Malayan Sikhs Education Aid Fund

Society No: PPM-005-14-16111951
(Registered under Societies Act, 1966 in Malaysia)

Reports
and Financial Statements

31st December | 2025

nk associates
(Chartered Accountants)
(AF 1313)

Society No: PPM-005-14-16111951

Malayan Sikhs Education Aid Fund

Society No: PPM-005-14-16111951
(Registered under Societies Act, 1966 in Malaysia)

Reports and Financial Statements

31st December 2025

Society No: PPM-005-14-16111951

Malayan Sikhs Education Aid Fund
Committee's Report
for the year ended 31 December 2025

The Committee of Malayan Sikhs Education Aid Fund hereby submit their report together with the audited financial statements of the Society for the financial year ended 31 December 2025.

Principal Activity

The main principal activity of the Society is providing interest-free education aid and advisory services to deserving Sikh students in Malaysia. There has been no significant change in the nature of the activities during the year.

Financial Results

	2025 RM
Surplus for the year	455,038

Committee Members

Chairman	:	Manraj Singh Sandhu A/L Gurnam Singh
Vice Chairman	:	Mehendar Singh A/L Besant Singh
Secretary	:	Sharonjit Kaur A/P Sajit Singh
Assistant Secretary	:	Sukhpal Singh A/L Savraj Singh
Treasurer	:	Amar Singh A/L Gurdial Singh
Assistant Treasurer	:	Harnil Singh Randava A/L Hari Singh
Committee Members	:	Parpur Singh A/L Nazar Singh
		Sukhdav Singh A/L Narmail Singh
		Amritpal Singh

Society No: PPM-005-14-16111951

Malayan Sikhs Education Aid Fund

Statement By the Committee Representatives

We, being the representative of the committee of **Malayan Sikhs Education Aid Fund**, do hereby state that, in the opinion of the Committee, the accompanying statement of financial position as at **31 December 2025** and the statement of income and expenditure and statement of cash flows for the financial year then ended, together with the notes thereto, are properly drawn up in accordance with Malaysian Private Entities Reporting Standard and the requirements of Society Act, 1966 in Malaysia so as to give a true and fair view of the state of affairs of the Society at **31 December 2025** and of its financial performance for the year then ended.

Signed on behalf of the Board of Committee Members

Manraj Singh Sandhu A/L Gurnam Singh
(Chairman)

Sharonjit Kaur A/P Sajit Singh
(Secretary)

Amar Singh A/L Gurdial Singh
(Treasurer)

Puchong, Selangor.

Dated: **27 APR 2026**

Before me,

PESURUHJAYA SUMPAH
B 630
LIM CIN WEI
01.01.2024 - 31.12.2026
MALAYSIA

COMMISSIONER FOR OATHS

G35, Jalan Puteri 4/6,
Bandar Puteri Puchong,
47100 Puchong,
Selangor Darul Ehsan.

nk associates
(Chartered Accountants)
(AF 1313)

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

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

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

Independent Auditors' Report

to the members of Malayan Sikhs Education Aid Fund

(Society No: PPM-005-14-16111951)
(Registered under Societies Act, 1966 in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Malayan Sikhs Education Aid Fund** which comprise the statement of financial position as at **31 December 2025**, and the statement of income and expenditure, statement changes in accumulated funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 18.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Society as at **31 December 2025**, and of its financial performance and its cash flows for the 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 Society 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' International Code of Ethics for Professional Accountants (including International Independence Standards) ("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 Society are responsible for the other information. The other information comprises the Committee's Report but does not include the financial statements of the Society and our auditors' report thereon.

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

nk associates
(Chartered Accountants)
(AF 1313)

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

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

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

Independent Auditors' Report

to the members of Malayan Sikhs Education Aid Fund

(Society No: PPM-005-14-16111951) (Cont'd)
(Registered under Societies Act, 1966 in Malaysia)

Responsibilities of the Committee members for the Financial Statements

The Committee Members are responsible for the preparation of financial statements of the Society 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. 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 Society that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Society, the Committee members are responsible for assessing the Society'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 Society 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 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 judgment 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 Committee Members.

nk associates
(Chartered Accountants)
(AF 1313)

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

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

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

Independent Auditors' Report

to the members of Malayan Sikhs Education Aid Fund
(Society No: PPM-005-14-16111951) (Cont'd)
(Registered under Societies Act, 1966 (Act 335) in Malaysia)

Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

- 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 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 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.

