KEMENTERIAN SUMBER MANUSIA

NIOSH
National Institute of Occupational Safety and Health

NATIONAL INSTITUTE OF OCCUPATIONAL SAFETY AND HEALTH (NIOSH)
Institut Keselamatan dan Kesihatan Pekerjaan Negara

2022
LAPORAN KEWANGAN
FINANCIAL REPORT

REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2022

Registration No.: 199201011539 (243042 - U)

NATIONAL INSTITUTE OF OCCUPATIONAL SAFETY AND HEALTH

(Incorporated in Malaysia)
(A Company Limited By Guarantee And Not Having A Share Capital)

REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2022

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CORPORATE INFORMATION

BOARD OF DIRECTORS

ENCIK MANIAM A/L ARUMUGAM
TUAN HAJI AYOP BIN SALLEH
TUAN MAJOR HAJI HANIF BIN MAIDIN (RTD)
YBHG. DATUK DR. NORHAYATI BINTI RUSLI
PUAN ZAMZARINA BINTI ABU BAKAR
ENCIK MATKAR BIN SIWANG
PROF. DR. ISMAIL BIN BAHARI
DR. TAN GUAT LIN
PROF. MADYA TS. DR. SHAMSUL BAHARI BIN SHAMSUDIN
DR. SHARUDIN BIN SHARI
ENCIK MOHD RAHIMEE SUBRAMANIAM BIN ABDULLAH

SECRETARY

ALI SHAH BIN HASHIM	(MIA 8022)
ROZIAH BINTI ABDUL RASHID	(LS 0009048)
NURUL NADIAH BINTI MOHD ABD RASID	(MIA 44423)

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

LOT 1, JALAN 15/1, SEKSYEN 15
43650 BANDAR BARU BANGI
SELANGOR DARUL EHSAN

AUDITORS

MSA & CO (AF 002143)
Chartered Accountants

PRINCIPAL BANKER

MALAYAN BANKING BERHAD
BANK KERJASAMA RAKYAT MALAYSIA BERHAD
BANK ISLAM MALAYSIA BERHAD

DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Group and of the Institute of National Institute Of Occupational Safety And Health (the Institute) for the financial year ended 31 December 2022.

DIRECTORS

The Directors who held in office during the financial year and up to the date of this report are as follows:

Encik Maniam A/L Arumugam	
Tuan Haji Ayop Bin Salleh	
Tuan Major Haji Hanif Bin Maidin (Rtd)	
YBhg. Datuk Haji Shamsuddin Bin Bardan	
Puan Zamzarina Binti Abu Bakar	
Encik Matkar Bin Siwang	
Encik Thomas Balan Bang	
Prof. Dr. Ismail Bin Bahari	
Prof. Madya Ts. Dr. Shamsul Bahari Bin Shamsudin	
Dr. Sharudin Bin Shari	
Dr. Tan Guat Lin	(Appointed on 27/07/2022)
Mohd Rahimee Subramaniam Bin Abdullah	(Appointed on 27/07/2022)
Datuk Dr. Norhayati Binti Rusli	(Appointed on 20/10/2022)
Prof. Madya Dr. Nur Dalilah Binti Dahlan	(Retired on 15/06/2022)
Dr. Shamsul Rizal Bin Shamsudin	(Retired on 15/06/2022)
YBhg. Datuk Dr. Chong Chee Kheong	(Retired on 19/9/2022)
YB. Datuk Wilson Ugak Anak Kumbong	(Resigned on 17/01/2023)
YB. Senator Datuk Mohan A/L Thangarasu	(Resigned on 17/01/2023)

As specified in Para 53(a) of the Constitution of National Institute Of Occupational Safety And Health, two-thirds (2/3) of the Board members shall be the Government nominess appointed by the Minister Responsible for the Institute, which currently is under Minister of Human Resources.

The lists of subsidiaries' Directors are disclosed in the financial statements of the respective subsidiary.

PRINCIPAL ACTIVITIES

The principal activities of the Institute are to contribute towards efforts in upgrading occupational safety and health through developing curriculum and training programmes, conducting applied research and development, providing advisory and consultancy services and dissemination of relevant information in occupational safety and health to various industries. There have been no significant changes in the nature of these activities during the financial year. The principal activities of the subsidiary are described in Note 5 to the financial statements

The Institute is incorporated in Malaysia as a company limited by guarantee and does not having a share capital.

DIRECTORS' REPORT
(Continued)

FINANCIAL RESULTS

	GROUP 2022 RM	INSTITUTE 2022 RM
Surplus for the year before taxation	11,595,918	11,771,449
Taxation	(143,719)	(141,843)
Net surplus for the year after taxation	11,452,199	11,629,606

RESERVES AND PROVISIONS

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

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than a benefit as disclosed in the financial statements) by reason of a contract made by the Institute or a related corporation with the Director or with a firm of which the Director is a member, or with a Institute in which the Director has a substantial financial interest as shown in Note 19.

DIRECTOR'S REMUNERATION

Details of auditors' remuneration are set out in Note 15 to the financial statements.

AUDITORS' REMUNERATION

Details of auditors' remuneration are set out in Note 15 to the financial statements.

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

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

SUBSIDIARIES

Details of subsidiaries are set out in Note 5 to the financial statements.

DIRECTORS' REPORT
(Continued)

OTHER STATUTORY INFORMATION

Before the financial statements of the Group and of the Institute were made out, 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 provision for doubtful debts and satisfied themselves that all known bad debts had been written off and adequate provision had been made for doubtful debts, and

ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might been expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

i) which would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Institute inadequate to any substantial extent; and

ii) which would render the values attributed to current assets in the financial statements of the Group and of the Institute misleading, or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Institute misleading or inappropriate, or

iv) not otherwise dealt with in this report or the financial statements which would render any amounts stated in the financial statements of the Group and of the Institute misleading.

At the date of this report, there does not exist:

i) any charge on the assets of the Group and of the Institute 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 Group and of the Institute which has arisen since the end of the financial year.

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 financial year which will or may affect the ability of the Group and of the Institute to meet its obligations when they fall due; and

ii) no item, transaction or event of a material and unusual nature has risen in the interval between the end of the financial year and at the date of this report which is likely to affect substantially the results of the operations of the Group and of the Institute for the financial year in which this report is made.

DIRECTORS' REPORT
(Continued)

AUDITORS

The auditors, Messrs. MSA & Co (AF 002143), have expressed their willingness to accept appointment as auditors.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS

MANIAM A/L ARUMUGAM
Chairman

AYOP BIN SALLEH
Executive Director

Selangor

Dated: 27 March 2023

STATEMENT BY DIRECTORS

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

We, the undersigned being two of the Directors of **NATIONAL INSTITUTE OF OCCUPATIONAL SAFETY AND HEALTH**, do hereby state on behalf of the Board of Director that in our opinion, the accompanying financial statements which comprise the statements of financial position as at 31 December 2022 of the Group and of the Institute, and the statements of profit or loss and other comprehensive income, statements of changes in equity, statements of cash flows of the Group and of the Institute for the year then ended, and notes to the financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards 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 Group and of the Institute as at 31 December 2022 and financial performance of the Group and the of the Institute for the financial year ended on that date.

MANIAM A/L ARUMUGAM
Chairman

AYOP BIN SALLEH
Executive Director

Selangor

Dated: 27 March 2023

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

I, **AYOP BIN SALLEH**, being the Director primarily responsible for the accounting records and financial management of **NATIONAL INSTITUTE OF OCCUPATIONAL SAFETY AND HEALTH**, do solemnly and sincerely declare that the accompanying financial statements which comprise the statements of financial position as at 31 December 2022 of the Group and of the Institute, and the statements of profit or loss and other comprehensive income, statements of changes in equity, statements of cash flows of the Group and of the Institute for the year then ended, and notes to the financial statements are, to the best of my knowledge and belief, 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)
AYOP BIN SALLEH)
at)
on 27 March 2023)

AYOP BIN SALLEH
(NRIC: 640518-05-5627)

Before me:

Commissioner for Oath

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF NATIONAL INSTITUTE OF OCCUPATIONAL SAFETY AND HEALTH

Report on the Financial Statements

Opinion

We have audited the financial statements of **NATIONAL INSTITUTE OF OCCUPATIONAL SAFETY AND HEALTH,** which comprise the statement of financial position as at 31 December 2022 of the Group and of the Institute and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Group and of the Institute for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 12 to 63.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Institute as at 31 December 2022, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards 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 Group and of Institute in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' 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 directors of the Institute are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Group and of the Institute and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Institute 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 Group and of the Institute, 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 Group and of the Institute or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF NATIONAL INSTITUTE OF OCCUPATIONAL SAFETY AND HEALTH
(Continued)

Report on the Financial Statements (Continued)

Responsibilities of the Directors for the Financial Statements

The directors of the Institute are responsible for the preparation of financial statements of the Group and of the Institute that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards 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 Group and the Institute that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Institute'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 Group's or the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Institute or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Institute to cease to continue as a going concern.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF NATIONAL INSTITUTE OF OCCUPATIONAL SAFETY AND HEALTH
(Continued)

Report on the Financial Statements (Continued)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

Other Matters

The financial statements of the Group and of the Institute for the financial year ended 31 December 2021 were audited by another auditor whose report dated 28 April 2022 expressed unqualified audit opinion.

This report is made solely to the members of the Institute, 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.

MSA & CO
AF 002143
Chartered Accountants

MOHD SUHAIMI BIN AHMAD
03108/03/2023 J
Chartered Accountant

Selangor

Dated: 27 March 2023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 RM	As Restated 2021 RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	15,596,883	16,358,226
Investment	6	215,497	502,147
TOTAL NON-CURRENT ASSETS		15,812,380	16,860,373
CURRENT ASSETS			
Receivables, deposits and prepayments	7	17,967,422	18,021,544
Current tax assets		663,304	548,104
Cash and cash equivalents	8	182,220,734	167,557,957
TOTAL CURRENT ASSETS		200,851,460	186,127,605
TOTAL ASSETS		216,663,840	202,987,978
EQUITY AND LIABILITIES			
EQUITY			
Endowment fund		50,000,000	50,000,000
Retained surplus		143,229,613	131,777,414
TOTAL EQUITY		193,229,613	181,777,414
NON-CURRENT LIABILITIES			
Lease liabilities	9	3,975,041	3,669,701
Government grants	12	3,186,836	6,841,360
TOTAL NON-CURRENT LIABILITIES		7,161,877	10,511,061
CURRENT LIABILITIES			
Lease liabilities	9	1,936,854	1,635,939
Payables and accruals	10	8,886,636	6,580,890
Contract liabilities	11	1,693,517	2,482,674
Government grants	12	3,755,343	-
TOTAL CURRENT LIABILITIES		16,272,350	10,699,503
TOTAL LIABILITIES		23,434,227	21,210,564
TOTAL EQUITY AND LIABILITIES		216,663,840	202,987,978

The accompanying notes form an integral part of, and should be read in conjunction with, these financial statements

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 RM	2021 RM
Revenue	13	102,596,371	64,288,983
Cost of sales		(39,250,807)	(21,154,539)
Gross income		63,345,564	43,134,444
Other income	14	7,806,892	7,179,562
Operating and administrative expenses	15	(59,300,255)	(49,581,361)
Result from operating activities		11,852,201	732,645
Finance expenses	16	(256,283)	(230,458)
Surplus from operations		11,595,918	502,187
Taxation	17	(143,719)	(83,058)
Surplus for the financial year		11,452,199	419,129
Other comprehensive income; net of tax		-	-
Total comprehensive income for the year		11,452,199	419,129

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Endowment Fund RM	Retained Surplus RM	RM
As at 1 January 2021	50,000,000	131,358,285	181,358,285
Surplus for the financial year, representing total comprehensive income for the financial year	-	419,129	419,129
As at 31 December 2021	50,000,000	131,777,414	181,777,414
Surplus for the financial year, representing total comprehensive income for the financial year	-	11,452,199	11,452,199
As at 31 December 2022	50,000,000	143,229,613	193,229,613

The accompanying notes form an integral part of, and should be read in conjunction with, these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR 31 DECEMBER 2022

	2022 RM	As Restated 2021 RM
Cash flow from operating activities		
Net surplus before taxation	11,595,918	502,187
Adjustment for:		
Depreciation of property, plant and equipment	5,938,131	5,955,612
Profit/Interest income	(926,877)	(774,068)
Finance costs	256,283	230,458
Loss on disposal of property, plant and equipment	7	23
Operating surplus before working capital changes	16,863,462	5,914,212
Increase in receivables	(270,043)	(2,514,254)
Increase in payables and contract liabilities	1,840,755	113,908
Net cash inflows from operations	18,434,174	3,513,866
Profit/Interest income received	926,877	750,354
Finance costs paid	(256,283)	(230,458)
Tax paid	(258,920)	(185,122)
Tax refund	-	28,913
Net cash inflows from operating activities	18,845,848	3,877,553
Cash flow from investing activities		
Withdrawals/(Placements) of investment	286,650	(502,147)
Purchase of property, plant and equipment	(2,551,469)	(1,488,843)
Net cash outflows from investing activities	(2,264,819)	(1,990,990)
Cash flow from financing activities		
Repayment of lease liabilities	(2,019,071)	(1,489,986)
Grant received	6,511,214	3,000,000
Grant utilised	(6,410,395)	(4,243,398)
Net cash outflows from financing activities	(1,918,252)	(2,733,384)
Net increase/(decrease) in cash and cash equivalents	14,662,777	(846,821)
Cash and cash equivalents		
At start of financial year	167,557,957	168,404,778
At end of financial year	182,220,734	167,557,957
Analysis of cash and cash equivalents (Note 8)		
Cash and bank balances	7,873,821	6,300,850
Deposits with approved trustee company	133,161,689	126,841,270
Deposits with licensed financial instituions	41,185,224	34,415,837
	182,220,734	167,557,957

