

**AMERICAN MALAYSIAN CHAMBER
OF COMMERCE**
(Company No. 37216 - W)
(Incorporated in Malaysia and Limited by Guarantee)

**REPORT OF THE GOVERNORS
AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2017**
(In Ringgit Malaysia)

These financial statements and reports of the
Chamber with Unqualified Auditors' Report for the
year ended 31 December 2017 were circulated on
~~7 June 2018~~.....



Governor

Company No. 37216 – W

AMERICAN MALAYSIAN CHAMBER OF COMMERCE
(Incorporated in Malaysia and Limited by Guarantee)

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AMERICAN MALAYSIAN CHAMBER OF COMMERCE
(Incorporated in Malaysia and Limited by Guarantee)

GOVERNORS' REPORT

The Board of Governors of the **AMERICAN MALAYSIAN CHAMBER OF COMMERCE** ("The Chamber") hereby submit their report and the audited financial statements of the Chamber for the financial 31 December 2017.

PRINCIPAL ACTIVITY

The Chamber supports member business interests and Malaysian economic growth through proactive and effective representation, communication, and information sharing. This mission is achieved by developing mutually-beneficial relationships and ongoing programs and dialogues among its members and with the Malaysian and U.S. governments.

RESULTS OF OPERATIONS

The results of operations of the Chamber for the financial year are as follows:

RM

Net profit for the year

46,702

In the opinion of the Governors, the results of operations of the Chamber during the financial year have not been substantially affected by any item, transaction, or event of a material and unusual nature.

RESERVES AND PROVISIONS

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

OTHER STATUTORY INFORMATION

Before the financial statements of the Chamber were made out, the Governors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and had satisfied themselves that all known bad debts had been written off and that no allowance for doubtful debts was required; and
- (b) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Chamber had been written down to an amount which the current assets might be expected so to realise.

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

- (a) which would render the amount written off as bad debts in the financial statements of the Chamber inadequate to any substantial extent or require the setting up of allowance for doubtful debts in the financial statements of the Chamber; or
- (b) which would render the values attributed to current assets in the financial statements of the Chamber misleading; or
- (c) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Chamber misleading or inappropriate; or
- (d) not otherwise dealt with in this report or financial statements of the Chamber which would render any amount stated in the financial statements misleading.

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

- (a) any charge on the assets of the Chamber which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Chamber which has arisen since the end of the financial year.

No contingent or other liability has become enforceable or is likely to become enforceable within the year of twelve months after the end of the financial year which, in the opinion of the Governors, will or may substantially affect the ability of the Chamber to meet its obligations as and when they fall due.

In the opinion of the Governors, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of operations of the Chamber for the financial year in which this report is made.

GOVERNORS

The following Governors served on AMCHAM's Board since the date of the last Report:

Ramzi Albert Toubassy
Antonia Jr. Vivencio Del Rosario
Sanjeev Nanavati
Timothy Michael Garland
Dyonysius Robin Ashley Martin
P'ng Soo Hong
Yap Seong Yong
Anushia Joan Soosapilai
Kang Tae Koo
Steven Ronald Clayton (appointed on 4.4.2017)
Chin Keat Chyuan (appointed on 4.4.2017)
Edward Earl Graham (appointed on 3.10.2017)
Mark Victor Rozario (appointed on 16.11.2017)
Ong Yuh Hwang (resigned on 26.9.2017)
Sajith Sivanandan (resigned on 23.3.2017)
Azli bin Mohamed (resigned on 4.4.2017)
John Eakin McKendry (resigned on 27.3.2017)
See Kok Yew (resigned on 1.6.2017)
Haikrishnan Achuthan Nair (resigned on 9.1.2018)

GOVERNORS' INTERESTS AND BENEFITS

The Chamber is limited by guarantee and thus has no shares in which the Governors could have an interest. Similarly, the Chamber has not issued any debentures.

Since the end of the previous financial period, none of the Governors of the Chamber has received or become entitled to receive a benefit by reason of a contract made by the Chamber with the Governor or with a firm of which the Governor is a member, or with a chamber in which the Governor has a substantial financial interest.