Other Matters

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

NK Associates

NK ASSOCIATES
Firm No: AF 1313
Chartered Accountants

JYAKUMARAN A/L MUNIANDY
Approval No: 02132/03/2027 J
Chartered Accountant

Puchong, Selangor.
Dated: 27 APR 2026

Society No: PPM-005-14-16111951

Malayan Sikhs Education Aid Fund

Statement of Financial Position
as at 31st December 2025

	NOTE	2025 RM	2024 RM
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	23,205	-
Investment in quoted shares		-	1
		23,205	1
Current Assets			
Student loan receivables	5	1,072,289	975,692
Deposits		8,123	-
Fixed deposits	6	704,760	696,981
Bank balances		664,827	337,198
		2,449,999	2,009,871
Total Assets		2,473,204	2,009,872
GENERAL FUNDS			
Accumulated funds brought forward		2,009,872	1,761,121
Surplus for the year		455,038	248,751
Accumulated funds carried forward		2,464,910	2,009,872
Current Liabilities			
Accruals		8,179	-
Current tax liabilities		115	-
		8,294	-
Total Liabilities		8,294	-
Total Equity and Liabilities		2,473,204	2,009,872

Society No: PPM-005-14-16111951

Malayan Sikhs Education Aid Fund

Statement of Income and Expenditures

as at 31st December 2025

	NOTE	2025 RM	2024 RM
INCOME			
Donation		503,681	222,353
Membership subscription		23,665	36,980
Fixed deposit interest		16,491	14,053
Total Income		543,837	273,386
LESS: EXPENDITURE			
Accounting fees		2,200	-
Audit fee		2,000	-
Bank charges		-	1
Courier and postage		92	-
Depreciation of property, plant and equipment		3,500	-
Electricity and water		1,753	-
Employee benefit expenses	7	34,793	24,259
Investment in quoted share written off		1	-
Medical fees		347	-
Meeting expenses		556	-
Office rental		25,200	-
Penalty		30	-
Printing and stationery		2,321	375
Processing charges		644	-
Refreshment		570	-
Tax agent fees		1,200	-
Telephone and internet		2,761	-
Transportation		900	-
Travelling		48	-
Tuition fees		180	-
Upkeep of office		8,017	-
Upkeep of office equipment		1,480	-
TOTAL EXPENDITURES		88,593	24,635
SURPLUS BEFORE TAXATION		455,244	248,751
LESS : TAXATION	8	(206)	-
SURPLUS AFTER TAXATION		455,038	248,751

Malayan Sikhs Education Aid Fund

Statement of Changes in Accumulated Funds
as at 31st December 2025

	Accumulated Funds RM
2025	
As at 1 January 2025	2,009,872
Net surplus for the year	455,038
As at 31 December 2025	2,464,910
2024	
As at 1 January 2024	1,761,121
Net surplus for the year	248,751
As at 31 December 2024	2,009,872

Society No: PPM-005-14-16111951

Malayan Sikhs Education Aid Fund

Statement of Cash Flows
as at 31st December 2025

	NOTE	2025 RM	2024 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Donation		503,681	222,353
Membership subscription		23,665	36,980
Fixed deposit interest		16,491	14,053
Student loan collection	5	197,905	207,548
		741,742	480,934
CASH PAYMENTS FROM OPERATING ACTIVITIES			
Bank charges		-	1
Courier and postage		66	-
Electricity and water		1,753	-
Employee benefit expenses		32,156	24,259
Medical fees		347	-
Meeting expenses		556	-
Office rental		25,200	-
Penalty		30	-
Printing and stationery		2,312	375
Processing charges		644	-
Refreshment		570	-
Telephone and internet		2,654	-
Transportation		900	-
Travelling		48	-
Tuition fees		180	-
Upkeep of office		8,017	-
Upkeep of office equipment		1,480	-
Tax paid		91	-
Student loan disbursment	5	294,502	283,920
Sundry deposit		8,123	-
		379,629	308,555
Net cash generated from operating activities		362,113	172,379
CASH PAYMENTS FROM INVESTING ACTIVITIES			
Purchase of property plant and equipment	4	(26,705)	-
Net cash used in investing activities		(26,705)	-
Net increase in cash and cash equivalents		335,408	172,379
Cash and cash equivalent at beginning of the year		1,034,179	861,800
Cash and cash equivalent at end of the year		1,369,587	1,034,179
Cash and cash equivalents compromise :			
Fixed deposits		704,760	696,981
Bank balances		664,827	337,198
		1,369,587	1,034,179

Malayan Sikhs Education Aid Fund

Notes to the Financial Statements

31st December 2025

1. **General Information**

The principal activity of the Society is providing interest-free education aid and advisory services to deserving Sikh students in Malaysia. There has been no significant change in the nature of the activities during the year.