The accompanying notes form an integral part of, and should be read in conjunction with, these financial statements

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 RM	As Restated 2021 RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	15,291,444	16,107,287
Investment in subsidiary	5	3,500,000	3,500,000
TOTAL NON-CURRENT ASSETS		18,791,444	19,607,287
CURRENT ASSETS			
Receivables, deposits and prepayments	7	15,195,164	15,558,045
Amount due from subsidiary	5	251,563	239,508
Current tax assets		529,303	446,245
Cash and cash equivalents	8	181,850,319	167,110,092
TOTAL CURRENT ASSETS		197,826,349	183,353,890
TOTAL ASSETS		216,617,793	202,961,177
EQUITY AND LIABILITIES			
EQUITY			
Endowment fund		50,000,000	50,000,000
Retained surplus		143,882,551	132,252,945
TOTAL EQUITY		193,882,551	182,252,945
NON-CURRENT LIABILITIES			
Lease liabilities	9	3,913,234	3,669,701
Government grants	12	3,186,836	6,841,360
TOTAL NON-CURRENT LIABILITIES		7,100,070	10,511,061
CURRENT LIABILITIES			
Lease liabilities	9	1,899,164	1,635,939
Payables and accruals	10	8,287,148	6,078,558
Contract liabilities	11	1,693,517	2,482,674
Government grants	12	3,755,343	-
TOTAL CURRENT LIABILITIES		15,635,172	10,197,171
TOTAL LIABILITIES		22,735,242	20,708,232
TOTAL EQUITY AND LIABILITIES		216,617,793	202,961,177

The accompanying notes form an integral part of, and should be read in conjunction with, these financial statements

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	2022 RM	2021 RM
Revenue	13	96,750,384	59,389,533
Cost of sales		(36,801,597)	(19,410,126)
Gross income		59,948,787	39,979,407
Other income	14	7,788,586	7,169,043
Operating and administrative expenses	15	(55,718,647)	(46,439,806)
Result from operating activities		12,018,726	708,644
Finance expenses	16	(247,277)	(230,458)
Surplus before taxation		11,771,449	478,186
Taxation	17	(141,843)	(83,058)
Surplus for the financial year		11,629,606	395,128
Other comprehensive income; net of tax		-	-
Total comprehensive income for the year		11,629,606	395,128

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Endowment Fund RM	Retained Surplus RM	Total RM
As at 1 January 2021	50,000,000	131,857,817	181,857,817
Surplus for the financial year, representing total comprehensive income for the financial year	-	395,128	395,128
As at 31 December 2021	50,000,000	132,252,945	182,252,945
Surplus for the financial year, representing total comprehensive income for the financial year	-	11,629,606	11,629,606
As at 31 December 2022	50,000,000	143,882,551	193,882,551

The accompanying notes form an integral part of, and should be read in conjunction with, these financial statements

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	2022 RM	As Restated 2021 RM
Cash flow from operating activities		
Net surplus before taxation	11,771,449	478,186
Adjustment for:		
Depreciation of property, plant and equipment	5,835,233	5,874,128
Profit/Interest income	(913,506)	(764,104)
Interest on lease liabilities	247,277	230,458
Loss on disposal of property, plant and equipment	7	23
Operating surplus before working capital changes	16,940,460	5,818,691
Decrease/(Increase) in receivables	362,881	(2,040,619)
(Increase)/Decrease in due from subsidiary	(12,055)	5,962
Increase in payables and contract liabilities	1,419,433	249,545
Net cash inflows from operations	18,710,719	4,033,579
Profit/Interest income received	913,506	740,390
Interest on lease liabilities paid	(247,277)	(230,458)
Tax paid	(224,901)	(138,430)
Net cash inflows from operating activities	19,152,047	4,405,081
Cash flow from investing activity		
Purchase of property, plant and equipment	(2,507,362)	(1,433,388)
Net cash outflows from investing activity	(2,507,362)	(1,433,388)
Cash flow from financing activities		
Repayment of lease liabilities	(2,005,277)	(1,489,986)
Grant received	6,511,214	3,000,000
Grant utilised	(6,410,395)	(4,243,398)
Net cash outflows from financing activities	(1,904,458)	(2,733,384)
Net increase in cash and cash equivalents	14,740,227	238,309
Cash and cash equivalents		
At start of financial year	167,110,092	166,871,783
At end of financial year	181,850,319	167,110,092
Analysis of cash and cash equivalents (Note 8)		
Cash and bank balances	7,611,244	5,960,802
Deposits with approved trustee company	133,161,689	126,841,270
Deposits with licensed financial institutions	41,077,386	34,308,020
	181,850,319	167,110,092

The accompanying notes form an integral part of, and should be read in conjunction with, these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL 31 DECEMBER 2022

1. PRINCIPAL ACTIVITIES

The principal activities of the Institute are to contribute towards efforts in upgrading occupational safety and health through developing curriculum and training programmes, conducting applied research and development, providing advisory and consultancy services and dissemination of relevant information in occupational safety and health to various industries. There have been no significant changes to these principal activities during the financial year under review.

The principal activities of the subsidiary is disclosed in Note 5 to the financial statements.

The Institute is a company limited by guarantee and not having a share capital and domiciled in Malaysia. The registered office and principal place of business of the Institute is as follows:-

Lot 1, Jalan 15/1, Seksyen 15
43650 Bandar Baru Bangi
Selangor Darul Ehsan

The financial statements were authorised for issue by the Board of Directors on 27 March 2023.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(a) Statement of Compliance and adoption of new MFRSs

The financial statements of the Group and the Institute have been prepared in accordance with Malaysia Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The Group and the Institute adopted the following Amendments to the Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year under review :-

MFRSs	Effective for annual periods beginning on or after
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022

Adoption of the above Amendments of the Standards did not have any material impacts on the financial statements of the Group and of the Institute.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

(a) Statement of Compliance and adoption of new MFRSs (Continued)

The following are Standards that have been issued by the MASB but have not been early adopted by the Group and the Institute:

MFRSs	Effective for annual periods beginning on or after
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101 Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Definition of Accounting Estimates	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)	1 January 2023
Amendments to MFRS 16 Leases - Lease liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Classification of Liabilities as Current and Non-current	1 January 2024
Amendments to MFRS 101 Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between and Investor and its Associate of Joint Venture	Deferred

The Group and the Institute does not expect the adoption of the above MFRSs standards to have a significant impact on the financial statements.

(b) Basis of measurement

The financial statements have been prepared on the historical cost convention, unless otherwise indicated in the summary of significant accounting policies as disclosed in the followings notes to the financial statements.

(c) Functional and Presentation Currency

The financial statements of the Group and of the Institute are measured using the currency of the primary economic environment in which it operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Group and the Institute's functional currency.

(d) Significant Accounting Estimates and Judgements

The financial statements have been prepared on the historical cost convention, unless otherwise indicated in the summary of significant accounting policies as disclosed in the followings notes to the financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

(d) Significant Accounting Estimates and Judgements (Continued)

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

(e) Judgements made in applying accounting policies

There are no significant are of critical judgement in applying accounting policies that have any significant effect on the amount recognised in the financial statements.

(f) Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

(i) Useful lives of property, plant and equipment

Property, plant and equipment are depreciated on the straight-line basis over their estimated useful lives. The Director estimates that the useful lives of the property, plant and equipment to be within 3 years to 50 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and residual values of the property, plant and equipment. Therefore, the future depreciation charge could be revised.

The carrying amounts of the Group's and the Institute's property, plant and equipment at the reporting date are disclosed in Note 4.

(ii) Expected credit losses of trade receivables and other receivables

The Group assess the credit risk at each reporting date, whether there have been significant increases in credit risk since initial recognition on an individual basis. To determine whether there is a significant increase in credit risks, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtors. Where there is a significant increase in credit risk, the Group determine the lifetime expected credit losses by considering the loss given default and the probability of default assigned to each counterparty customer. The financial assets are written off partially or in full when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-offs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

(f) Key source of estimation uncertainty (Continued)

(iii) Leases

The lease term has been determined based on the non-cancellable period of lease together with periods covered by an option to extend or to terminate the lease. In determining whether it is reasonably certain to exercise an option to extend or an option to terminate the lease, management has considered all relevant factors and circumstances that have created the economic incentives to exercise such options. The Group also applies judgement and assumptions in determining the incremental borrowing rate ("IBR") of respective leases.

The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

(iv) Income taxes and deferred tax

Estimation is required to determine the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Institute recognises liabilities for tax based on estimates of assessment of the tax liability due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions, where applicable, in the periods in which such determination is made.

While the Group's estimates on the realisation and settlement of temporary differences and the realisation of unutilised tax losses are based on the available information at the reporting date, future operating performance and other factors could potentially impact on the actual timing and amount of temporary differences realised and settled. Any difference between the actual amount and the estimated amount is recognised in profit or loss in the period in which actual realisation and settlement occurs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements include the financial statements of the Institute and its subsidiary made up to the end of the reporting period.

Subsidiaries are entities controlled by the Group. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group also considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup transactions, balances, income and expenses are eliminated on consolidation. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

(i) Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. Under the acquisition method, the consideration transferred for acquisition of a subsidiary is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group at the acquisition date. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than the costs to issue debt or equity securities, are recognised in profit or loss when incurred.

In a business combination achieved in slages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets at the date of acquisition. The choice of measurement basis is made on a transaction-by-transaction basis.

(ii) Changes in Ownership interests in Subsidiary Without Change of Control

All changes in the parent's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in the equity of the Group.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of consolidation (Continued)

(iii) Loss of Control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity accounted investee.

(b) Property, plant and equipment and depreciation

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 the future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably.

Cost includes expenditure that is directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which it is located. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

When significant parts of plant and equipment are required to be replaced at intervals, the Institute depreciates them separately based on their specific useful lives. The net carrying amount of the replaced part is derecognised when the replacement occurs. All other repairs and maintenance are recognised in profit or loss as incurred.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Work-in-progress is not depreciated until the assets are ready for their intended use. Depreciation of other property, plant and equipment is provided for on the straight-line basis to write off the cost of each asset according to its estimated useful life as follows:

Audion visual (AV) equipment	20%
Book and video	20%
Computers	20%
Furniture and fittings	20%
Office equipment	20%
Renovations	25%
Scientific equipment	20%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. In addition, a right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Property, plant, and equipment and depreciation (Continued)

The residual value, useful life and depreciation method are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

Right-of-use asset

A right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

After initial recognition, right-of-use asset is stated at cost less accumulated depreciation and any accumulated impairment losses and adjusted for any re-measurement of the lease liability.

The right-of-use asset is depreciated on a straight-line basis over its lease term of two (2) until three (3) years.

(c) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value in use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

An impairment loss is recognised in profit or loss.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is realised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

In respect of assets other than goodwill (if any), and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately unless the asset is carried at its revalued amount, in which case the reversal of the impairment loss is treated as a revaluation.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents include cash in hand, bank balances, deposits with licensed financial institutions and other short-term highly liquid investments which are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

The statement of cash flows is prepared using the indirect method.

(e) Financial instruments

(i) Recognition and initial measurement

The Institute recognises all financial assets and financial liabilities in its statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the financial instruments.

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Financial instrument categories and subsequent measurement Financial assets

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Institute changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

- **Amortised cost**

  Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. Any gain or loss on derecognition is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Financial instruments (Continued)

(ii) Financial instrument categories and subsequent measurement Financial assets (Continued)

- **Fair value through other comprehensive income**

  This relates to an investment in equity that is not held for trading where the Group irrevocably elects to measure at fair value and subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

Financial liabilities

The categories of financial liabilities are as follows :

- **Fair value through profit or loss**

  The Institute does not hold any financial liabilities measured at fair value through profit or loss.

- **Amortised cost**

  Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

  Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gains or losses on derecognition are also recognised in profit or loss.

(iii) Derecognition

A financial asset is derecognised when the risks and rewards relating to the financial asset have expired or had been fully transferred or had been partially transferred with no control over the same. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received is recognised in profit or loss.

A financial liability is derecognised when the obligation specified in the contract expires or is either discharged or cancelled. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Financial instruments (Continued)

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Institute currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(v) Impairment of Financial Assets

The Group recognises a loss allowance for expected credit losses on investments that are measured at amortised cost or at fair value through other comprehensive income, trade receivables, as well as on financial guarantee contracts (if any).

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Group always recognises lifetime expected credit losses for trade receivables using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

(f) Contract liabilities

A contract liability is stated at cost and represents the obligation to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customer.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Government grants

Government grants are recognised initially at their fair values in the statement of financial position as deferred income where there is reasonable assurance that the grants will be received and all conditions attached will be complied. Grants that compensate the Institute for expenses incurred are recognised as income over the periods to match the cost that the grants are intended to compensate.

(h) Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Income and the fair value hierarchy are as follows :

Level 1	Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;
Level 2	Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3	Inputs are unobservable inputs for the asset or liability

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

(i) Revenue and other income

(i) Revenue

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of their parties. The Group and the Institute recognise revenue when (or as) it transfers control over a good or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Group and the Institute transfer control of a good or service at a point in time unless one of the following over time criteria is met:

- The customer simultaneously receives and consumes the benefits provided as the the Group and the Institute perform;

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Revenue and other income (Continued)

(i) Revenue (Continued)

- The Group and the Institute's performance creates or enhances an asset that the customer controls as the asset is created and enhanced; or
- The Group and the Institute's performance does not create an asset with an alternative use and the Group and the Institute has an enforceable right to payment for performance completed to date.