During and at the end of the financial year, no arrangement subsisted to which the Chamber was a party whereby the Governors of the Chamber might acquire benefits by means of the acquisition of shares in, or debentures of the Chamber or any other body corporate.

INDEMNITY AND INSURANCE FOR GOVERNORS AND OFFICERS

The Chamber maintains Governors' and officers' liability insurance for purposes of Section 289 of the Companies Act, 2016, throughout the year, which provides appropriate insurance cover for the Governors and officers of the Chamber. The amount of insurance premium paid during the year amounted to RM5,640. No indemnity and insurance was provided for the auditors.

AUDITORS' REMUNERATION

The amount paid/payable as remuneration of the auditors for the financial year ended 31 December 2017 is as disclosed in Note 6 to the financial statements.

Company No. 37216 - W

AUDITORS

The auditors, Deloitte PLT have indicated their willingness to continue in office.

Signed on behalf of the Board
in accordance with a resolution of the Governors,



RAMZI ALBERT TOUBASSY
PRESIDENT



ANUSHEH JOAN SOOSAIPILLAI
EXECUTIVE COMMITTEE

Kuala Lumpur, Malaysia

- 5 JUN 2018



Deloitte PLT (LLP0010145-LCA)
Chartered Accountants (AF0080)
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
AMERICAN MALAYSIAN CHAMBER OF COMMERCE**
(Incorporated in Malaysia and Limited by Guarantee)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **AMERICAN MALAYSIAN CHAMBER OF COMMERCE**, which comprise the statement of financial position as of 31 December 2017 and the statement of profit or loss and other comprehensive income, statement of changes in fund balances and statement of cash flows of the Chamber for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 31.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Chamber as of 31 December 2017 and of its financial performance and its 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 Chamber in accordance with the By-Laws (*on Professional Ethics, Conduct and Practice*) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

(Forward)



Information Other than the Financial Statements and Auditors' Report Thereon

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

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

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

Responsibilities of the Governors for the Financial Statements

The Governors of the Chamber are responsible for the preparation of financial statements of the Chamber 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 Governors are also responsible for such internal control as the Governors determine is necessary to enable the preparation of financial statements of the Chamber that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Chamber, the Governors are responsible for assessing the Chamber'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 Governors either intend to liquidate the Chamber 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 Chamber 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 high level of assurance, but is not 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.

(Forward)

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 Chamber, 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 procedure that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Chamber's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governors.
- Conclude on the appropriateness of the Governors' 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 Chamber'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 Chamber 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 Chamber to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Chamber, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Governors 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.

(Forward)

Other Matters

This report is made solely to the members of the Chamber, 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 towards any other person for the contents of this report.



DELOITTE PLT (LLP0010145-LCA)
Chartered Accountants (AF 0080)



LIM KENG PEO
Partner - 02939/01/2020 J
Chartered Accountant

Kuala Lumpur
5 June 2018

AMERICAN MALAYSIAN CHAMBER OF COMMERCE
(Incorporated in Malaysia and Limited by Guarantee)

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2017**

(With comparative figure for the period 1 February 2016 to 31 December 2016)

	Note	31.12.2017 (12 months) RM	31.12.2016 (11 months) RM
Revenue	4	1,067,742	1,000,172
Other income	5	847,780	577,591
Administrative expenses		(1,169,193)	(1,126,962)
Other expenses		(301,477)	(343,467)
Operating expenses		<u>(397,574)</u>	<u>(249,820)</u>
Profit/(Loss) before tax	6	47,278	(142,486)
Income tax expenses	7	<u>(576)</u>	<u>(7,975)</u>
Net profit/(loss) for the year/period representing total comprehensive (loss)/income for the year/period		<u>46,702</u>	<u>(150,461)</u>

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

AMERICAN MALAYSIAN CHAMBER OF COMMERCE
(Incorporated in Malaysia and Limited by Guarantee)

