assets and financial liabilities are measured at fair value, which is generally the transaction price, plus transaction costs if the financial asset or financial liability is not measured at fair value through profit or loss. For instruments measured at fair value through profit or loss, transaction costs are expensed to profit or loss when incurred.

#### (b) Derecognition of Financial Instruments

A financial asset is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire, or when the Company transfers the contractual rights to receive cash flows of the financial asset, including circumstances when the Company acts only as a collecting agent of the transferee, and retains no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognised when, and only when, it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires. A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

#### (c) Subsequent Measurement of Financial Assets

For the purpose of subsequent measurement, the Company classifies financial assets into two categories, namely: (i) financial assets at fair value through profit or loss, and (ii) financial assets at amortised cost.

After initial recognition, investments in preference shares and ordinary shares are measured at their fair values by reference to the active market price, if observable, or otherwise by a valuation technique, without any deduction for transaction costs it may incur on sale or other disposal.

Investments in debt instruments, whether quoted or unquoted, are subsequently measured at amortised cost using the effective interest method. Investments in unquoted equity instruments and whose fair value cannot be reliably measured are measured at cost.

Other than financial assets measured at fair value through profit or loss, all other financial assets are subject to review for impairment in accordance with Note 3.6(g).

(d) Subsequent Measurement

After initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

(e) Fair Value Measurement of Financial Instruments

The fair value of a financial asset or a financial liability is determined by reference to the quoted market price in an active market, and in the absence of an observable market price, by a valuation technique using reasonable and supportable assumptions.

(f) Recognition of Gains and Losses

Fair value changes of financial assets and financial liabilities classified as at fair value through profit or loss are recognised in profit or loss when they arise.

For financial assets and financial liabilities carried at amortised cost, a gain or loss is recognised in profit or loss only when the financial asset or financial liability is derecognised or impaired, and through the amortisation process of the instrument.

(g) Impairment and Uncollectibility of Financial Assets

At the end of each reporting period, the Company examines whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Evidences of trigger loss events include: (i) significant difficulty of the issuer or obligor; (ii) a breach of contract, such as a default or delinquency in interest or principal payments; (iii) granting exceptional concession to a customer; (iv) it is probable that a customer will enter bankruptcy or other financial reorganisation; (v) the disappearance of an active market for that financial asset because of financial difficulties; or (vi) any observable market data indicating that there may be a measurable decrease in the estimated future cash flows from a group of financial assets.

For a non-current loan and receivable carried at amortised cost, the revised estimated cash flows are discounted at the original effective interest rate. Any impairment loss is recognised in profit or loss and a corresponding amount is recorded in a loss allowance account. Any subsequent reversal of impairment loss of the financial asset is reversed in profit or loss with a corresponding adjustment to the loss allowance account, subject to the limit that the reversal should not result in the revised carrying amount of the financial asset

exceeding the amount that would have been determined had no impairment loss been recognised previously.

For short-term trade and other receivables, where the effect of discounting is immaterial, impairment loss is tested for each individually significant receivable wherever there is any indication of impairment. Individually significant receivables for which no impairment loss is recognised are grouped together with all other receivables by classes based on credit risk characteristics and aged according to their past due periods. A collective allowance is estimated for a class group based on the Company's experience of loss ratio in each class, taking into consideration current market conditions.

For an unquoted equity investment measured at cost less impairment, the impairment is the difference between the asset's carrying amount and the best estimate (which will necessarily be an approximation) of the amount (which might be zero) that the Company expects to receive for the asset if it were sold

at the reporting date. The Company may estimate the recoverable amount using an adjusted net asset value approach.

### 3.7 Revenue Recognition and Measurement

The Company measures revenue from a sale of goods or a service transaction at the fair value of the consideration received or receivable, which is usually the invoice price, net of any trade discounts and volume rebates given to a customer in a sale or service transaction.