Income from events and courses is recognised upon the delivery of the events and conferences. Advanced payments received from events and conferences are recognised as contract liabilities in the statement of financial position.

(ii) Interest income

Interest income is recognised based on an effective yield basis.

(iii) Dividend

Dividend income from investment is recognised when the right to receive dividend payment is established.

(j) Taxation

(i) Current tax

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

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except for the deferred tax liability that arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Taxation (Continued)

(ii) Deferred tax (Continued)

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except for the deferred tax asset that arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be realised.

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 at the reporting date. Deferred tax is recognised as income or expense and included in profit or loss for the period, 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.

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Goods and Services Tax (“GST”) and Sales and Service Tax (“SST”)

Revenue, expenses and assets are recognised net of GST or SST except:

- when the GST or SST incurred in a purchase of asset or service is not recoverable from the authority, in which case the GST or SST is recognised as part of the cost of acquisition of the asset or as part of theexpense item as applicable; and

- receivables and payables that are stated with GST or SST inclusive.

The net GST or SST payable to the taxation authority is included as part of payables in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Employee benefits

(i) Short-term employee benefits

Wages, salaries, bonuses, social security contributions and other benefits are recognised as an expense in the year in which the associated services are rendered by employees of the Group and the Institute. Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short-term accumulated compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group and the Institute pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss in the period in which the related service is performed. As required by law in Malaysia, such contributions are made to the Employees Provident Fund (“EPF”).

(l) Leases

(i) Definition of a lease

At inception of a contract, the Institute assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group and the Institute assesses whether:

(a) the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, the asset is not identified;

(b) the Group and the Institute has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Leases (Continued)

(i) Definition of a lease (Continued)

(c) the Group and the Institute has the right to direct the use of the asset. The Group and the Institute has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where all the decisions about how and for what purpose the asset is used are predetermined, the Group and the Institute has the right to direct the use of the asset if either:

- the Group and the Institute has the right to operate the asset; or
- the Group and the Institute has designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Institute allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

(ii) Recognition, initial measurement and subsequent measurement

As a lessee

The Group and the Institute recognises a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Right-of-use assets are presented in property, plant and equipment in the statement of financial position.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Institute's incremental borrowing rate. Generally, the Group and the Institute uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise:

(a) fixed payments, including in-substance fixed payments;

(b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

(c) amounts expected to be payable under a residual value guarantee; and

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(l) Leases (Continued)

(ii) Recognition, initial measurement and subsequent measurement (Continued)

As a lessee (Continued)

(d) the exercise price under a purchase option that the Institute is reasonably certain to exercise, lease payments in an option renewal period of the Institute is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group and the Institute is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's and the Institute's estimate of the amount expected to be payable under a residual value guarantee or if the Group and the Institute change its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group and the Institute apply the short-term lease and leases of low-value assets recognition exemption to its short-term leases of premise, machinery and equipment and motor vehicles (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(m) Borrowing costs

Borrowing costs consist of interest in respect of lease liabilities which is recognised in profit or loss in the period they are incurred.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

4. PROPERTY, PLANT AND EQUIPMENT (PPE)

GROUP
2022

Cost	As at 01/01/2022	Addition	Disposal / Written off / Transfer * RM	As at 31/12/2022
AV equipment	1,832,585	336,390	(20,900)	2,148,075
Book and video	2,479,313	7,806	-	2,487,119
Buildings	3,072,889	-	-	3,072,889
Computers	9,784,523	440,488	(899,301)	9,325,710
Furniture and fittings	6,184,839	103,112	(35,326)	6,252,625
Motor vehicles	3,483,928	200,474	(136,029)	3,548,373
Office equipment	3,394,543	186,121	(136,078)	3,444,586
Renovations	20,439,357	1,046,781	-	21,486,138
Right-of-use assets (1)	8,140,708	2,786,745	(215,224)	10,712,229
Scientific equipment	9,299,830	253,956	(234,919)	9,318,867
Work in progress	61,658	97,872	(121,531)*	37,999
	68,174,173	5,459,745	(1,799,308)	71,834,610

Accumulated depreciation	As at 01/01/2022 RM	Charge for the year RM	Disposal / Written off RM	As at 31/12/2022 RM
AV equipment	1,663,915	74,252	(20,900)	1,717,267
Book and video	2,469,332	4,585	-	2,473,917
Buildings	155,099	61,458	-	216,557
Computers	8,709,023	471,435	(899,301)	8,281,157
Furniture and fittings	5,219,477	411,192	(35,325)	5,595,344
Motor vehicles	3,169,521	208,976	(136,028)	3,242,469
Office equipment	2,937,027	207,153	(136,077)	3,008,103
Renovations	16,466,549	1,909,157	-	18,375,706
Right-of-use assets (1)	2,827,061	2,122,824	(53,805)	4,896,080
Scientific equipment	8,198,943	467,099	(234,915)	8,431,127
Work in progress	-	-	-	-
	51,815,947	5,938,131	(1,516,351)	56,237,727

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

4. PROPERTY, PLANT AND EQUIPMENT (PPE) (CONTINUED)

GROUP
2021

Cost	As at 01/01/2021 RM	Addition RM	Disposal / Written off RM	As at 31/12/2021 RM
AV equipment	1,792,448	40,137	-	1,832,585
Book and video	2,479,313	-	-	2,479,313
Buildings	3,072,889	-	-	3,072,889
Computers	9,707,782	205,689	(128,948)	9,784,523
Furniture and fittings	6,030,648	167,088	(12,897)	6,184,839
Motor vehicles	3,483,928	-	-	3,483,928
Office equipment	3,332,528	63,815	(1,800)	3,394,543
Renovations	19,314,794	1,124,563	-	20,439,357
Right-of-use assets (1)	6,808,229	1,332,479	-	8,140,708
Scientific equipment	9,167,363	149,038	(16,571)	9,299,830
Work in progress	61,658	-	-	61,658
	65,251,580	3,082,809	(160,216)	68,174,173

Accumulated depreciation	As at 01/01/2021 RM	Charge for the year RM	Disposal / Written off RM	As at 31/12/2021 RM
AV equipment	1,596,847	67,068	-	1,663,915
Book and video	2,461,352	7,980	-	2,469,332
Buildings	93,641	61,458	-	155,099
Computers	8,352,593	485,373	(128,943)	8,709,023
Furniture and fittings	4,750,840	481,517	(12,880)	5,219,477
Motor vehicles	2,668,413	501,108	-	3,169,521
Office equipment	2,697,570	241,257	(1,800)	2,937,027
Renovations	14,570,815	1,895,734	-	16,466,549
Right-of-use assets (1)	1,162,801	1,664,260	-	2,827,061
Scientific equipment	7,665,656	549,857	(16,570)	8,198,943
Work in progress	-	-	-	-
	46,020,528	5,955,612	(160,193)	51,815,947

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

4. PROPERTY, PLANT AND EQUIPMENT (PPE) (CONTINUED)

GROUP

	2022	2021
Carrying amount	**RM**	**RM**
AV equipment	430,808	168,670
Book and video	13,202	9,981
Buildings	2,856,332	2,917,790
Computers	1,044,553	1,075,500
Furniture and fittings	657,281	965,362
Motor vehicles	305,904	314,407
Office equipment	436,483	457,516
Renovations	3,110,432	3,972,808
Right-of-use assets (1)	5,816,149	5,313,647
Scientific equipment	887,740	1,100,887
Work in progress	37,999	61,658
	15,596,883	16,358,226

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

4. PROPERTY, PLANT AND EQUIPMENT (PPE) (CONTINUED)

INSTITUTE
2022

Cost	As at 01/01/2022 RM	Addition RM	Disposal / Written off / Transfer * RM		As at 31/12/2022 RM
AV equipment	1,791,336	329,434	(20,900)		2,099,870
Book and video	2,479,313	7,806	-		2,487,119
Buildings	3,072,889	-	-		3,072,889
Computers	9,520,339	424,040	(899,301)		9,045,078
Furniture and fittings	6,033,213	85,108	(35,326)		6,082,995
Motor vehicles	3,483,928	200,474	(136,029)		3,548,373
Office equipment	3,361,780	183,422	(136,078)		3,409,124
Renovations	20,253,839	1,046,781	-		21,300,620
Right-of-use assets (1)	8,140,708	2,673,454	(215,224)		10,598,938
Scientific equipment	9,299,830	253,956	(234,919)		9,318,867
Work in progress	61,658	97,872	(121,531)	*	37,999
	67,498,833	5,302,347	(1,799,308)		71,001,872

Accumulated depreciation	As at 01/01/2022 RM	Charge for the year RM	Disposal / Written off RM	As at 31/12/2022 RM
AV equipment	1,638,717	68,590	(20,900)	1,686,407
Book and video	2,469,332	4,585	-	2,473,917
Buildings	155,099	61,458	-	216,557
Computers	8,529,923	443,681	(899,301)	8,074,303
Furniture and fittings	5,124,889	390,164	(35,325)	5,479,728
Motor vehicles	3,169,521	208,976	(136,028)	3,242,469
Office equipment	2,912,236	204,851	(136,077)	2,981,010
Renovations	16,365,825	1,881,887	-	18,247,712
Right-of-use assets (1)	2,827,061	2,103,942	(53,805)	4,877,198
Scientific equipment	8,198,943	467,099	(234,915)	8,431,127
Work in progress	-	-	-	-
	51,391,546	5,835,233	(1,516,351)	55,710,428

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

4. PROPERTY, PLANT AND EQUIPMENT (PPE) (CONTINUED)

INSTITUTE
2021

Cost	As at 01/01/2021 RM	Addition RM	Disposal / Written off / Transfer * RM	As at 31/12/2021 RM
AV equipment	1,755,611	35,725	-	1,791,336
Book and video	2,479,313	-	-	2,479,313
Buildings	3,072,889	-	-	3,072,889
Computers	9,467,742	181,545	(128,948)	9,520,339
Furniture and fittings	5,883,472	162,638	(12,897)	6,033,213
Motor vehicles	3,483,928	-	-	3,483,928
Office equipment	3,303,174	60,406	(1,800)	3,361,780
Renovations	19,148,316	1,105,523	-	20,253,839
Right-of-use assets (1)	6,808,229	1,332,479	-	8,140,708
Scientific equipment	9,167,363	149,038	(16,571)	9,299,830
Work in progress	323,145	617,440	(878,927) *	61,658
	64,893,182	3,644,794	(1,039,143)	67,498,833

Accumulated depreciation	As at 01/01/2021 RM	Charge for the year RM	Disposal / Written off RM	As at 31/12/2021 RM
AV equipment	1,577,431	61,286	-	1,638,717
Book and video	2,461,352	7,980	-	2,469,332
Buildings	93,641	61,458	-	155,099
Computers	8,200,505	458,361	(128,943)	8,529,923
Furniture and fittings	4,676,236	461,533	(12,880)	5,124,889
Motor vehicles	2,668,413	501,108	-	3,169,521
Office equipment	2,674,850	239,186	(1,800)	2,912,236
Renovations	14,496,726	1,869,099	-	16,365,825
Right-of-use assets (1)	1,162,801	1,664,260	-	2,827,061
Scientific equipment	7,665,656	549,857	(16,570)	8,198,943
Work in progress	-	-	-	-
	45,677,611	5,874,128	(160,193)	51,391,546

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

4. PROPERTY, PLANT AND EQUIPMENT (PPE) (CONTINUED)

INSTITUTE

Carrying amount	2022 RM	2021 RM
AV equipment	413,463	152,619
Book and video	13,202	9,981
Buildings	2,856,332	2,917,790
Computers	970,775	990,416
Furniture and fittings	603,267	908,324
Motor vehicles	305,904	314,407
Office equipment	428,114	449,544
Renovations	3,052,908	3,888,014
Right-of-use assets (1)	5,721,740	5,313,647
Scientific equipment	887,740	1,100,887
Work in progress	37,999	61,658
	15,291,444	16,107,287

(1) The detail of right-of-use assets ("ROU") as follows:

GROUP

Cost	As at 01/01/2022 RM	Addition RM	Disposal / Written off RM	As at 31/12/2022 RM
Buildings	8,140,708	1,198,342	(215,224)	9,123,826
Motor vehicles	-	1,588,403	-	1,588,403
	8,140,708	2,786,745	(215,224)	10,712,229

Accumulated depreciation	As at 01/01/2022 RM	Charge for the year RM	Disposal / Written off RM	As at 31/12/2022 RM
Buildings	2,827,061	1,866,653	(53,805)	4,639,909
Motor vehicles	-	256,171	-	256,171
	2,827,061	2,122,824	(53,805)	4,896,080

Carrying amount	2022 RM	2021 RM
Buildings	4,483,917	5,313,647
Motor vehicles	1,332,232	-
	5,816,149	5,313,647

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

4. PROPERTY, PLANT AND EQUIPMENT (PPE) (CONTINUED)

(1) the detail of right-of-use assets ("ROU") as follows (Continued):

INSTITUTE

Cost	As at 01/01/2022 RM	Addition RM	Disposal / Written off RM	As at 31/12/2022 RM
Buildings	8,140,708	1,198,342	(215,224)	9,123,826
Motor vehicles	-	1,475,112	-	1,475,112
	8,140,708	2,673,454	(215,224)	10,598,938

Accumulated depreciation	As at 01/01/2022 RM	Charge for the year RM	Disposal / Written off RM	As at 31/12/2022 RM
Buildings	2,827,061	1,866,653	(53,805)	4,639,909
Motor vehicles	-	237,289	-	237,289
	2,827,061	2,103,942	(53,805)	4,877,198

Carrying amount	2022 RM	2021 RM
Buildings	4,483,917	5,313,647
Motor vehicles	1,237,823	-
	5,721,740	5,313,647

The Group and the Institute has elected not to recognise right-of-use asset and lease liability for a short-term lease that has a lease term below twelve (12) months and leases of low-value assets. The Group and the Institute recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

5. INVESTMENT IN SUBSIDIARY

	Institute 2022 RM	Institute 2021 RM
Unquoted share at cost		
- in Malaysia	3,500,000	3,500,000

(a) Investments in subsidiary, which are eliminated on consolidation, are stated in the separate financial statements of the Institute at cost less impairment losses, if any.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

5. INVESTMENT IN SUBSIDIARY (CONTINUED)

(b) The details of the subsidiary incorporated in Malaysia are as follows:-

Name of subsidiary	**Principal activities**	**Effective equity interest (%)**	
		2022	**2021**
NIOSH Certification Sdn. Bhd.	Providing comprehensive range of Management System Certification and related services including but not limited to registration, auditing, checking, inspection, training and product testing that conform to Management System Standard, code of pratice, guidlines, laws and other related thereto.	100%	100%

(c) The non-trade balances due from subsidiary is unsecured, interest free and recoverable on demand while trade balances are repayable within normal credit terms.