STATEMENT OF FINANCIAL POSITION
AS OF 31 DECEMBER 2017

	Note	31.12.2017 RM	31.12.2016 RM
ASSETS			
Non-current Assets			
Property, plant and equipment	8	46,405	48,810
Current Assets			
Accounts receivable	9	547,818	308,193
Other receivables, deposits and prepayments	10	123,658	120,625
Tax recoverable		25,752	14,504
Fixed deposits with licensed financial institutions	11 & 18	160,000	1,135,000
Cash and bank balances	18	2,792,147	959,500
Total Current Assets		<u>3,649,375</u>	<u>2,537,822</u>
Total Assets		<u>3,695,780</u>	<u>2,586,632</u>
FUNDS AND LIABILITIES			
Accumulated funds		1,644,059	1,597,357
Scholarship funds	12	43,998	87,132
MAEI, Young Enterprise Program and Junior Achievement Grants	13 & 15	439,481	431,605
MARI	14	38,302	37,732
Pharma		100,629	100,629
FMCG		3,932	3,932
Financial services		3,146	3,146
Government Relation Committee		450	450
Total Funds		<u>2,273,997</u>	<u>2,261,983</u>
Current Liabilities			
Accounts payable	16	35,630	-
Other payables and accrued charges	17	1,386,153	324,649
Total Current Liabilities		<u>1,421,783</u>	<u>324,649</u>
TOTAL FUNDS AND LIABILITIES		<u>3,695,780</u>	<u>2,586,632</u>

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

Company No. 37216 - W

AMERICAN MALAYSIAN CHAMBER OF COMMERCE

(Incorporated in Malaysia and Limited by Guarantee)

STATEMENT OF CHANGES IN FUND BALANCES

FOR THE YEAR ENDED 31 DECEMBER 2017

(With comparative figure for the period 1 February 2016 to 31 December 2016)

	Accumulated Funds RM	Scholarship Funds RM	MAEI, Young Enterprise Program & Grants RM	MARI RM	Pharma RM	FMCG RM	Financial Services RM	Government Relation Committee RM	Total RM
As at 1 February 2016	1,747,818	68,892	345,271	34,272	100,629	3,932	3,146	450	2,304,410
Total comprehensive loss for the year	(150,461)	-	-	-	-	-	-	-	(150,461)
Funds received during the year	-	79,456	618,766	10,500	-	-	-	-	708,722
Less: Utilisation from accumulated funds	-	(61,216)	(532,432)	(7,040)	-	-	-	-	(600,688)
As at 31 December 2016	<u>1,597,357</u>	<u>87,132</u>	<u>431,605</u>	<u>37,732</u>	<u>100,629</u>	<u>3,932</u>	<u>3,146</u>	<u>450</u>	<u>2,261,983</u>

(Forward)

	Accumulated Funds RM	Scholarship Funds RM	MAEI, Young Enterprise Program & Grants RM	MARI RM	Pharma RM	FMCG RM	Financial Services RM	Government Relation Committee RM	Total RM
As at 31 December 2016/ 1 January 2017	1,597,357	87,132	431,605	37,732	100,629	3,932	3,146	450	2,261,983
Total comprehensive profit for the year	46,702	-	-	-	-	-	-	-	46,702
Funds received during the year	-	-	75,422	8,250	-	-	-	-	83,672
Less: Utilisation from accumulated funds	-	(43,134)	(67,546)	(7,680)	-	-	-	-	(118,360)
As at 31 December 2017	<u>1,644,059</u>	<u>43,998</u>	<u>439,481</u>	<u>38,302</u>	<u>100,629</u>	<u>3,932</u>	<u>3,146</u>	<u>450</u>	<u>2,273,997</u>

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

AMERICAN MALAYSIAN CHAMBER OF COMMERCE
(Incorporated in Malaysia and Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2017
(With comparative figure for the period 1 February 2016 to 31 December 2016)

