PERTUBUHAN AL-KHAIR MALAYSIA

Registration No.: PPM-009-07-04012024
(Registered in Malaysia under Societies Act, 1966)

Reports and Financial Statements
For The Financial Period from 4 January 2024 (Date of Incorporation) to 30 June 2025

Registration No: PPM-009-07-04012024

PERTUBUHAN AL-KHAIR MALAYSIA
(Registered in Malaysia under Societies Act, 1966)

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Registration No: PPM-009-07-04012024

PERTUBUHAN AL-KHAIR MALAYSIA
(Registered in Malaysia under Societies Act, 1966)

MANAGEMENT COMMITTEE INFORMATION

Committee Members

Chairman	:	Azfar Abdullah
Deputy Chairman	:	Mohd Luqmanulhakim Mohd Redzuan
Secretary	:	Mohd Faidzal Mat Isa
Assistant Secretary	:	Mohd Hamim Semaon
Treasurer	:	Mohammad Hafiz Ahmad
Committee Member	:	Nuraishah Zaidi
Committee Member	:	Mohd Rodzi Abu Bakar
Committee Member	:	Muhammad Muadz Adnan

Principal Place of Business	:	No. 29, Jalan Dagangan 15 Pusat Bandar Bertam Perdana 13200 Kepala Batas Pulau Pinang.
Auditors	:	Afrizan Tarmili Khairul Azhar PLT (LLP0031255-LCA) (AF1300) 4-04-2, Presint Alami Pusat Perniagaan Worldwide 40100 Seksyen 13 Shah Alam Selangor
Principal Bankers	:	Maybank Berhad Bank Islam Malaysia

Registration No: PPM-009-07-04012024

PERTUBUHAN AL-KHAIR MALAYSIA
(Registered in Malaysia under Societies Act, 1966)

MANAGEMENT COMMITTEE'S REPORT

The Management Committee hereby submit their report together with the audited financial statements of the Society for the financial period from 4 January 2024 (Date of Incorporation) to 30 June 2025.

PRINCIPAL ACTIVITIES

The Society is a non-profit organisation registered under the Societies Act, 1966. The principal activity of the organisation is to establish humanitarian support and assistance in Malaysia and other countries outside Malaysia.

The Society is located at No. 29, Jalan Dagangan 15, Pusat Bandar Bertam Perdana, 13200 Kepala Batas, Pulau Pinang.

FINANCIAL RESULTS

	RM
Deficit for the financial period	**117,034**

AUDITORS' REMUNETIONS

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

	RM
Auditors' remuneration	**5,000**

MANAGEMENT COMMITTEE MEMBERS

Chairman	:	Azfar Abdullah
Deputy Chairman	:	Mohd Luqmanulhakim Mohd Redzuan
Secretary	:	Mohd Faidzal Mat Isa
Assistant Secretary	:	Mohd Hamim Semaon
Treasurer	:	Mohammad Hafiz Ahmad
Committee Member	:	Nuraishah Zaidi
Committee Member	:	Mohd Rodzi Abu Bakar
Committee Member	:	Muhammad Muadz Adnan

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PERTUBUHAN AL-KHAIR MALAYSIA
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STATEMENT BY THE MANAGEMENT COMMITTEE REPRESENTATIVES

We, being the management Committee members of **PERTUBUHAN AL-KHAIR MALAYSIA**, do hereby state that, in the opinion of the Committee, the accompanying statement of financial position of **PERTUBUHAN PEDULI AL-KHAIR MALAYSIA** as at **30 JUNE 2025** and the statement of income and expenditure, statement of changes in funds and statement of cash flows for the financial period from 4 January 2024 (Date of Incorporation) to 30 June 2025, together with the notes thereto, are properly drawn up in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Society Act, 1966 in Malaysia so as to give a true and fair view of the state of affairs of the Society as of **30 JUNE 2025** and of its financial performance for the period then ended.

AZFAR ABDULLAH
Chairman

MOHD FAIDZAL MAT ISA
Secretary

MOHAMMAD HAFIZ AHMAD
Treasurer

Date: 06 MAY 2026

Before me,

Commissioner for Oaths

Shah Alam, Selangor

PESURUHJAYA SUMPAH
NO. PJS: B 191
MOHD KHAMDAN BIN MOHD MAT TORAI
BC/M/633
01-01-2025 - 31-12-2027
MALAYSIA

ALAMAT PESURUHJAYA SUMPAH PEGUAMBELA DAN PEGUAMCARA
TETUAN KHAMDAN & CO
NO 27 JALAN KELULI AM/7AM, PEGUAMCARA
PUSAT PERNIAGAAN BUKIT RAJA SEKSYEN
40000 SHAH ALAM SELANGOR.
TEL:03-33413511 H/P:019-3139178 SYEN
R