The registered address of the Society is located at D7-3A-2, Bangunan Perdagangan D7, 800, Jln Sentul, Sentul, 51000 Kuala Lumpur, Federal Territory of Kuala Lumpur.

The financial statements are presented in Ringgit Malaysia (RM) which is also the functional currency of the Society.

The financial statements were authorised for issue by the Committee on 27 April 2026.

2. **Significant Accounting Policies**

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

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:

2.1 **Property, Plant and Equipment**

The cost of an item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the Society and the cost of the item can be measured reliably. After recognition as an asset, an item of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses, except for freehold land.

Except for freehold land and properties under construction which are not depreciated, depreciation is provided on a straight-line method so as to write off the depreciable amount of the following assets over their estimated useful lives, as follows:

	Rate
Computers	40%
Furnitures	10%
Office equipment	10%
Renovation	10%
Signage	10%

Depreciation of an asset begins when it is ready for its intended use.

If there is an indication of a significant change in factors affecting the residual value, useful life or asset consumption pattern since the last annual reporting date, the residual values, depreciation method and useful lives of depreciable assets are reviewed and adjusted prospectively.

2.1 **Property, Plant and Equipment (Cont'd)**

The carrying amounts of items of property, plant and equipment are derecognised on disposal or when no future economic benefits are expected from their use or disposal. Any gain or loss arising from the derecognition of items of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amounts of the item, is recognised in profit or loss. Neither the sale proceeds nor any gain on disposal is classified as revenue.

2.2 **Impairment of Assets, other than Inventories and Financial Assets**

At each reporting date, the Society assesses whether there is any indication that an asset may be impaired. If any such indication exists, the recoverable amount of the asset is estimated.

When there is an indication that an asset may be impaired but it is not possible to estimate the recoverable amount of the individual asset, the Society estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of an asset and a cash-generating unit is the higher of the fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or a cash-generating unit is less than the carrying amount, an impairment loss is recognised to reduce the carrying amount to its recoverable amount. An impairment loss for a cash-generating unit is firstly allocated to reduce the carrying amount of any goodwill allocated to the cash-generating unit, and then, to the other non-current assets of the unit pro rata on the basis of the carrying amount of each appropriate asset in the cash-generating unit. Impairment loss is recognised immediately in profit or loss, unless the asset is carried at a revalued amount, in which case it is treated as a revaluation decrease.

The recoverable amount is the higher of an asset's or cash-generating unit's fair value less to sell, value in use and zero.

An impairment loss recognised in prior periods for an asset or the appropriate assets of a cash-generating unit is reversed when there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised in prior periods. A reversal of an impairment loss is recognised immediately in profit or loss, unless the asset is carried at revalued amount, in which case it is treated as a revaluation increase.

2.3 **Financial Assets**

Financial assets are recognised in the statement of financial position when the Society 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 three categories: financial assets measured at fair value through profit or loss, financial assets that are debt instruments measured at amortised cost, and financial assets that are equity instruments measured at cost less impairment.

2.3 Financial Assets (Cont'd)

(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 profit or loss.

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 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

(iv) Impairment of Financial Assets

At the end of each reporting period, the Society 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.

2.3 **Financial Assets (Cont'd)**

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 Society would receive for the asset if it were to be sold at the reporting date.

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 profit or loss 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 Society 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 profit or loss in the period of the transfer.

2.4 **Cash and Cash Equivalents**

Cash and cash equivalents in the statement of cash flows comprise cash and bank balances, short-term bank deposits and other short-term, highly liquid investments that have a short maturity of three months or less from the date of acquisition, net of bank overdrafts (if any).

2.5 **Financial Liabilities**

Financial liabilities are recognised in the statement of financial position when the Society 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 Society to the arrangement.

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

2.5 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 profit or loss 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.

(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 profit or loss.