	31.12.2017 (12 months) Note RM	31.12.2016 (11 months) RM
CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		
Profit/(Loss) before tax	47,278	(142,486)
Adjustments for:		
Bad debts written off	95,545	12,850
Depreciation of property, plant and equipment	25,940	104,892
Interest income	<u>(26,407)</u>	<u>(30,592)</u>
Operating Profit/(Loss) Before Working Capital Changes	142,356	(55,336)
Changes in working capital:		
Accounts receivable	(335,170)	(125,455)
Other receivables, deposits and prepayments	(3,033)	1,191
Fixed deposits held in trust for AMCHAM - MACEE	20,303	61,217
Accounts payables	35,630	-
Other payables and accrued charges	<u>1,061,504</u>	<u>26,406</u>
Cash Generated From/(Used In) Operating Activities	921,590	(91,977)
Interest received	26,407	30,592
Income tax paid	(24,365)	(19,970)
Tax refund	<u>12,541</u>	<u>-</u>
Net Cash From/(Used In) Operating Activities	<u>936,173</u>	<u>(81,355)</u>
CASH FLOWS USED IN INVESTING ACTIVITY		
Additions to property, plant and equipment	<u>(23,535)</u>	<u>(14,288)</u>
Net Cash Used In Investing Activity	<u>(23,535)</u>	<u>(14,288)</u>

	31.12.2017 (12 months) RM	31.12.2016 (11 months) RM
Note		
CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES		
Scholarship funds	(43,134)	18,240
MAEI and Young Enterprise Program - net	7,876	86,334
MARI - net	570	3,460
Net Cash (Used In)/From Financing Activities	(34,688)	108,034
NET INCREASE IN CASH AND CASH EQUIVALENTS	877,950	12,391
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR/PERIOD	1,914,197	1,901,806
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD	18 2,792,147	1,914,197

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

AMERICAN MALAYSIAN CHAMBER OF COMMERCE
(Incorporated in Malaysia and Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The Chamber supports member business interests and Malaysian economic growth through proactive and effective representation, communication, and information sharing. This mission is achieved by developing mutually-beneficial relationships and ongoing programs and dialogues among its members and with the Malaysian and U.S. governments.

The principal place of business of the Chamber is located at Suite 6-1A, Level 6, Menara CIMB, Jalan Stesen Sentral 2, KL Sentral, 50470 Kuala Lumpur.

The financial statements of the Chamber were authorised for issue by the Board of Governors in accordance with a resolution of Governors on 5 June 2018.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Chamber have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Adoption of amendments to Malaysian Financial Reporting Standards

In the current financial year, the Chamber adopted all the amendments to MFRS issued by MASB that are relevant to their operations and effective for annual financial years beginning on or after 1 January 2017.

The adoption of these amendments to MFRS did not result in significant changes in the accounting policies of the Chamber and has no significant effect on the financial performance or position of the Chamber.

MFRSs Issued but Not Yet Effective

At the date of authorisation for issue of these financial statements, the new and amendments to MFRS and IC Interpretation which were in issue but not yet effective and not early adopted by the Chamber are as listed below:

MFRS 9	Financial Instruments (IFRS 9 as issued by IASB in July 2014) ¹
MFRS 15	Revenue from Contracts with Customers (and the related Clarifications) ¹
MFRS 16	Leases ²
Amendments to MFRS	Annual Improvements to MFRSs 2014 – 2016 Cycle ¹
Amendments to MFRS	Annual Improvements to MFRSs 2015 – 2017 Cycle ²
IC Interpretation 23	Uncertainty over Income Tax Payments ²

¹ Effective for annual years beginning on or after 1 January 2018, with earlier application permitted.

² Effective for annual years beginning on or after 1 January 2019, with earlier application permitted.

The Governors expect that the adoption of the abovementioned new and amendments to MFRS and IC Interpretation will have no material impact on the financial statements of the Chamber in the year of application.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Chamber have been prepared using cost basis (which includes historical cost and amortised cost). Historical cost is generally based on their fair value on the consideration given in exchange for assets.

Revenue Recognition

Subscription fees are recognised as income when billed.

Admission fees are recognised as income in the year of admission.