6. INVESTMENT

	Group	
		As Restated
	2022	**2021**
	RM	**RM**
Placements of funds in		
- Institutional investment company	215,497	502,147

The Group placed funds in institutional investment accounts maintained with a subsidiary of Malaysian trustee company, wholly-owned by the Government of Malaysia.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

7. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	Group		Institute	
	2022	2021	2022	2021
	RM	RM	RM	RM
Trade receivables (a)	14,617,461	13,976,117	12,116,132	11,792,667
Less: Allowance for expected credit losses*	(31,949)	(31,949)	(31,949)	(31,949)
	14,585,512	13,944,168	12,084,183	11,760,718
Non trade receivables	392,297	340,362	349,974	309,598
Deposits	694,669	589,159	660,872	572,269
Prepayment	2,294,944	3,138,339	2,100,135	2,915,460
GST receivables	-	9,516	-	-
	17,967,422	18,021,544	15,195,164	15,558,045

*Allowance for expected credit losses:

At 1 January	31,949	31,949	31,949	31,949
Additions	-	-	-	-
Written off	-	-	-	-
At 31 December	31,949	31,949	31,949	31,949

(a) The Group's and the Institute's normal trade credit terms range from cash terms to 30 (2021 - cash terms to 30) days. Other credit terms are assessed and approved on a case-by-case basis.

(b) Included in trade receivables of the Institute is a trade related amount of RM310,436 (2021: RM267,974) which due from subsidiary company.

Also included in trade receivables of the Group of RM7,391,492 (2021: RM5,165,075) and of the Institute of RM6,982,747 (2021: RM5,520,916) respectively owing by related parties which are also agencies under the Ministry of Human Resources.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

8. CASH AND CASH EQUIVALENTS

	Group		Institute	
		As Restated		
	2022	2021	2022	2021
	RM	RM	RM	RM
Cash in hand	43,000	28,390	39,000	28,015
Bank balances	7,830,821	6,272,460	7,572,244	5,932,787
Placements with licensed financial institutions (a)	41,185,224	34,415,837	41,077,386	34,308,020
Placements of funds in institutional trust accounts (b)	133,161,689	126,841,270	133,161,689	126,841,270
	182,220,734	167,557,957	181,850,319	167,110,092

(a) Placements with licensed financial institutions

The profit rates for the fixed deposits placed with licensed financial institutions range from 2.25% to 4.20% (2021: 2.25% to 4.20%) for the Group and the Institute per annum.

Include in placements with licensed financial institutions of the Institute with an amount of RM5,990 (2021: RM5,882) is pledged for facilities granted to the Institute from Minister of Health.

(b) Placements of funds in institutional trust accounts

The Institute placed funds in institutional trust accounts maintained with a Malaysian trustee company wholly-owned by the Government of Malaysia. The trustee acts as a fiduciary agent on behalf of the Institute for the purpose of administration and management of institute funds (under Syariah contract) specifically cash which will be invested for the benefit of the institute as established in the Trust Deed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

9. LEASE LIABILITIES

	Group		Institute	
	2022	2021	2022	2021
	RM	RM	RM	RM
Lease libilities included in the financial position				
At beginning of financial year	5,305,640	5,532,247	5,305,640	5,532,247
Additions during the financial year	2,786,745	1,263,379	2,673,454	1,263,379
	8,092,385	6,795,626	7,979,094	6,795,626
Less:				
Payment of lease liabilities	(2,019,071)	(1,489,986)	(2,005,277)	(1,489,986)
Adjustment for rent concession	(161,419)	-	(161,419)	-
At end of the financial year	5,911,895	5,305,640	5,812,398	5,305,640
Current	1,936,854	1,635,939	1,899,164	1,635,939
Non-current	3,975,041	3,669,701	3,913,234	3,669,701
	5,911,895	5,305,640	5,812,398	5,305,640
Maturity analysis - contractual undiscounted cash flows				
Less than one year	2,184,446	1,816,534	2,138,846	1,816,534
Between one and five years	4,369,550	4,084,738	4,301,150	4,084,738
Total undiscounted lease liabilities at 31 December	6,553,996	5,901,272	6,439,996	5,901,272
Amount recognised in profit or loss				
Expenses relating to lease of low-value asset, excluding term leases of low-value assets	983,172	-	983,172	-
Amount disclosed in the statement of cash flows				
Interest on lease liabilities	256,283	230,458	247,277	230,458
Payment of lease liabilities	2,019,071	1,489,986	2,005,277	1,489,986

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

10. PAYABLES AND ACCRUALS

	Group		Institute	
		As Restated		As Restated
	2022	2021	2022	2021
	RM	RM	RM	RM
Trade payables (a)	3,018,419	3,569,620	2,775,479	3,264,558
Non-trade payables	39,047	33,413	-	-
Accruals	4,555,280	1,812,843	4,438,693	1,803,652
SST Payables	1,273,890	1,165,014	1,072,976	1,010,348
	8,886,636	6,580,890	8,287,148	6,078,558

(a) The normal trade credit term granted to the Group and the Institute is 30 (2021 - 30) days.

Included in trade payables of the Institute is a trade related amount of RM13,730 (2021: RM27,771) which due from subsidiary company.

11. CONTRACT LIABILITIES

	Group and Institute	
		As Restated
	2022	2021
	RM	RM
Courses fees	828,296	1,538,658
Examinations fees	520,369	589,015
Memberships	28,100	29,486
	1,376,765	2,157,159
Others	316,752	325,515
	1,693,517	2,482,674

Contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognised when the performance obligation has been satisfied.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

11. CONTRACT LIABILITIES (CONTINUED)

Detail movement of contract liabilities recognised as revenue is as follows:

	Group and Institute	
	2022	2021
	RM	RM
As at 1 January	2,157,159	2,650,797
Received during the financial year	21,810,426	15,580,246
Recognised as revenue during the financial year	(22,590,820)	(16,073,884)
As at 31 December	1,376,765	2,157,159

12. GOVERNMENT GRANTS

	Group and Institute	
		As Restated
	2022	2021
	RM	RM
As at 1 January	6,841,360	8,084,758
Received during the financial year	6,511,214	3,000,000
Utilised during the financial year	(6,410,395)	(4,243,398)
As at 31 December	6,942,179	6,841,360

As presented in the financial position:

	Group and Institute	
		As Restated
	2022	2021
	RM	RM
Non-current liabilities	3,186,836	6,841,360
Current liabilities	3,755,343	-
	6,942,179	6,841,360

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

12. GOVERNMENT GRANTS (CONTINUED)

The grant comprised of :-

	Group and Institute	
		As Restated
	2022	2021
	RM	RM
Non-current liabilities:		
Grant from "Rancangan Malaysia Ke-10" (RMK10)	1,395,904	1,395,904
Grant from RMK11	384,235	4,202,456
Grant from RMK12	1,406,697	1,243,000
Current liabilities:		
Grant from Malaysian Indian Transformation Unit (MITRA)	3,755,343	-
	6,942,179	6,841,360

Government grants are recognised initially at their fair values in the statement of financial position where there is reasonable assurance that the grants will be received and all conditions attached will be complied.

13. REVENUE

i. Revenue from contracts with customers are comprise:

	Group		Institute	
	2022	2021	2022	2021
	RM	RM	RM	RM
Courses	72,985,000	46,288,408	72,242,116	45,057,169
Consultancy	1,735,427	5,898,744	1,735,427	2,230,533
Examination, assessment and certification	25,082,852	11,544,105	19,979,749	11,544,105
Hostel and rental facilities	716,129	186,206	716,129	186,206
Information dissemination	2,076,963	371,520	2,076,963	371,520
	102,596,371	64,288,983	96,750,384	59,389,533

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

13. REVENUE (CONTINUED)

ii. Timing of revenue recognition:

	Group		Institute	
		As Restated		
	2022	2021	2022	2021
	RM	RM	RM	RM
- at a point in time	102,596,371	64,288,983	96,750,384	59,389,533

(1) Performance obligations

Performance obligations of the revenue are disclosed in Note 3(i) to the financial statements

14. OTHER INCOME

	Group		Institute	
	2022	2021	2022	2021
	RM	RM	RM	RM
Profit/Interest income	926,877	774,068	913,507	764,104
Membership fee income	80,100	66,362	80,100	66,362
Dividend from trust account	6,585,366	6,272,948	6,585,366	6,272,948
Other miscellaneous income	214,549	66,184	209,613	65,629
	7,806,892	7,179,562	7,788,586	7,169,043

Profit/Interest income is recognised based on an effective yield basis and dividend from trust account recognised when the right to receive dividend payment is established.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

15. OPERATING AND ADMINISTRATIVE EXPENSES

Included in operating and administrative expenses are:

	Group		Institute	
	2022	2021	2022	2021
	RM	RM	RM	RM
Audit fee	66,000	30,500	60,000	25,000
Depreciation of:				
- property, plant and equipment	3,815,307	4,291,352	3,731,291	4,209,868
- right-of-use assets	2,122,824	1,664,260	2,103,942	1,664,260
Directors' allowances	668,198	742,150	630,398	698,050
Directors' remuneration	580,057	566,085	580,057	566,085
Rental of equipment	995,757	1,028,131	918,802	945,901
Rental of motor vehicles	541,494	712,826	509,213	708,090
Rental of premises	523,002	723,166	508,202	723,166
Staff costs (Note 18)	35,473,476	29,967,992	32,552,606	27,247,803

16. FINANCE EXPENSES

Finance expenses is as follows:

	Group		Institute	
	2022	2021	2022	2021
	RM	RM	RM	RM
Interest on lease liabilities	256,283	230,458	247,277	230,458

17. TAXATION

	Group		Institute	
	2022	2021	2022	2021
	RM	RM	RM	RM
Tax payable:				
- Current year	221,080	83,058	221,080	83,058
- Overprovision in prior year	(77,361)	-	(79,237)	-
	143,719	83,058	141,843	83,058

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

17. TAXATION (CONTINUED)

The significant differences between the income tax expense and accounting surplus multiplied by the applicable tax rate, is analysed as follows:

	Group		Institute	
	2022	2021	2022	2021
	RM	RM	RM	RM
Surplus before tax	11,595,918	502,187	11,771,449	478,146
Taxation at effective tax rate of 24%	2,783,021	120,525	2,825,148	114,765
Expenses not deductable for tax purpose	1,074,690	780,916	1,038,131	767,395
Other income not subject to tax	(1,802,938)	(1,712,261)	(1,799,729)	(1,712,261)
Deferred tax not provided	8,777	913,159	-	913,159
Utilisation of deferred tax not provided	(1,842,470)	(19,281)	(1,842,470)	-
Overprovision of tax payable prior year	(77,361)	-	(79,237)	-
Effective tax expense	143,719	83,058	141,843	83,058

The Institute has unutilised capital allowances and unabsorbed business losses of approximately RM2,559,930 (2021: RM7,837,092) and RM7,368,141 (2021: RM7,368,141) respectively to set off against future taxable surplus subject to no substantial change in shareholdings under sections 44(5A) and 5(B) of the Income Tax Act, 1967 and guidelines issued by the tax authority.

The Ministry of Finance via the Budget 2022 announced that with effect from year of assessment 2019, the carry forward of unutilised business losses can now be carried forward for a maximum period of ten (10) consecutive years of assessment effective from year assessment 2019.

The untilised tax losses will expire in accordance with section 44(5F) of the Income Tax Act 1967 approximately are as follows:

	Institute	
	2022	2021
	RM	RM
Year of assessment		
2030	6,456,808	6,456,808
2031	911,333	911,333
	7,368,141	7,368,141

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

17. TAXATION (CONTINUED)

The following deferred tax has not been provided in the financial statements arising from:-

	Group		Institute	
	2022	2021	2022	2021
	RM	RM	RM	RM
Property, plant and equipment	(2,209,500)	(3,884,580)	(2,204,300)	(3,888,200)
Unabsorbed tax losses	(1,641,880)	(1,894,720)	(1,768,300)	(1,768,354)
	(3,851,380)	(5,779,300)	(3,972,600)	(5,656,554)

18. STAFF COSTS

	Group		Institute	
	2022	2021	2022	2021
	RM	RM	RM	RM
Salaries, bonus and allowances	27,978,539	23,654,827	25,614,627	21,430,198
Defined contribution plan	3,716,783	3,533,834	3,394,076	3,219,177
Employment Insurance System	35,548	33,365	32,635	30,587
Social Security Organisation	311,951	293,000	285,957	268,702
Other employee benefits	3,430,655	2,452,966	3,225,311	2,299,139
	35,473,476	29,967,992	32,552,606	27,247,803

The numbers of employee (including executive Directors) of the Group and of the Institute at the end of the year were 426 (2021: 420) and 390 (2021: 383).