2.6 Income

(i) General Donations

Income on donation fees are recognised on receipts basis.

(ii) Membership fees

Income on membership fees are recognised on receipts basis.

2.7 Employment Benefits

(i) Short-Term Employment Benefits

Short-term employment benefits, such as wages, salaries and other benefits, are recognised at the undiscounted amount as a liability and an expense when the employees have rendered services to the Society.

The expected cost of accumulating compensated absences are recognised when the employees render services that increase their entitlement to future compensated absences. The expected cost of non-accumulating compensated absences, such as sick and medical leaves, are recognised when the absences occur.

The expected cost of accumulating compensated absences are measured at the undiscounted additional amount expected to be paid as a result of the unused entitlement that has accumulated at the end of the reporting period.

The expected cost of profit-sharing and bonus payments are recognised when the Society has a present legal or constructive obligation to make such payments as a result of past events and a reliable estimate of the obligation can be made. A present obligation exists when the Society has no realistic alternative but to make the payments

(ii) Defined Contribution Plan

Contributions payable to the defined contribution plan are recognised as a liability and an expense when the employees have rendered services to the Society. As required by law, the Society make such contributions to the Employees' Provident Fund (EPF).

3. Critical Judgement and Estimates Uncertainty

3.1 Critical Judgements Made in Applying Accounting Policies

There are no critical judgements made by management in the process of applying the accounting policies of the Society.

3.2 Key Sources of Estimation Uncertainty

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Property, plant and equipment

	Balance at 01.01.2025 RM	Additions RM	Disposal RM	Balance at 31.12.2025 RM
Cost				
Computers	-	3,300	-	3,300
Furnitures	-	12,825	-	12,825
Office equipment	-	300	-	300
Renovation	-	8,450	-	8,450
Signage	-	1,830	-	1,830
	-	26,705	-	26,705

	Balance at 01.01.2025 RM	Charges for the financial year RM	Disposal RM	Balance at 31.12.2025 RM
Accumulated depreciation				
Computers	-	1,320	-	1,320
Furnitures	-	1,227	-	1,227
Office equipment	-	25	-	25
Renovation	-	775	-	775
Signage	-	153	-	153
	-	3,500	-	3,500

	Net Carrying Amount		Depreciation Charge	
	2025 RM	2024 RM	2025 RM	2024 RM
Computers	1,980	-	1,320	-
Furnitures	11,598	-	1,227	-
Office equipment	275	-	25	-
Renovation	7,675	-	775	-
Signage	1,677	-	153	-
	23,205	-	3,500	-

	2025 RM	2024 RM
Purchase of property, plant and equipment by cash	26,705	-

5. Student Loan Receivables

	2025 RM	2024 RM
Balance as at 1 January	975,692	899,320
Add: Student loan disburment	294,502	283,920
Less: Student loan collections	(197,905)	(207,548)
Total as at 31 December	1,072,289	975,692

6. Fixed Deposits

The fixed deposit of RM 704,760 (2024: RM 696,981) was deposited with a licensed bank which carries an interest of 2.30% - 2.45% (2024: 2.30% - 2.70%) per annum.

7. Employee Benefit Expenses

	2025 RM	2024 RM
Salaries and allowances	32,883	24,259
Defined contributions plan	1,632	-
Defined contributions benefit	278	-
	34,793	24,259

8. Income Tax Expenses

	2025 RM	2024 RM
Current tax expense		
- Current year provision	115	-
- Under provision in prior year	91	-
Total income tax expense	206	-

The income tax expense is reconciled to the accounting surplus at the applicable tax rate as follows:

	2025 RM	2024 RM
Surplus before tax	455,244	248,751
Applicable tax rate	1%	1%
Tax at applicable tax rate	4,552	2,488
Effect on tax:		
Expenses not deductible under tax legislation	(4,552)	(2,488)
Income subject to tax under tax legislation	115	-
Under provision in prior year	91	-
Tax expense for the year	206	-

9. Financial Instrument

The following table analyses the financial assets in the statements of financial position by the class of financial instruments to which they are assigned, and therefore by the measurement basis:

	2025 RM	2024 RM
Financial Assets		
At amortised cost		
Student loan receivables	1,072,289	975,692
Deposits	8,123	-
Fixed deposits	704,760	696,981
Bank balances	664,827	337,198
	2,449,999	2,009,871