Foreign Currency Conversion

The financial statements of the Chamber are presented in the currency of the primary economic environment in which the Chamber operates (its functional currency).

In preparing the financial statements of the Chamber, transactions in currencies other than the Chamber's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Chamber's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that sufficient future taxable profits will be available against which those deductible temporary differences, unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets, if any, is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted at the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Chamber expects, at the end of the reporting period, to recover or to settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Chamber intends to settle its current tax assets and liabilities on a net basis.

Property, Plant, and Equipment and Depreciation

Property, plant, and equipment are stated at cost less accumulated depreciation.

The carrying amounts of property, plant, and equipment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. An impairment loss is recognised whenever the carrying amount of an item of property, plant and equipment exceeds its recoverable amount. The impairment loss is charged to profit or loss.

Depreciation of property, plant and equipment is computed on the straight-line method at the following annual rates based on the estimated useful lives of the various assets:

Office equipment	30%
IT equipment	30%
Furniture and fittings	20%
Electrical equipment	30%
Renovations	33%

The residual values, useful life and depreciation method are reviewed at the end of financial period to ensure that the amount, method and year of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the item of property, plant and equipment.

Any gain or loss arising from on the disposal of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in profit or loss.

Provisions

Provisions are made when the Chamber has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

Employees Benefits

(i) Short-term benefits

Wages, salaries, paid annual leave, bonuses and social contributions are recognised in the year in which the associated services are rendered by employees of the Chamber. The short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by the employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plan

The Chamber is required by law to make monthly contributions to the Employees Provident Fund ("EPF"), a statutory defined contribution plan for all its eligible employees based on certain prescribed rates of the employees' salaries. Once the contributions have been paid, the Chamber has no further obligations.

Impairment of Non-financial Assets

At the end of each reporting period, the Chamber reviews the carrying amounts of assets (other than inventories and financial assets, which are dealt with in their respective policies) to determine if there is any indication that those assets may be impaired. If any such indication exists, the asset's recoverable amount, which is the higher of fair value less costs to sell and value in use, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, the impairment loss is treated as a revaluation decrease.

An impairment loss is only reversed in profit or loss to the extent the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. A reversal is recognised in profit or loss, unless it reverses an impairment loss on revalued assets, in which case, the reversal is treated as a revaluation increase.

Financial Assets

Financial assets are classified into the following specified categories: financial assets "at fair value through profit or loss" (FVTPL), "held-to-maturity" investments, "available-for-sale" (AFS) financial assets and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Chamber's principal financial assets, which are mainly classified under loans and receivables, include account and other receivables and cash and cash equivalents which are initially measured at fair value and subsequently measured at amortised cost.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market (including short-term deposits with financial institutions). Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

All financial assets, except for those measured at fair value through profit or loss, are subject to review for impairment.

A financial asset is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. On derecognition of a financial asset in its entirety, the difference between carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Impairment of Financial Assets

All financial assets (except for financial assets categorised as fair value through profit or loss) are assessed at the end of each reporting period whether there is any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, are not recognised.

An impairment loss in respect of loans and receivables is recognised in profit or loss and is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the assets is reduced by the impairment loss through the use of an allowance account.

For receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as account receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Chamber's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of MFRS 139, are recognised in the statement of financial position when, and only when, the Chamber becomes a party to the contractual provisions of the financial instrument.

The Chamber's financial liabilities include other payables and accrued charges.

Other payables and accrued charges are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant year. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or a shorter year, to the net carrying amount on initial recognition.

Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Statement of Cash Flows

The Chamber adopts the indirect method in the preparation of the cash flow statement.

Cash equivalents are short-term, highly-liquid investments with maturities of three months or less from the date of acquisition and are readily convertible to cash with insignificant changes in value.