Included in employee benefits is the key management personnel compensation as shown in Note 19(a).

19. SIGNIFICANT RELATED PARTY DISCLOSURES

For the purpose of these financial statements, parties are considered to be related to the Institute if the Institute has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Institute and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel defined are those persons including directors having authority and responsibility for planning, directing and controlling the activities of the Institute, directly or indirectly.

19. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

The Directors are of the opinion that the related party transactions have been entered into the normal course of business and are based on normal trade terms. All the amounts outstanding are unsecured and are expected to be settled with cash.

The Institute is a company limited by guarantee which is being administered by the Board members, which is 2/3 of Board members will be appointed by Minister Responsible for the Institute which is controlled by Government of Malaysia. Entities that are directly controlled by the Government of Malaysia are collectively referred to as government-related entities to the Institute. The Government of Malaysia and bodies controlled or jointly controlled by the Government of Malaysia are related parties of the Institute.

The Institute enters into transactions with many of these bodies, which include but are not limited to purchasing of goods, including use of public utilities and amenities, and the placing of deposits.

All the transactions entered into by the Institute with the government-related entities are conducted in the ordinary course of the Institute's business on negotiated terms or terms comparable to those with the other entities that are not government-related.

There are no other significant transactions with the Directors and the key management personnel of the Institute other than the remuneration package in accordance with the terms and conditions of the appointment of the Directors and key management personnel during the financial year other than as follows:

(a) Key management's remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Institute either directly or indirectly.

The remunerations of the key management personnel for the financial year are as follows:

	Group		Institute	
	2022	**2021**	**2022**	**2021**
	RM	**RM**	**RM**	**RM**
Salaries, bonus and allowances	1,151,292	1,046,766	723,370	662,885
Defined contribution plan	186,972	165,277	120,918	104,767
Employment Insurance System	412	190	206	190
Social Security Organisation	3,596	3,314	1,798	1,657
Other employee benefits	11,521	13,581	6,521	6,381
	1,353,793	1,229,128	852,813	775,880

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

19. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

(b) Related party transactions are disclosed below:

	Institute 2022 RM	2021 RM
Revenue:		
Revenue rendered to subsidiary company	43,412	268,969
Cost of sales:		
Service charged by holding company	187,173	164,776

These transactions are transacted in the normal course of business under normal commercial terms.

The outstanding balances and the terms of settlement are disclosed in Notes 5, 7 and 10 to the financial statements, respectively.

20. FINANCIAL INSTRUMENTS

20.1 Categories of financial instruments

A financial instrument is any contract that gives rise to both a financial asset of the one entity and a financial liablitity or equity instrument of another entity.

GROUP	Financial assets at FV through OCI RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Carrying Amount RM
2022				
Financial assets				
Receivables and deposits	-	15,672,478	-	15,672,478
Investments	215,497	-	-	215,497
Cash and cash equivalents	-	182,220,734	-	182,220,734
Total financial assets	215,497	197,893,212	-	198,108,709
Financial liabilities				
Payables and accruals	-	-	(7,612,746)	(7,612,746)
Contract liabilities	-	-	(1,693,517)	(1,693,517)
Total financial liabilities	-	-	(9,306,263)	(9,306,263)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

20. FINANCIAL INSTRUMENT (CONTINUED)

20.1 Categories of financial instruments (Continued)

GROUP	Financial assets at FV through OCI RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Carrying Amount RM
2021				
Financial assets				
Receivables and deposits	-	14,873,689	-	14,873,689
Investments	502,147	-	-	502,147
Cash and cash equivalents	-	167,557,957	-	167,557,957
Total financial assets	502,147	182,431,646	-	182,933,793
Financial liabilities				
Payables and accruals	-	-	(5,415,876)	(5,415,876)
Contract liabilities	-	-	(2,482,674)	(2,482,674)
Total financial liabilities	-	-	(7,898,550)	(7,898,550)

INSTITUTE	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Carrying Amount RM
2022			
Financial assets			
Receivables and deposits	13,095,029	-	13,095,029
Amount due from subsidiary	251,563	-	251,563
Cash and cash equivalents	181,850,319	-	181,850,319
Total financial assets	195,196,911	-	195,196,911
Financial liabilities			
Payables and accruals	-	(7,214,172)	(7,214,172)
Contract liabilities	-	(1,693,517)	(1,693,517)
Total financial liabilities	-	(8,907,689)	(8,907,689)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

20. FINANCIAL INSTRUMENT (CONTINUED)

20.1 Categories of financial instruments (Continued)

INSTITUTE	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Carrying Amount RM
2021			
Financial assets			
Receivables and deposits	12,642,576	-	12,642,576
Amount due from subsidiary	239,508	-	239,508
Cash and cash equivalents	167,110,092	-	167,110,092
Total financial assets	179,992,176	-	179,992,176
Financial liabilities			
Payables and accruals	-	(5,068,210)	(5,068,210)
Contract liabilities	-	(2,482,674)	(2,482,674)
Total financial liabilities	-	(7,550,884)	(7,550,884)

20.2 Financial risk management

The Group and the Institute is exposed to a variety of financial risks arising from its operations. The key financial risks included credit risk, liquidity risk and interest rate risk. The Group and the Institute operates within clearly defined guidelines that are approved by the Board and the Group's and the Institute's policy is not engage in speculative activities.

20.3 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group and the Institute. The Institute's exposure to credit risk arises principally from its trade receivables, trade related amount due from/to its subsisiary company and advances to subsidiary company.

20.3.1 Trade receivables

The Group and the Institute extends credit terms to the customers that range between 30 to 60 days. Credit term extended to its customers is based on careful evaluation on the customers' financial condition and payment history. Receivables are monitored on an ongoing basis via Group's and Institute's management reporting procedures and action will be taken for long outstanding debts.

The maximum exposure to credit risk arising from trade receivables is represented by the carrying amount in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

20. FINANCIAL INSTRUMENT (CONTINUED)

20.3.1 Trade receivables (Continued)

The ageing analysis of trade receivables of the Group and the Institute as at the end of the reporting period is as follows:

		Allowance for impairment losses		
	Gross carrying amount RM	ECL (Collectively assessed) RM	ECL (Individually assessed) RM	Net balance RM
GROUP				
2022				
Neither past due	4,096,907	-	-	4,096,907
Past due 0-30 days	2,504,988	-	-	2,504,988
Past due 31-60 days	1,154,267	-	-	1,154,267
Past due more than 61 days	6,861,299	-	(31,949)	6,829,350
	14,617,461	-	(31,949)	14,585,512

		Allowance for impairment losses		
	Gross carrying amount RM	ECL (Collectively assessed) RM	ECL (Individually assessed) RM	Net balance RM
GROUP				
2021				
Neither past due	5,747,252	-	-	5,747,252
Past due 0-30 days	2,278,557	-	-	2,278,557
Past due 31-60 days	832,055	-	-	832,055
Past due more than 61 days	5,118,253	-	(31,949)	5,086,304
	13,976,117	-	(31,949)	13,944,168

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

20. FINANCIAL INSTRUMENT (CONTINUED)

20.3.1 Trade receivables (Continued)

	Gross carrying amount RM	Allowance for impairment losses ECL (Collectively assessed) RM	ECL (Individually assessed) RM	Net balance RM
INSTITUTE				
2022				
Neither past due	3,321,426	-	-	3,321,426
Past due 0-30 days	1,793,028	-	-	1,793,028
Past due 31-60 days	602,115	-	-	602,115
Past due more than 61 days	6,399,563	-	(31,949)	6,367,614
	12,116,132	-	(31,949)	12,084,183
INSTITUTE				
2021				
Neither past due	4,871,926	-	-	4,871,926
Past due 0-30 days	1,835,389	-	-	1,835,389
Past due 31-60 days	599,755	-	-	599,755
Past due more than 61 days	4,485,597	-	(31,949)	4,453,648
	11,792,667	-	(31,949)	11,760,718

Trade receivables that are neither past due nor impaired are creditworthy customers with good payment record with the Group and the Institute. None of the Group's and Institute's trade receivables that are neither pass due nor impared has been renegotiated during the financial year.

The Group has trade receivables amounting to RM10,488,605 (2021: RM8,196,916) and the Institute has trade receivables amounting to RM8,762,757 (2021 : RM6,888,792) that are past due but not impared as at end of the reporting period as the management is of the view that these debts will be collected in due course.

The Group has significant concentration of credit risk in the form of outstanding balance due to from 3 customers (2021: 3 customers) representing 50% (2021: 40%) of total trade receivables.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

20. FINANCIAL INSTRUMENT (CONTINUED)

20.3.1 Trade receivables (Continued)

Maximum exposure to credit risk

In managing the credit risk of the trade receivables, the Group and the Institute manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. The Group and the Institute measures the allowance for the expected credit losses of trade receivables at an amount equal to lifetime ECL using a simplified approach. The expected credit losses on trade receivables are estimated based past default experience and an analysis of the trade receivables' current financial position, adjusted for factors that are specific to the trade receivables such as liquidation and bankcruptcy. Forward looking information such as country risk assessment has been incorporated in determining the expected credit losses.

Trade receivables are usually collectible and the Group and the Institute does not have much historical bad debts written off or allowance for expected credit losses on trade receivables. There are circumtances where the settlement of trade receivables will take longer than the credits terms given to the customers. The delay in settlement is mainly due to administrative matter. No expected credit losses is provided during the financial year based on the above assessment as the impact to the Group's and the Institite's financial statements is not material.

20.3.2 Intercompany balances

The Institute has trade related amount due from/due to its subsidiary company and also advance to its subsidiary company. The Institute monitors the results of the subsidiary company regularly.

The maximum exposure to credit risk is represented by the carrying amount in the settlement of financial postion.

As at the end of the reporting period, there was no indication that the amount due from/to its subsidiary company are not recoverable. The Institute does not specifically monitor the ageing of these advances.

20.3.3 Liquidity risk

Liquidity risk is the risk that the Group and the Institute will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Institute exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Institute objective is to maintain a continuity of funding.

The maturity profile of the Group's and the Institute liabilities at the reporting date based on contractual undiscounted repayment obligations are all due on demand or within one-to-one year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

21. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

In respect of financial instruments classified under current assets and current liabilities, the carrying amounts approximate fair value due to relatively short term of these financial instruments.

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy :

GROUP	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Total fair value RM	Carrying amount RM
					-	
31.12.2022						
Investments						
Syariah trust funds	215,497	-	-	215,497	215,497	215,497
31.12.2021						
Investments						
Syariah trust funds	502,147	-	-	502,147	502,147	502,147

Level 1 fair value

Level 1 fair value of the investments is derived by reference to their market value at the end of reporting period.

Sensitivity analysis of investment funds

As the the Group neither have the intention, nor historical trend of active trading in these financial instruments, the Directors are of the opinion that the Group are not subject to significant exposure to price risk and accordingly, no sensitivity analysis is being presented at the end of each reporting period.

There is no transfer between levels in the hierarchy during the financial year.

22. CAPITAL MANAGEMENT

The Group's and the Institute's objective when managing capital is to maintain a strong capital base, so as to sustain their training activities. There were no changes in the Group's and the Institute's approach to capital management during the financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

23. CAPITAL COMMITMENTS

Capital commitments

	Group and Institute	
	2022	**2021**
	RM	**RM**
Capital expenditure in respect of purchase of property, plant and equipment:		
Contract but not provided	37,999	67,171

24. COMPARATIVE FIGURES

During the financial year, the certain comparative figure for the Group and the Institute has been restated accordingly due to changes in accounting policies and to conform with current year presentation, are as a follows:

GROUP

	As Previously Reported	Adjustments	As Restated
	2021	**2021**	**2021**
	RM	**RM**	**RM**
STATEMENT OF FINANCIAL POSITION			
Current Assets			
Investment at amortised costs	-	502,147	502,147
Cash and cash equivalents	168,060,104	(502,147)	167,557,957
Non-Current Liabilities			
Government grants	-	6,841,360	6,841,360
Current Liabilities			
Payables and accruals	15,904,924	(9,324,034)	6,580,890
Contract liabilities	-	2,482,674	2,482,674

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

24. COMPARATIVE FIGURES (CONTINUED)

INSTITUTE

	As Previously Reported 2021 RM	Adjustments 2021 RM	As Restated 2021 RM
STATEMENT OF FINANCIAL POSITION			
Non-Current Liabilities			
Government grants	-	6,841,360	6,841,360
Current Liabilities			
Payables and accruals	15,402,592	(9,324,034)	6,078,558
Contract liabilities	-	2,482,674	2,482,674

The statement of cash flows and relevant notes to the financial statements supporting the above statement of financial position had also been restated accordingly.

25. SIGNIFICANT EVENTS

COVID – 19 Pandemic

Prime Minister of Malaysia Datuk Seri Ismail Sabri Yaakob announced on 8 March 2022, that Malaysia is entering into the “Transition to Endemic” phase of Covid-19 on 1 April 2022. The transition is referring to Malaysians returning to near-normal life before the endemic phase is officially announced by the World Health Organisation (WHO).