Revenue from a sale of goods and services rendered are recognised when:

- (i) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods and upon the completion of services rendered;
- (ii) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (iii) the amount of the revenue can be measured reliably;
- (iv) it is probable that the economic benefits associated with the transaction will flow to the Company; and
- (v) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

### 3.8 Income Tax

Income tax on the profit or loss for the financial period 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 by the end of the reporting period.

Deferred tax is provided for, using the liability method, on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, 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 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 realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. 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 recognised directly in equity.

### 3.9 Employees Benefits

#### a) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial period/year in which the associated services are rendered by employees of the Company.

#### b) Defined contribution plans

The Company makes statutory contributions to approved provident funds and the contributions made are charged to profit or loss in the period to which they relate. When the contributions have been paid, the Company has no further payment obligations.

### 3.10 Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used,

the increase in the provision due to the passage of time is recognised as interest expenses.

#### 4. CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

##### 4.1 Critical judgements made in applying accounting policies

There were no significant judgements made by management in the process of applying the accounting policies of the Company which may have significant effect on the amounts recognised in the financial statements.

##### 4.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

###### a) Determining the Value-in-Use

In determining the value-in-use of a stand-alone asset or a cash-generating unit, management uses reasonable and supportable inputs about sales, costs of sales and other expenses based upon past experiences, current events and reasonably possible future developments. Cash flows are projected based on those inputs and discounted at an appropriate discount rate(s). The actual outcome or event may not coincide with the inputs or assumptions and the discount rate applied in the measurement, and this may have a significant effect on the Company's financial position and results.

###### b) Loss Allowances of Financial Assets

The Company recognises impairment losses for loans and receivables using the incurred loss model. Individually significant loans and receivables are tested for impairment separately by estimating the cash flows expected to be recoverable. All other loans and receivables are categorised into credit risk classes and tested for impairment collectively, using the Company's past experiences of loss statistics, ageing of past due amounts and current economic trends. The actual eventual losses may be different from the allowances made and these may affect the Company's financial position and results.



**IMM RESOURCES SDN. BHD.**  
**(533109-M)**

c) Measurement of a Provision

The Company uses a “best estimate” as the basis for measuring a provision. Management evaluates the estimates based on the Company’s historical experiences and other inputs or assumptions, current developments and future events that are reasonably possible under the particular circumstances. In the case when a provision relates to large population of customers (such as warranty provision), a probability-weighted estimate of the outflows required to settle the obligation is used. In the case of a single estimate (such as a provision for environmental restoration costs), a referenced contractor’s price or market price is used as the best estimate. If an obligation is to be settled over time, the expected outflows are discounted at a rate that takes into account the time value of money and the risk that the actual outcome might differ from the estimates made. The actual outcome may differ from the estimate made and this may have a significant effect on the Company’s financial position and results.

5. PROPERTY, PLANT AND EQUIPMENT

	Balance at 1.1.2018 RM	Additions RM	Disposals RM	Balance at 31.12.2018 RM
<u>Cost</u>				
Computer	-	3,500	-	3,500
Equipment	-	24,380	-	24,380
	-	27,880	-	27,880

	Balance at 1.1.2018 RM	Additions for the year RM	Disposals RM	Balance at 31.12.2018 RM
<u>Accumulated depreciation and impairment loss</u>				
Computer	-	700	-	700
Equipment	-	2,438	-	2,438
	-	3,138	-	3,138

	2018 RM	2017 RM
<u>Net carrying amount</u>		
Computer	2,800	-
Equipment	21,942	-
	24,742	-

IMM RESOURCES SDN. BHD.  
(533109-M)

6. OTHER INVESTMENT

	2018 RM	2017 RM
Shares in corporation - unquoted	<u>75,000</u>	<u>75,000</u>

7. CONTRIBUTED SHARE CAPITAL

	2018 RM	2017 RM
Issued and fully paid:		
At beginning and end of year		
100,000 ordinary shares with no par value	<u>100,000</u>	<u>100,000</u>

8. RETAINED PROFITS

The retained profits of the Company are available for distributions by way cash dividends or dividends in specie. Under the single tier system of taxation, dividends payable to shareholders are deemed net of income taxes. There are no potential income tax consequences that would result from the payment of dividends to shareholders.