4. REVENUE

Revenue consist of the following:

	31.12.2017 (12 months) RM	31.12.2016 (11 months) RM
Subscriptions	1,046,742	978,172
Admission fees	21,000	22,000
	<u>1,067,742</u>	<u>1,000,172</u>

5. OTHER INCOME

	31.12.2017 (12 months) RM	31.12.2016 (11 months) RM
Programs	734,598	286,641
Publications	21,953	5,661
Committees - share of expenses	55,776	222,731
Interest on fixed deposits	26,407	30,592
Other revenue	9,046	31,966
	<u>847,780</u>	<u>577,591</u>

6. PROFIT/(LOSS) BEFORE TAX

The following amounts have been included in arriving at profit/(loss) before tax.

	31.12.2017 (12 months) RM	31.12.2016 (11 months) RM
After charging:		
Auditors' remuneration	9,160	7,800
Depreciation of property, plant and equipment (Note 8)	25,940	104,892
Bad debts written off	95,545	12,850
Staff costs	954,385	1,059,228
Realised loss on foreign exchange	<u>2,772</u>	<u>-</u>
And crediting:		
Realised gain on foreign exchange	<u>-</u>	<u>1,920</u>

Included in staff costs for the current financial year are the following:

- (a) Total contributions made to EPF by the Chamber of RM92,512 (2016: RM111,320).
- (b) The key management personnel of the Chamber are the Governors and their remuneration for the current financial year is Nil (2016: Nil).

7. INCOME TAX EXPENSE

	31.12.2017 (12 months) RM	31.12.2016 (11 months) RM
Estimated tax payable		
- Current year	576	-
- Prior year	<u>-</u>	<u>7,975</u>
	<u>576</u>	<u>7,975</u>

A reconciliation of tax expense applicable to profit/(loss) before tax at the applicable statutory income tax rate to tax expense at the effective income tax rate of the Chamber is as follows:

	31.12.2017 (12 months) RM	31.12.2016 (11 months) RM
Profit/(Loss) before tax	<u>47,278</u>	<u>(142,486)</u>
Tax/(Loss) at applicable rates:		
RM5,001 to RM20,000 at 1% (2016: 1%)	200	(200)
RM20,001 to RM35,000 at 5% (2016: 5%)	750	(750)
RM35,001 to RM50,000 at 10% (2016: 10%)	1,227	(1,500)
RM50,001 to RM70,000 at 16% (2016: 16%)	-	(3,200)
RM70,001 to RM100,000 at 21% (2016: 21%)	-	(6,300)
RM100,001 to RM150,000 at 24% (2016: 24%)	-	(10,200)
Tax effects of:		
Expenses not deductible	2,997	22,150
Income not taxable	(4,598)	-
Underprovision in prior year	<u>-</u>	<u>7,975</u>
Income tax expense	<u>576</u>	<u>7,975</u>

The Chamber is entitled to an exemption granted under Income Tax (Exemption) (No. 19) Order 2006 which grants limited exemption to subscription income received.

8. **PROPERTY, PLANT AND EQUIPMENT**

	Office Equipment RM	IT Equipment RM	Furniture and Fittings RM	Electrical Equipment RM	Renovations RM	Total RM
Cost						
As of 1 February 2016	51,200	80,993	3,600	7,123	297,781	440,697
Additions	-	7,478	-	6,810	-	14,288
As of 31 December 2016/ 1 January 2017	51,200	88,471	3,600	13,933	297,781	454,985
Additions	-	21,635	1,900	-	-	23,535
As of 31 December 2017	51,200	110,106	5,500	13,933	297,781	478,520
(Forward)						

	Office Equipment RM	IT Equipment RM	Furniture and Fittings RM	Electrical Equipment RM	Renovations RM	Total RM
Accumulated Depreciation						
As of 1 February 2016	51,199	44,481	2,055	2,213	201,335	301,283
Charge for the year	-	11,543	422	2,849	90,078	104,892
As of 31 December 2016/ 1 January 2017	51,199	56,024	2,477	5,062	291,413	406,175
Charge for the year	-	15,727	1,297	2,712	6,204	25,940
As of 31 December 2017	51,199	71,751	3,774	7,774	297,617	432,115
Net Book Value						
As of 31 December 2017	1	38,355	1,726	6,159	164	46,405
As of 31 December 2016	1	32,447	1,123	8,871	6,368	48,810

Included in property, plant and equipment of the Chamber are fully depreciated assets which are still in use, with a cost of approximately RM359,389 (2016: RM94,126).