As the global economy is still recouping, the light Covid-19 rules and standard operating procedures (SOPs) implemented in Malaysia are expected to allow the economy gradually recovers.

Registration No : 200401002719 (641222-K)

NIOSH CERTIFICATION SDN BHD

(Incorporated in Malaysia)

REPORT AND FINANCIAL STATEMENTS
31 DECEMBER 2022

CONTENTS

CORPORATE INFORMATION

BOARD OF DIRECTORS

TUAN HAJI AYOP BIN SALLEH
DATUK HAJI SHAMSUDDIN BIN BARDAN
DR. SHARUDIN BIN SHARI
THOMAS BALAN BANG
TUAN HAJI NIK HASBI FATHI BIN NIK HUSAIN FATHI
DATUK HAJAH ROSMAWATI BINTI HJ LASUKI

SECRETARY

ROZIAH BINTI ABDUL RASHID	(LS 0009048)
NURUL NADIAH BINTI MOHD ABD RASID	(MIA 44423)

REGISTERED OFFICE AND PRINCIPAL PLACE OF BUSINESS

7TH FLOOR, NIOSH TOWER
LOT 1, JALAN 15/1, SECTION 15
43650 BANDAR BARU BANGI
SELANGOR DARUL EHSAN

AUDITORS

MSA & CO (AF 002143)
Chartered Accountants

PRINCIPAL BANKER

MAYBANK ISLAMIC BERHAD
CIMB ISLAMIC BANK BERHAD
BANK KERJASAMA RAKYAT MALAYSIA BERHAD

DIRECTORS' REPORT

The Directors hereby submit their report together with the audited financial statements of the Company for the financial year ended 31 December 2022.

DIRECTORS

The Directors who held in office during the financial year and up to the date of this report are as follows:

Tuan Haji Ayop Bin Salleh
Datuk Haji Shamsuddin Bin Bardan
Datuk Dr. Chong Chee Kheong (Resigned on 14/11/2022)
Dr. Sharudin Bin Shari
Thomas Balan Bang (Appointed on 14/11/2022)
Tuan Haji Nik Hasbi Fathi Bin Nik Husain Fathi
Datuk Hajah Rosmawati Binti Hj Lasuki

PRINCIPAL ACTIVITIES

The principal activities of the Company are to provide a comprehensive range of Management System Certification services and related services including but not limited to registration, auditing, checking, inspection, training and product testing that confirm to Management System Standards, code of practice, guidelines, laws and other related thereto.

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

FINANCIAL RESULTS

	2022 RM
Net profit for the financial year before taxation	102,040
Taxation	(1,876)
Net profit for the financial year after taxation	100,164

RESERVES AND PROVISIONS

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

DIRECTORS' REPORT
(Continued)

ISSUE OF SHARES AND DEBENTURES

The Company has not issued any shares or debentures during the financial year under review.

There were no share options granted during the financial year or unissued shares under option at the end of the financial year in respect of shares in the Company.

DIRECTORS' BENEFITS

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

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than a benefit as disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the 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 as shown in Note 19.

DIRECTORS' INTEREST

According to the register required to be kept under Section 59 of the Companies Act, 2016, none of the Directors who held office at the end of the financial year had interests in the shares of the Company.

DIVIDENDS

No dividends have been paid or declared by the Company since the date of last report and the Directors do not recommend any dividend payment in respect of the current financial year.

DIRECTORS' REMUNERATION

Details of Directors' remuneration are set out in Note 14 to the financial statements.

AUDITORS' REMUNERATION

Details of auditors' remuneration are set out in Note 14 to the financial statements.

INDEMNIFYING DIRECTORS, OFFICERS OR AUDITORS

No indemnities have been given to or insurance effected for, during or since the end of the financial year, any person who is or has been the director, officer or auditor of the Company other than an indemnity given to key management personnel of the Company.

DIRECTORS' REPORT
(Continued)

OTHER STATUTORY INFORMATION

Before the financial statements of the Company were made out, 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 provision for doubtful debts and satisfied themselves that all known bad debts had been written off and adequate provision had been made for doubtful debts, and

ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might been expected so to realise.

At the date of this report, the directors are not aware of any circumstances:

i) which would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Company inadequate to any substantial extent; and

ii) which would render the values attributed to current assets in the financial statements of the Company misleading, or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate, or

iv) not otherwise dealt with in this report or the financial statements which would render any amounts stated in the financial statements of the Company misleading.

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.

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 financial year which will or may affect the ability of the Company to meet its obligations when they fall due; and

ii) no item, transaction or event of a material and unusual nature has risen in the interval between the end of the financial year and at the date of this report which is likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

HOLDING COMPANY

As at the date of this report, the directors regard NATIONAL INSTITUTE OF OCCUPATIONAL SAFETY AND HEALTH (Company No.: 199201011539 (243042 - U)), a company incorporated in Malaysia as its holding company, which is also regarded by the directors as the ultimate holding company.

DIRECTORS' REPORT
(Continued)

AUDITORS

The auditors, Messrs. MSA & Co (AF 002143), have expressed their willingness to accept appointment as auditors.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS

AYOP BIN SALLEH
Chairman

SHARUDIN BIN SHARI
Director

Selangor

Dated: 27 March 2023

STATEMENT BY DIRECTORS

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

We, the undersigned being two of the Directors of **NIOSH CERTIFICATION SDN. BHD**., do hereby state on behalf of the Board of Director that in our opinion, the accompanying financial statements which comprise the statement of financial position as at 31 December 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the state of affairs of the Company as at 31 December 2022 and of the results of its operations and of the cash flows of Company for the year ended on that date.

AYOP BIN SALLEH
Chairman

SHARUDIN BIN SHARI
Director

Selangor

Dated: 27 March 2023

STATUTORY DECLARATION

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

I, **AYOP BIN SALLEH**, being the Director primarily responsible for the accounting records and financial management of **NIOSH CERTIFICATION SDN. BHD.**, do solemnly and sincerely declare that the accompanying financial statements which comprise the statement of financial position as at 31 December 2022, and the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows for the year then ended, and notes to the financial statements are, to the best of my knowledge and belief, 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)
AYOP BIN SALLEH)
at **Selangor**)
on **27 March 2023**)

AYOP BIN SALLEH
(NRIC: 640518-05-5627)

Before me:

Commissioner for Oath

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF NIOSH CERTIFICATION SDN. BHD.
(Company No.: 200401002719 (641222 - K))

Report on the Financial Statements

Opinion

We have audited the financial statements of **NIOSH CERTIFICATION SDN. BHD.**, which comprise the statement of financial position as at 31 December 2022 of the Company and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 76 to 108.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards 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 Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Company 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 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.

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.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF NIOSH CERTIFICATION SDN. BHD.
(Company No.: 200401002719 (641222 - K)) (Continued)

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 Malaysian Financial Reporting Standards, International Financial Reporting Standards 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.

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.

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF NIOSH CERTIFICATION SDN. BHD.
(Company No.: 200401002719 (641222 - K))
(Continued)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

- Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements of the Company 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.

Other Matters

The financial statements of the Company for the financial year ended 31 December 2021 were audited by another auditor whose report dated 29 April 2022 expressed unqualified audit opinion.

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.

MSA & CO
AF 002143
Chartered Accountants

MOHD SUHAIMI BIN AHMAD
03108/03/2023 J
Chartered Accountant

Selangor

Dated: 27 March 2023

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 RM	As restated 2021 RM
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	305,439	250,939
Investments	5	215,497	502,147
TOTAL NON-CURRENT ASSETS		520,936	753,086
CURRENT ASSETS			
Receivables, deposits and prepayments	6	3,230,425	2,502,806
Cash and cash equivalents	7	370,415	447,865
TOTAL CURRENT ASSETS		3,600,840	2,950,671
TOTAL ASSETS		4,121,776	3,703,757
EQUITY AND LIABILITIES			
EQUITY			
Contributed share capital	8	3,500,000	3,500,000
Accumulated losses		(652,938)	(753,102)
TOTAL EQUITY		2,847,062	2,746,898
NON-CURRENT LIABILITY			
Lease liabilities	9	61,807	-
TOTAL NON-CURRENT LIABILITY		61,807	-
CURRENT LIABILITIES			
Lease liabilities	9	37,690	-
Payables and accruals	10	923,654	717,351
Amount due to holding company	11	251,563	239,508
TOTAL CURRENT LIABILITIES		1,212,907	956,859
TOTAL LIABILITIES		1,274,714	956,859
TOTAL EQUITY AND LIABILITIES		4,121,776	3,703,757

The accompanying notes form an integral part of, and should be read in conjunction with, these financial statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Note	2022 RM	As restated 2021 RM
Revenue	12	6,291,591	4,836,898
Cost of sales		(2,617,243)	(1,744,413)
Gross profit		3,674,348	3,092,485
Other income	13	18,306	10,519
Operating and administrative expenses	14	(3,581,608)	(3,193,359)
Operating profit/(loss)		111,046	(90,355)
Finance expenses	15	(9,006)	-
Profit/(Loss) before taxation		102,040	(90,355)
Taxation	16	(1,876)	-
Net profit/(loss) after taxation		100,164	(90,355)
Other comprehensive income; net of tax		-	-
Total comprehensive income for the year		100,164	(90,355)
Total comprehensive income for the year attributable to :			
Owner of the Company		100,164	(90,355)
		100,164	(90,355)

The accompanying notes form an integral part of, and should be read in conjunction with, these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Contributed share capital RM	Accumulated losses RM	Total RM
As at 1 January 2021			
- As previously reported	3,500,000	(499,532)	3,000,468
- Prior year adjustment (Note 18)	-	(163,215)	(163,215)
As restated	3,500,000	(662,747)	2,837,253
Loss for the financial year, representing total comprehensive expense for the financial year	-	24,001	24,001
- Prior year adjustment (Note 18)	-	(114,356)	(114,356)
As restated	-	(90,355)	(90,355)
As at 31 December 2021	3,500,000	(753,102)	2,746,898
Profit for the financial year, representing total comprehensive income for the financial year	-	100,164	100,164
As at 31 December 2022	3,500,000	(652,938)	2,847,062

The accompanying notes form an integral part of, and should be read in conjunction with, these financial statements

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	2022 RM	As restated 2021 RM
Cash flow from operating activities		
Net profit/(loss) before taxation	102,040	(90,355)
Adjustment for:		
Depreciation of property, plant and equipment	84,016	81,484
Depreciation of right-of-use assets	18,882	-
Interest on lease liability	9,006	-
Dividend income	(13,370)	(9,964)
Operating profit/(loss) before working capital changes	200,574	(18,835)
Increase in receivables	(695,476)	(411,083)
Increase/(Decrease) in payables	206,303	(83,833)
Increase/(Decrease) in amount due to a holding company	12,055	(5,962)
Net cash outflows from operations	(276,544)	(519,713)
Interest received	13,370	9,964
Interest paid	(9,006)	-
Tax paid	(34,019)	(46,692)
Tax refund	-	28,913
Net cash outflows from operating activities	(306,199)	(527,528)
Cash flow from investing activities		
Withdrawals/(Placements) of investments	286,650	(502,147)
Purchase of property, plant and equipment	(44,107)	(55,455)
Net cash inflows/(outflows) from investing activities	242,543	(557,602)
Cash flow from financing activity		
Repayment of lease liability	(13,794)	-
Net cash outflows from financing activity	(13,794)	-
Net decrease in cash and cash equivalents	(77,450)	(1,085,130)
Cash and cash equivalents		
At start of financial year	447,865	1,532,995
At end of financial year	370,415	447,865
Analysis of cash and cash equivalents		
Cash and bank balances	262,577	340,048
Fixed deposits with licensed financial institutions	107,838	107,817
	370,415	447,865

The accompanying notes form an integral part of, and should be read in conjunction with, these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

1. PRINCIPAL ACTIVITIES

The Company incorporated and and domiciled in Malaysia. The principal activities of the Company are to provide a comprehensive range of Management System Certification services and related services including but not limited to registration, auditing, checking, inspection, training and product testing that confirm to Management System Standards, code of practice, guidelines, laws and other related thereto.

There have been no significant changes to these principal activities during the financial year under review.

The registered office and principal place of business of the Company is at 7th Floor, Niosh Tower, Lot 1, Jalan 15/1, Section 15, 43650 Bandar Baru Bangi, Selangor Darul Ehsan.

The holding and ultimate holding company is NATIONAL INSTITUTE OF OCCUPATIONAL SAFETY AND HEALTH (Company No.: 199201011539 (243042 - U)), a company incorporated in Malaysia.

The financial statements were authorised for issue by the Board of Directors on 27 March 2023.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(a) Statement of Compliance and adoption of new MFRSs

The financial statements of the Company have been prepared in accordance with Malaysia Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The Company adopted the following Amendments to the Standards of the MFRS Framework that were issued by the Malaysian Accounting Standards Board ("MASB") during the financial year under review :-

MFRSs	Effective for annual periods beginning on or after
Annual Improvements to MFRS Standards 2018 - 2020	1 January 2022
Amendments to MFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use	1 January 2022
Amendments to MFRS 137 Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022

Adoption of the above Amendments of the Standards did not have any material impacts on the financial statements of the Company.

The initial application of the above MFRSs did not have any material impacts on the financial statements and of the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

(a) Statement of Compliance and adoption of new MFRSs (Continued)

The following are Standards that have been issued by the MASB but have not been early adopted by the Company:

MFRSs	Effective for annual periods beginning on or after
MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 17 Insurance Contracts	1 January 2023
Amendments to MFRS 101 Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 108 Definition of Accounting Estimates	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)	1 January 2023
Amendments to MFRS 16 Leases - Lease liability in a Sale and Leaseback	1 January 2024
Amendments to MFRS 101 Classification of Liabilities as Current and Non-current	1 January 2024
Amendments to MFRS 101 Non-current Liabilities with Covenants	1 January 2024
Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between and Investor and its Associate of Joint Venture	Deferred

The Company does not expect the adoption of the above MFRSs standards to have a significant impact on the financial statements.