9. OTHER PAYABLES AND ACCRUALS

	2018 RM	2017 RM
Amounts owing to related party	85,434	-
Third parties	18,943	6,747
Accruals	<u>21,268</u>	<u>113,172</u>
	<u>125,645</u>	<u>119,919</u>

The amounts owing to related party represent advances and payment on behalf which are unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

10. REVENUE

	2018 RM	2017 RM
Training fee	<u>446,720</u>	<u>144,210</u>

IMM RESOURCES SDN. BHD.  
(533109-M)

11. OTHER INCOME

Breakdown of other income is as follows :

	2018 RM	2017 RM
Gain on foreign exchange - realised	524	-
Dividend income	165,000	-
	<u>165,524</u>	<u>-</u>

12. SELLING AND ADMINISTRATIVE EXPENSES

Included in selling and administrative expenses are :

	2018 RM	2017 RM
<u>Employee salaries and benefits expense :</u>		
Staff salaries and wages	222,023	-
Contributions to defined contribution plan	1,634	-
Social security contributions	225	-
	<u>223,882</u>	<u>-</u>

13. OTHER EXPENSES

	2018 RM	2017 RM
Depreciation of property, plant equipment	3,138	-
Total tax expense for the year	<u>3,138</u>	<u>-</u>

14. TAX EXPENSE

	2018 RM	2017 RM
Current income tax expense	-	5,416
Total tax expense for the year	<u>-</u>	<u>5,416</u>

**IMM RESOURCES SDN. BHD.**  
**(533109-M)**

The significant differences between the tax expense and accounting profit multiplied by the statutory tax rate are due to the tax effects arising from the following items :

	2018 RM	2017 RM
Profit before taxation	<u>143,124</u>	<u>26,432</u>
Tax at the statutory tax rate of 18%	25,762	4,758
Tax effects of :		
- expenses disallowed for tax purpose	3,938	658
- income not subject to tax	<u>(29,700)</u>	<u>-</u>
Effective tax expense	<u>-</u>	<u>5,416</u>

As at financial year end, the Company has unabsorbed capital allowance of approximately RM8,714 (2017: RMNil) and unutilised tax losses of approximately RM14,528 (2017: RMNil) which, subject to the agreement with the tax authority, are available to set off against future taxable profits.

15. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	2018 RM	2017 RM
Total additions of property, plant and equipment	<u>27,880</u>	<u>-</u>
Total cash payments	<u>27,880</u>	<u>-</u>

16. RELATED PARTY TRANSACTIONS

In addition to the transactions detailed elsewhere in the financial statements, the Company had the following transactions with related parties during the financial year:

	2018 RM	2017 RM
<u>Transactions with entities in which directors have interests:</u>		
Service rendered	32,800	49,200
Professional fee expense	35,000	-
Rental expense	<u>55,000</u>	<u>-</u>

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and are based on negotiated and mutually agreed prices and terms that are not materially different from those obtainable in the transactions with unrelated parties.

**IMM RESOURCES SDN. BHD.**  
**(533109-M)**

17. DEFERRED TAX ASSETS

As at financial year end, the Company has deferred tax assets arising from the following, which is not recognised in financial statements until such time the directors are satisfied that sufficient taxable profits will be available in the future against which the deferred tax assets can be utilised.

	2018	2017
	RM	RM
Taxable temporary difference	(5,576)	-
Unabsorbed capital allowance	8,714	-
Unutilised tax losses	14,528	-
	<u>17,666</u>	<u>-</u>
Deferred tax assets not recognised at 18%	<u>3,180</u>	<u>-</u>

The availability of the unutilised tax losses and unabsorbed capital allowance for off-setting against future taxable profits are subject to no substantial changes in the shareholdings of the Company under Section 44(5A) of the Income Tax Act 1967.

18. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements of the Company were authorised for issue by the Board of Directors on 27 MAY 2019.