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

Registration No: PPM-009-07-04012024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERTUBUHAN AL-KHAIR MALAYSIA

(Registered in Malaysia under Societies Act, 1966)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **PERTUBUHAN AL-KHAIR MALAYSIA**, which comprise the statement of financial position as at **30 JUNE 2025**, and the statement of income and expenditure, statement of changes in fund and statement of cash flows for the financial period then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 21.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Society as at **30 JUNE 2025,** and of its financial performance and its cash flows for the financial period then ended in accordance with Malaysian Private Entities Reporting Standard and the requirements of Society Act, 1966 in Malaysia.

Basis for Opinion

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

Independence and Other Ethical Responsibilities

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

Information Other than the Financial Statements and Auditors' Report Thereon

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERTUBUHAN AL-KHAIR MALAYSIA
(Registered in Malaysia under Societies Act, 1966)

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.

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

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

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

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

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERTUBUHAN AL-KHAIR MALAYSIA
(Registered in Malaysia under Societies Act, 1966)

Other Matters

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

AFRIZAN TARMILI KHAIRUL AZHAR PLT

(LLP0031255-LCA) (AF1300)
Chartered Accountants (Malaysia)

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

Shah Alam, Selangor

Date: 06 MAY 2026
6/5/2026

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PERTUBUHAN AL-KHAIR MALAYSIA
(Registered in Malaysia under Societies Act, 1966)

STATEMENT OF INCOME AND EXPENDITURE FOR THE FINANCIAL PERIOD FROM 4 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025

	4.1.2024 (Date of Incorporation) to 30.6.2025 RM
Income	
Adha Al-Khair Programme	796,827
Al-Khair Emergency Relief	114,639
Al-Khair Education Programme	684,676
Humanitarian Mission	32,985
Al-Khair Ramadan Programme	891,697
General contribution	1,722,063
	4,242,887
Less: Project Expenditure	
Adha Al-Khair Programme	584,860
Advertising/ Promotional Expenses	938,707
Advocation Programme Expenses	256,186
Al-Khair Child Programme	7,990
Al-Khair Education Programme	415,333
Al-Khair Emergency Relief	70,043
Al-Khair Food Programme	83,066
Al-Khair Ramadan Programme	256,526
Fundraising Al-Khair	38,913
Humanitarian Mission	20,680
Project Operation Cost	1,240,148
Winter Al-Khair	1,646
	3,914,098
Gross surplus	328,789
Other Income	
Hibah	287

PERTUBUHAN AL-KHAIR MALAYSIA
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STATEMENT OF INCOME AND EXPENDITURE FOR THE FINANCIAL PERIOD FROM 4 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025 (CONT'D)

	Note	4.1.2024 (Date of Incorporation) to 30.6.2025 RM
Less : Administrative expenses		
Auditors remuneration		**5,000**
Bank charges		**2,628**
Cleaning service		**519**
Depreciation		**17,460**
Employee reimbursement		**62,009**
Equipment rental		**433**
EPF and SOCSO		**10,765**
Human resources		**5,184**
Legal and professional fees		**5,010**
Management compensation		**11,700**
Meals and entertainment		**150**
Media expenses		**14,483**
Miscellaneous expense		**13,000**
Office expenses		**15,357**
Office maintenance		**3,015**
Other administrative expenses		**15,019**
Office rental		**68,100**
Postage and courier		**211**
Part time staff		**1,040**
Refund		**11,130**
Secretarial fee		**585**
Subscription media		**13,535**
Salary and wages		**136,548**
Staff training		**3,726**
Subscription accounting Software		**490**
Travelling		**7,724**
Utilities		**21,289**
Total administrative expenses		**446,110**
Deficit before taxation		**(117,034)**
Taxation	**3**	**-**
Deficit for the financial period		**(117,034)**

The accompanying notes from an integral part of the audited financial statements

PERTUBUHAN AL-KHAIR MALAYSIA
(Registered in Malaysia under Societies Act, 1966)

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2025

	Note	2025 RM
ASSETS		
Non-current asset		
Property, plant and equipment	4	102,021
Current assets		
Other receivables and deposits		14,840
Cash and bank balances	5	619,185
Total current assets		634,025
Total assets		736,046
ACCUMULATED FUND AND LIABILITY		
Accumulated fund		
Net deficit from operations		(117,034)
Total accumulated fund		(117,034)
Non-current liability		
Deferred income	6	573,380
Total Non-Current liabilitiy		573,380
Current liabilities		
Other payables and accruals	7	279,700
Total current liabilitiy		279,700
Total Liabilities		853,080
Total accumulated funds and liabilities		736,046