(b) Functional and Presentation Currency

The financial statements of the Company are measured using the currency of the primary economic environment in which it operates ("the functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

(c) Significant Accounting Estimates and Judgements

The financial statements have been prepared on the historical cost convention, unless otherwise indicated in the summary of significant accounting policies as disclosed in the followings notes to the financial statements.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (CONTINUED)

(d) Judgements made in applying accounting policies

There are no significant are of critical judgement in applying accounting policies that have any significant effect on the amount recognised in the financial statements.

(e) Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

(i) Expected credit losses of amounts owing by holding company, trade receivables and other receivables

The Company assess the credit risk at each reporting date, whether there have been significant increases in credit risk since initial recognition on an individual basis. To determine whether there is a significant increase in credit risks, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtors. Where there is a significant increase in credit risk, the Company determine the lifetime expected credit losses by considering the loss given default and the probability of default assigned to each counterparty customer. The financial assets are written off partially or in full when there is no realistic prospect of recovery. This is generally the case when the Company determine that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-offs.

(ii) Leases

The lease term has been determined based on the non-cancellable period of lease together with periods covered by an option to extend or to terminate the lease. In determining whether it is reasonably certain to exercise an option to extend or an option to terminate the lease, management has considered all relevant factors and circumstances that have created the economic incentives to exercise such options. The Company also applies judgement and assumptions in determining the incremental borrowing rate ("IBR") of respective leases.

The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

(a) Property, plant and equipment and depreciation

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 the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Cost includes expenditure that is directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which it is located. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. The net carrying amount of the replaced part is derecognised when the replacement occurs. All other repairs and maintenance are recognised in profit or loss as incurred.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation of other property, plant and equipment is provided for on the straight-line basis to write off the cost of each asset according to its estimated useful life as follows:

Audio visual (AV) equipment	20%
Computers	20%
Furniture and fittings	20%
Office equipment	20%
Renovations	20%

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. In addition, a right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The residual value, useful life and depreciation method are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. It is a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities for lease payments made and/or to be made, and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated usefullives of the assets.

The right-of-use asset is depreciated on a straight-line basis over its lease term of two (2) until three (3) years.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use asset is also subject to impairment.

(ii) Lease liabilities

At the commencement date of the lease, lease liabilities are recognised and measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Leases (Continued)

(ii) Lease liabilities (Continued)

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(iii) Short term leases and leases of low-value assets

The Company applies the short-term lease and leases of low-value assets recognition exemption to its short-term leases of premise, machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

(c) Impairment of Non-Financial Assets

The carrying values of assets, other than those to which MFRS 136 - Impairment of Assets does not apply, are reviewed at the end of each reporting period for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. When the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount and an impairment loss shall be recognised. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value in use, which is measured by reference to discounted future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which tbe asset belongs.

An impairment loss is recognised in profit or loss.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is realised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Impairment of Non-Financial Assets (Continued)

In respect of assets other than goodwill (if any), and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately unless the asset is carried at its revalued amount, in which case the reversal of the impairment loss is treated as a revaluation.

(d) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and deposits with banks and highly liquid investment which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Company in the management of their short-term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits (if any).

(e) Financial instruments

(i) Recognition and initial measurement

Financial assets and financial liabilities are recognised in the statements of financial position when the Company has become a party to the contractual provisions of the instruments.

Financial instruments are classified as financial assets, financial liabilities or equity instruments in accordance with the substance of the contractual arrangement and their definition in MFRS 132. Interest, dividends, gains and losses relating to a financial instrument classified as liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

Financial instruments are offset when the Company has a legally enforceable right to offset and intends to seftle either on a net basis or to realise the asset and settle the liability simultaneously.

A financial instrument is recognised initially at its fair value (other than trade receivables without significant financing component which are measured at transaction price as defined in MFRS 15 at inception). Transaction costs that are directly attributable to the acquisition or issue of the financial instrument (other than a financial instrument at fair value through profit or loss) are added to/ deducted from the fair value on initial recognition, as appropriate. Transaction costs on the financial instrument at fair value through profit or loss are recognised immediately in profit or loss.

Financial instruments recognised in the statements of financial position are disclosed in the individual policy statement associated with each item.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Financial instruments (Continued)

(ii) Financial instrument categories and subsequent measurement

Financial assets

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

- Amortised cost

  Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. Any gain or loss on derecognition is recognised in profit or loss.

- Fair value through other comprehensive income

  This relates to an investment that is not held for trading where the Company irrevocably elects to measure at fair value and subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

Financial liabilities

The categories of financial liabilities are as follows :

- Fair value through profit or loss

The Company does not hold any financial liabilities measured at fair value through profit or loss.

- Amortised cost

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gains or losses on derecognition are also recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Financial instruments (Continued)

(ii) Financial instrument categories and subsequent measurement (continued)

Equity Instruments

Equity instruments classified as equity are measured initially at cost and are not remeasured subsequently.

Ordinary shares are classified as equily and recorded at the proceeds received, net of directly attributable transaction costs.

Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

(iii) Derecognition

A financial asset is derecognised when the risks and rewards relating to the financial asset have expired or had been fully transferred or had been partially transferred with no control over the same. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received is recognised in profit or loss.

A financial liability is derecognised when the obligation specified in the contract expires or is either discharged or cancelled. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognized at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(v) Impairment of Financial Assets

The Company recognises a loss allowance for expected credit losses on investments that are measured at amortised cost or at fair value through other comprehensive income, trade receivables, as well as on financial guarantee contracts (if any).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Financial instruments (Continued)

(v) Impairment of Financial Assets (continued)

The expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument. The Company always recognises lifetime expected credit losses for trade receivables using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience and are adjusted for forward-looking information (including time value of money where appropriate).

For all other financial instruments, the Company recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments that are measured at fair value through other comprehensive income, for which the loss allowance is recognised in other comprehensive income and accumulated in the fair value reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

(f) Contract liabilities

A contract liability is stated at cost and represents the obligation to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customer.

(g) Government grants

Government grants are recognised initially at their fair values in the statement of financial position as deferred income where there is reasonable assurance that the grants will be received and all conditions attached will be complied. Grants that compensate the Company for expenses incurred are recognised as income over the periods to match the cost that the grants are intended to compensate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique. The measurement assumes that the transaction takes place either in the principal market or in the absence of a principal market, in the most advantageous market. For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

For financial reporting purposes, the fair value measurements are analysed into level 1 to level 3 as follows:-

Income and the fair value hierarchy are as follows :

Level 1	Inputs are quoted prices (unadjusted) in active markets for identical assets or liability that the entity can access at the measurement date;
Level 2	Inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
Level 3	Inputs are unobservable inputs for the asset or liability.

The transfer of fair value between levels is determined as of the date of the event or change in circumstances that caused the transfer.

(i) Revenue and other income

(i) Revenue

Revenue is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of their parties. The Company recognises revenue when (or as) it transfers control over a good or service to customer. An asset is transferred when (or as) the customer obtains control of the asset.

The Company transfers control of a good or service at a point in time unless one of the following over time criteria is met:

- The customer simultaneously receives and consumes the benefits provided as the Company performs;
- The Company's performance creates or enhances an asset that the customer controls as the asset is created and enhanced; or
- The Company's performance does not create an asset with an alternative use and the Company has an enforceable right to payment for performance completed to date.

Income from events and courses is recognised upon the delivery of the events and conferences. Advanced payments received from events and conferences are recognised as contract liabilities in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Revenue and other income (Continued)

(ii) Interest income is recognised on an accrual basis using the effective interest method.

(iii) Dividend income from investment is recognised when the right to receive dividend payment is established.

(j) Taxation

(i) Current tax

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

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except for the deferred tax liability that arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except for the deferred tax asset that arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be realised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be realised.

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 at the reporting date. Deferred tax is recognised as income or expense and included in profit or loss for the period, 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Taxation (Continued)

(ii) Deferred tax (continued)

Deferred tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(iii) Goods and Services Tax ("GST") and Sales and Service Tax ("SST")

Revenue, expenses and assets are recognised net of GST or SST except:

- when the GST or SST incurred in a purchase of asset or service is not recoverable from the authority, in which case the GST or SST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with GST or SST inclusive.

The net GST or SST payable to the taxation authority is included as part of payables in the statements of financial position.

(k) Employee benefits

(i) Short-term employee benefits

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

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss in the period in which the related service is performed. As required by law in Malaysia, such contributions are made to the Employees Provident Fund ("EPF").

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

4. PROPERTY, PLANT AND EQUIPMENT (PPE)

2022

	As at 01/01/2022 RM	Addition RM	Disposal / Written off RM	As at 31/12/2022 RM
Cost				
AV equipment	41,249	6,956	-	48,205
Computers	264,184	16,448	-	280,632
Furniture and fittings	151,626	18,004	-	169,630
Office equipment	32,763	2,699	-	35,462
Renovations	185,518	-	-	185,518
Right-of-use assets (1)	-	113,291	-	113,291
	675,340	157,398	-	832,738

	As at 01/01/2022 RM	Charge for the year RM	Disposal / Written off RM	As at 31/12/2022 RM
Accumulated depreciation				
AV equipment	25,197	5,662	-	30,859
Computers	179,100	27,754	-	206,854
Furniture and fittings	94,588	21,028	-	115,616
Office equipment	24,791	2,302	-	27,093
Renovations	100,725	27,270	-	127,995
Right-of-use assets (1)	-	18,882	-	18,882
	424,401	102,898	-	527,299

Carrying amount	2022 RM
AV equipment	17,346
Computers	73,778
Furniture and fittings	54,014
Office equipment	8,369
Renovations	57,523
Right-of-use assets (1)	94,409
	305,439

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

4. PROPERTY, PLANT AND EQUIPMENT (PPE) (CONTINUED)

2021

	As at 01/01/2021 RM	Addition RM	Disposal / Written off RM	As at 31/12/2021 RM
Cost				
AV equipment	36,837	4,412	-	41,249
Computers	240,040	24,144	-	264,184
Furniture and fittings	147,176	4,450	-	151,626
Office equipment	29,354	3,409	-	32,763
Renovations	166,478	19,040	-	185,518
	619,885	55,455	-	675,340

	As at 01/01/2021 RM	Charge for the year RM	Disposal / Written off RM	As at 31/12/2021 RM
Accumulated depreciation				
AV equipment	19,415	5,782	-	25,197
Computers	152,088	27,012	-	179,100
Furniture and fittings	74,604	19,984	-	94,588
Office equipment	22,720	2,071	-	24,791
Renovations	74,090	26,635	-	100,725
	342,917	81,484	-	424,401

Carrying amount	2021 RM
AV equipment	16,052
Computers	85,084
Furniture and fittings	57,038
Office equipment	7,972
Renovations	84,793
	250,939

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

4. PROPERTY, PLANT AND EQUIPMENT (PPE) (CONTINUED)

(1) The detail of right-of-use assets ("ROU") as follows (continued):-

	As at 01/01/2022 RM	Addition RM	Disposal / Written off RM	As at 31/12/2022 RM
Cost				
Buildings	-	113,291	-	113,291
	-	113,291	-	113,291

	As at 01/01/2022 RM	Charge for the year RM	Disposal / Written off RM	As at 31/12/2022 RM
Accumulated depreciation				
Buildings	-	18,882	-	18,882
	-	18,882	-	18,882

	2022 RM	2021 RM
Carrying amount		
Buildings	94,409	-
	94,409	-

5. INVESTMENTS

	2022 RM	As restated 2021 RM
Placements of funds in		
- institutional investment company	215,497	502,147

The Company placed funds in institutional investment accounts maintained with a subsidiary of Malaysian trustee company, wholly-owned by the Government of Malaysia.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

6. RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2022 RM	As restated 2021 RM
Trade receivables (a)	2,825,495	2,120,898
Non trade receivables	42,323	30,764
Deposits	33,797	16,890
Prepayment	194,809	222,879
Tax prepayment	134,001	101,859
GST receivables	-	9,516
	3,230,425	2,502,806

(a) Included in trade receivables of the Company is a trade related amount of RM13,730 (2021: RM27,771) which due from holding company.

The Company's normal trade credit terms range from cash terms to 30 (2021 - cash terms to 30) days. Other credit terms are assessed and approved on a case-by-case basis.

Included in trade receivables of the Company is an amount of RM408,745 (2021: RM355,841) owing by related parties which are also agencies under the Ministry of Human Resources as the holding company.

7. CASH AND CASH EQUIVALENTS

	2022 RM	As restated 2021 RM
Cash in hand	4,000	375
Bank balances	258,577	339,673
Fixed deposits with licensed financial institutions:		
- Exceeding 12 months - unpledged	107,838	107,817
	370,415	447,865

The interest rates for the fixed deposits placed with licensed financial institutions range from 3.95% (2021: 3.95%) per annum.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

8. CONTRIBUTED SHARE CAPITAL

	2022		2021	
	Units	RM	Units	RM
Issued and fully-paid				
Ordinary Shares :				
As at 1 January	3,500,000	3,500,000	3,500,000	3,500,000
Issued during the year	-	-	-	-
As at 31 December	3,500,000	3,500,000	3,500,000	3,500,000

The holders of ordinary shares are entitled to receive dividends as and when declare by the Company. All ordinary shares carry on vote per share without restriction.