The accompanying notes from an integral part of the audited financial statements

PERTUBUHAN AL-KHAIR MALAYSIA
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STATEMENT OF CHANGES IN FUND
FOR THE FINANCIAL PERIOD FROM 4 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025

	Accumulated funds RM	Total RM
As at 4 January 2024 (Date of Incorporation)	-	-
Deficit for the financial period	(117,034)	(117,034)
As at 30 June 2025	(117,034)	(117,034)

The accompanying notes from an integral part of the audited financial statements

PERTUBUHAN AL-KHAIR MALAYSIA
(Registered in Malaysia under Societies Act, 1966)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD FROM 4 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025

	Note	4.1.2024 (Date of Incorporation) to 30.6.2025 RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Deficit before taxation		(117,034)
Adjustment for:-		
Depreciation of property, plant and equipment		17,460
Operating loss before working capital changes		(99,574)
Changes in working capital		
Other receivables and deposits		(14,840)
Other payables and accruals		279,700
Deferred income		573,380
Cash flows generated from operations		738,666
Tax paid		-
Net cash generated from operating activities		738,666
Cash flows from investing activity		
Acquisition of property, plant and equipment		(119,481)
Net cash used in investing activity		(119,481)
Net changes in cash and cash equivalents		619,185
Cash and cash equivalents at the beginning of financial period		-
Cash and cash equivalents at the end of financial period	5	619,185

The accompanying notes from an integral part of the audited financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 4 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025

1. GENERAL INFORMATION

The Society is a non-profit organisation registered under the Societies Act, 1966. The principal activity of the organisation is to establish humanitarian support and assistance in Malaysia and other countries outside Malaysia.

The registered address of the Society is located at No. 29, Jalan Dagangan 15, Pusat Bandar Bertam Perdana, 13200 Kepala Batas, Pulau Pinang.

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

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

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

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

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

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

In December 2021, the OECD released a draft legislative framework for global minimum tax that is expected to be used by individual jurisdictions. The goal of the framework is to reduce from the shifting of profit from one jurisdiction to another, in order to reduce global tax obligations, incorporate structures. In March 2022, the OECD released detailed technical guidance on Pillar Two of the rules and in February 2024 further administrative guidance.

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Income tax

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

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

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

(c) Foreign Currency

(i) Functional and Presentation Currency

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Foreign Currency (cont'd)

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

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

(d) Financial assets

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

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

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM 4 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Financial assets

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

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Financial assets (cont'd)

(iv) *Impairment of financial assets*

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

Objective evidence could include:-

- Significant financial difficulty of the issuer; or

- A breach of contract; or

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

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

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

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(c) Financial assets (cont'd)

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

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

(v) Derecognition of financial assets

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

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

(d) Receivables

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

(e) Cash and cash equivalents

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Financial liabilities

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

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

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

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

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

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

(ii) Financial liabilities measured at amortised cost

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 4 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Financial liabilities (cont'd)

(iii) Loan commitments measured at cost less impairment

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

(iv) Derecognition of financial liabilities

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

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

(g) Provisions for liabilities

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

(h) Property, plant and equipment

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

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

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

Donation boxes	20%
Office equipment	20%

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication of impairment. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of net selling price and value in use, which is measured by reference to discounted future cash flows.

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

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

3. TAXATION

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

	2025 RM
Deficit before taxation	**(117,034)**
Taxation at statutory tax rate 15%	**(17,555)**
Tax effects on:-	
Expenses not deductible for tax purposes	**(17,555)**
Taxation for the financial period	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD FROM 4 JANUARY 2024 (DATE OF INCORPORATION) TO 30 JUNE 2025 (CONT'D)

4. PROPERTY, PLANT AND EQUIPMENT

	Office equipments RM	Furniture and fittings RM	Total RM
At cost			
As at 4 January 2024	-	-	-
Addition	47,714	71,767	119,481
As at 30 June 2025	47,714	71,767	119,481
Accumulated depreciation			
As at 4 January 2024	-	-	-
Charge for the financial year	13,550	3,910	17,460
As at 30 June 2025	13,550	3,910	17,460
Net book value			
As at 30 June 2025	34,164	67,857	102,021

5. CASH AND BANK BALANCES

	2025 RM
Cash in hand	117,002
Cash at bank	502,183
	619,185

6. DEFERRED INCOME

Deferred income consist of contribution received to be used for upcoming project in the next financial period

7. OTHER PAYABLES AND ACCRUALS

	2025 RM
Other payables	274,700
Accruals	5,000
	279,700

8. APPROVAL OF THE FINANCIAL STATEMENTS

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