9. LEASE LIABILITIES

	2022	2021
	RM	RM
Lease liabilities included in the financial position		
At beginning of the financial year	-	-
Additions during the financial year	113,291	-
	113,291	-
Less:		
Payment of lease liabilities	(13,794)	-
At end of the financial year	99,497	-
Current	37,690	-
Non-current	61,807	-
	99,497	-
Maturity analysis - contractual undiscounted cash flows		
Less than one year	45,600	-
Between one and five years	68,400	-
Total undiscounted lease liabilities at 31 December	114,000	-
Amount disclosed in the statement of cash flows		
Interest on lease liabilities	9,006	-
Payment of lease liabilities	13,794	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

10. PAYABLES AND ACCRUALS

	2022 RM	As restated 2021 RM
Trade payables (a)	567,106	520,081
Prepayment	39,047	33,413
Accruals	116,587	9,191
SST Payables	200,914	154,666
	923,654	717,351

(a) The normal trade credit term granted to the Company is 30 (2021 - 30) days.

Included in trade payables of the Company is a trade related amount of RM310,436 (2021: RM267,974) which due to holding company.

11. AMOUNT DUE TO HOLDING COMPANY

The amount due to holding company is non-trade in nature, unsecured, interest-free and repayable on demand. The amount owing is to be settled in cash.

12. REVENUE

(1) Revenue from contracts with customers are comprise:

	2022 RM	As restated 2021 RM
Courses	1,188,488	1,106,065
Certification	5,103,103	3,730,833
	6,291,591	4,836,898

(2) Timing of revenue recognition:

	2022 RM	As restated 2021 RM
- at a point in time	6,291,591	4,836,898
	6,291,591	4,836,898

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

12. REVENUE (CONTINUED)

(3) Performance obligations

Performance obligations of the revenue are disclosed in Note 3(i) to the financial statements.

13. OTHER INCOME

	2022 RM	2021 RM
Dividend income (a)	13,370	9,964
Other sundry income	4,936	555
	18,306	10,519

(a) Dividend income from investment is recognised when the right to receive dividend payment is established.

14. OPERATING AND ADMINISTRATIVE EXPENSES

Included in operating and administrative expenses are:

	2022 RM	As restated 2021 RM
Audit fee	6,000	5,500
Depreciation:		
Property, plant and equipment	84,017	81,484
Right-of-use assets	18,882	-
Directors' allowances	37,800	44,100
Rental of equipment	76,955	82,230
Rental of motor vehicles	32,281	4,736
Rental of premises	22,800	22,800
Staff costs (Note 17)	2,920,870	2,720,189

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

15. FINANCE EXPENSES

Included in finance expenses are :

	2022 RM	2021 RM
Interest on lease liabilities	9,006	-

16. TAXATION

Income tax is calculated at the rate of 24% of estimated assessable profit for the year.

	2022 RM	As restated 2021 RM
Tax payable:		
- Under provision in prior year	1,876	-
	1,876	-

The significant differences between the income tax expense and accounting profit/(loss) multiplied by the applicable tax rate, is analysed as follows:

	2022 RM	As restated 2021 RM
Profit/(Loss) before tax	102,040	(90,355)
Taxation at Malaysian statutory tax rate	24,490	(21,685)
Expenses not deductible for tax purposes	16,973	13,521
Income not subject to tax	(3,209)	-
Utilisation of deferred tax assets previously not recognised	(38,254)	8,164
Under provision of tax payable prior year	1,876	-
Effective tax expense	1,876	-

The Company has unutilised capital allowances and unabsorbed business losses of approximately RM Nil (2021: RM134,534) and RM1,648,911 (2021: RM1,671,503) respectively to set off against future taxable profits subject to no substantial change in shareholdings under sections 44(5A) and 5(B) of the Income Tax Act, 1967 and guidelines issued by the tax authority.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

16. TAXATION (CONTINUED)

The Ministry of Finance via the Budget 2022 announced that with effect from year of assessment 2019, the carry forward of unutilised business losses can now be carried forward for a maximum period of ten (10) consecutive years of assessment effective from year assessment 2019.

The untilised tax losses will expire in accordance with section 44(5F) of the Income Tax Act 1967 approximately are as follows:

	2022 RM	2021 RM
Year of assessment		
2028	1,555,050	1,577,642
2030	93,861	93,861
	1,648,911	1,671,503

The following deferred tax has not been provided in the financial statements arising from:-

	2022 RM	2021 RM
Property, plant and equipment	11,400	(21,430)
Unabsorbed tax losses	(395,740)	(401,160)
	(384,340)	(422,590)

17. STAFF COSTS

	2022 RM	As restated 2021 RM
Salaries, bonus and allowances	2,363,912	2,224,629
Defined contribution plan	322,707	314,657
Employment Insurance System	2,913	2,778
Social Security Organisation	25,994	24,298
Other employee benefits	205,344	153,827
	2,920,870	2,720,189

The numbers of employee (including executive Directors) of the Company at the end of the year were 36 (2021: 37).

Included in employee benefits is the key management personnel compensation shown in Note 19.

NOTES TO THE FINANCIAL STATEMENTS
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(Continued)

18. PRIOR YEARS ADJUSTMENTS

The prior years adjustment arises from over/under taken up of revenue and operating and administrative expenses by the Company amounting to RM62,552 and RM215,019 respectively as well as recognition of investment in prior years financial statements.

The effects of these adjustments have resulted in an increase of the accumulated losses prior to 2021 financial statements from RM499,532 to RM753,012.

Certain comparative figures have been adjusted as disclosed in Note 23.

19. SIGNIFICANT RELATED PARTY DISCLOSURES

For the purpose of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel defined are those persons including directors having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly.

The Directors are of the opinion that the related party transactions have been entered into the normal course of business and are based on normal trade terms. All the amounts outstanding are unsecured and are expected to be settled with cash.

Key management's remuneration

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly.

The remunerations of the key management personnel for the financial year are as follows:

	2022 RM	2021 RM
Salaries, bonus and allowances	427,922	383,881
Defined contribution plan	66,054	60,510
Employment Insurance System	206	-
Social Security Organisation	1,798	1,657
Other employee benefits	5,000	7,200
	500,980	453,248

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

19. SIGNIFICANT RELATED PARTY DISCLOSURES (CONTINUED)

The significant related party transactions are disclosed below:

	2022 RM	2021 RM
Revenue:		
Revenue rendered to holding company	187,173	173,730
Cost of sales:		
Service charged by holding company	43,277	45,446

These transactions are transacted in the normal course of business under normal commercial terms.

The outstanding balances and the terms of settlement are disclosed in Note 6 and Note 10 to the financial statements, respectively.

20. FINANCIAL INSTRUMENTS

20.1 Categories of financial instruments

	Financial assets at FV through OCI RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Carrying Amount RM
As at 31 December 2022				
Financial assets				
Receivables and deposits	-	2,901,615	-	2,901,615
Investments	215,497	-	-	215,497
Cash and cash equivalents	-	370,415	-	370,415
Total financial assets	215,497	3,272,030	-	3,487,527
Financial liabilities				
Payables and accruals	-	-	683,693	683,693
Amount due to holding company	-	-	251,563	251,563
Total financial liabilities	-	-	935,256	935,256

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

20. FINANCIAL INSTRUMENTS

20.1 Categories of financial instruments

	Financial assets at FV through OCI RM	Financial assets at amortised cost RM	Financial liabilities at amortised cost RM	Carrying Amount RM
As at 31 December 2021				
Financial assets				
Receivables and deposits	-	2,168,552	-	2,168,552
Investments	502,147	-	-	502,147
Cash and cash equivalents	-	447,865	-	447,865
Total financial assets	502,147	2,616,417	-	3,118,564
Financial liabilities				
Payables and accruals	-	-	529,272	529,272
Amount due to holding company	-	-	239,508	239,508
Total financial liabilities	-	-	768,780	768,780

20.2 Financial risk management

The Company is exposed to a variety of financial risks arising from its operations. The key financial risks included credit risk, liquidity risk and interest rate risk. The Company operates within clearly defined guidelines that are approved by the Board and the Company's policy is not engage in speculative activities.

20.3 Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to credit risk arises principally from its trade receivables, trade related amount due from/to its holding company and advances from holding company.

20.3.1 Trade receivables

The Company extends credit terms to the customers that range between 30 to 60 days. Credit term extended to its customers is based on careful evaluation on the customers' financial condition and payment history. Receivables are monitored on an ongoing basis via Company's management reporting procedures and action will be taken for long outstanding debts.

The maximum exposure to credit risk arising from trade receivables is represented by the carrying amount in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

20. FINANCIAL INTSRUMENTS (CONTINUED)

20.3 Credit risk (Continued)

20.3.1 Trade receivables (Continued)

The ageing analysis of trade receivables of the Company as at the end of the reporting period is as follows:

	2022 RM	2021 RM
Not past due	801,220	875,326
Past due 0-30 days	721,110	443,168
Past due 31-60 days	557,117	232,300
Past due more than 61 days	746,048	570,104
	2,024,275	1,245,572
	2,825,495	2,120,898

Trade receivables that are neither past due nor impaired are creditworthy customers with good payment record with the Company. None of the Company's trade receivables that are neither past due nor impared has been renegotiated during the financial year.

The Company has trade receivables amounting to RM2,024,275 (2021 : RM1,245,572) that are past due but not impared as at end of the reporting period as the management is of the view that these debts will be collected in due course.

Maximum exposure to credit risk

In managing the credit risk of the trade receivables, the Company manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. The Company measures the allowance for the expected credit losses of trade receivables at an amount equal to lifetime ECL using a simplified approach. The expected credit losses on trade receivables are estimated based past default experience and an analysis of the trade receivables' current financial position, adjusted for factors that are specific to the trade receivables such as liquidation and bankcruptcy. Forward looking information such as country risk assessment has been incorporated in determining the expected credit losses.

Trade receivables are usually collectible and the Company does not have much historical bad debts written off or allowance for expected credit losses on trade receivables. There are circumtances where the settlement of trade receivables will take longer than the credits terms given to the customers. The delay in settlement is mainly due to administrative matter. No expected credit losses is provided during the financial year based on the above assessment as the impact to the Company's financial statements is not material.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

20. FINANCIAL INTSRUMENTS (CONTINUED)

20.3 Credit risk (Continued)

20.3.2 Intercompany balances

The Company has trade related amount due from/to its holding company and also advance from its holding company. The Company monitors the results of the holding company regularly.

The maximum exposure to credit risk is represented by the carrying amount in the settlement of financial postion.

As at the end of the reporting period, there was no indication that the amount due from/to its holding company are not recoverable/repayable. The Company does not specifically monitor the ageing of these advances.

20.3.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a continuity of funding.

The maturity profile of the Company's liabilities at the reporting date based on contractual undiscounted repayment obligations are all due on demand or within one-to-one year.

21. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

In respect of financial instruments classified under current assets and current liabilities, the carrying amounts approximate fair value due to relatively short term of these financial instruments.

The table below analyses financial instruments measured at fair value at the end of the reporting period, by the level in the fair value hierarchy :

	Level 1 RM	Level 2 RM	Level 3 RM	Total RM	Total fair value RM	Carrying amount RM
31.12.2022						
Investments						
Syariah trust funds	215,497	-	-	215,497	215,497	215,497
31.12.2021						
Investments						
Syariah trust funds	502,147	-	-	502,147	502,147	502,147

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

21. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

Level 1 fair value

Level 1 fair value of the investments is derived by reference to their market value at the end of reporting period.

Sensitivity analysis of investment funds

As the Company neither have the intention, nor historical trend of active trading in these financial instruments, the Directors are of the opinion that the Company are not subject to significant exposure to price risk and accordingly, no sensitivity analysis is being presented at the end of each reporting period.

There is no transfer between levels in the hierarchy during the financial year.

22. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to maintain an optimal capital structure in order to support its business and maximise shareholders' value. The Company manages its capital structure and make adjustment to it, in light of changes in economic condition.

23. COMPARATIVE FIGURES

The following comparative figures have been restated for prior year adjustments as disclosed in Note 18 to the financial statements.

	As Previously Reported 2021 RM	Adjustments 2021 RM	As Restated 2021 RM
STATEMENT OF FINANCIAL POSITION			
Non Current Assets			
Investments	-	502,147	502,147
Current Assets			
Receivables, deposits and prepayments	2,565,358	(62,552)	2,502,806
Cash and cash equivalents	950,012	(502,147)	447,865
Current Liabilities			
Payables and accruals	502,332	215,019	717,351

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022
(Continued)

23. COMPARATIVE FIGURES (CONTINUED)

	As Previously Reported 2021 RM	Adjustments 2021 RM	As Restated 2021 RM
STATEMENT OF PROFIT OR LOSS OTHER COMPREHENSIVE INCOME			
Revenue	4,899,450	(62,552)	4,836,898
Cost of sales	(1,744,413)	-	(1,744,413)
Gross profit	3,155,037	(62,552)	3,092,485
Other operating income	10,519	-	10,519
Operating and administrative expenses	(3,141,555)	(51,804)	(3,193,359)
Operating profit/(loss)	24,001	(114,356)	(90,355)
Finance expenses	-	-	-
Profit/(Loss) before taxation	24,001	(114,356)	(90,355)
Taxation	-	-	-
Profit/(Loss) after taxation	24,001	(114,356)	(90,355)

The statement of changes in equity, statement of cash flows and relevant notes to the financial statements supporting the above statement of financial position and statement of profit or loss and other comprehensive income had also been restated accordingly.

KEMENTERIAN SUMBER MANUSIA

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