9. ACCOUNTS RECEIVABLE

	31.12.2017	31.12.2016
	RM	RM
Accounts receivable	643,363	321,043
Less: Bad debts written off	(95,545)	(12,850)
	<u>547,818</u>	<u>308,193</u>

Accounts receivable comprise mainly amounts receivable for subscription fee. The credit period granted is 30 days (2016: 30 days).

The Chamber's historical experience in collection of account receivables falls within the recorded credit period and the Governors believe that no additional credit risk for collection losses is inherent in the Chamber's account receivables.

Account receivables include amounts (see below for aged analysis) that are past due at the end of the reporting period but against which the Chamber has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Chamber does not hold any collateral or other credit enhancements over these balances.

The table below is an analysis of account receivables at the end of the reporting year:

	31.12.2017	31.12.2016
	RM	RM
Neither pass due nor impaired	211,378	129,283
Pass due but not impaired	<u>336,440</u>	<u>178,910</u>
	<u>547,818</u>	<u>308,193</u>
Aging of past due but not impaired		
31 days to 60 days	244,084	44,350
61 days to 90 days	7,180	15,200
More than 90 days	<u>85,176</u>	<u>119,360</u>
	<u>336,440</u>	<u>178,910</u>

10. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	31.12.2017	31.12.2016
	RM	RM
Other receivables	9,296	1,358
Refundable deposits	105,820	97,700
Prepaid expenses	8,542	21,567
	<u>123,658</u>	<u>120,625</u>

11. FIXED DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

Included under fixed deposits with licensed financial institutions is an amount of RM160,000 (2016: RM160,000) and Nil (2016: RM20,303) held in trust for the Malaysian American Electronics Industry ("MAEI") and the AMCHAM - MACEE Scholarship Fund respectively.

The Chamber has fixed deposits that earn interest at rates ranging from 2.00% to 2.92% (2016: 2.30% to 3.10%) per annum.

12. SCHOLARSHIP FUND

This amount represents voluntary contributions from members solely for the purpose of funding Malaysian students studying in the United States of America.

13. MAEI AND THE YOUNG ENTERPRISE PROGRAM

The MAEI committee supports member companies in the electronics industry with aims to enhance members-government relations and advocate improvements needed to elevate the competitiveness of the Electrical and Electronics industry. The Young Enterprise Program provides Malaysian secondary students with first-hand experience in creating and managing their own companies. It is an opportunity for students to learn life and career skills, and to prepare for today's global market place.

14. MARI

The MARI ("Malaysia Alternative and Renewable Industry") committee aims to create a knowledge-based work force in Malaysia on the Renewable Energy supply chain by working with the Malaysian Government through the formation and implementation of effective policies. It also promotes the deployment of renewable energy in Malaysia to enhance Malaysia's global competitiveness through innovative economies and policies, based on knowledge, creativity, and green technology such that they become a significant contributor to Malaysia's Gross Domestic Product (GDP).

15. GRANTS - JUNIOR ACHIEVEMENT

These are grants received from Junior Achievement Worldwide to carry out the respective Junior Achievement programs.

16. ACCOUNTS PAYABLES

Accounts payables are non-interest bearing and the credit period granted to the Chamber for services received ranges from 30 to 60 days (2016: 30 to 60 days).

17. OTHER PAYABLES AND ACCRUED CHARGES

Other payables and accrued expenses consist of:

	31.12.2017 RM	31.12.2016 RM
Accrued charges	1,178,605	236,244
Other payables	<u>207,548</u>	<u>88,405</u>
	<u>1,386,153</u>	<u>324,649</u>

18. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the statement of cash flows comprise the following amounts:

	31.12.2017 RM	31.12.2016 RM
Fixed deposits with licensed financial institutions	160,000	1,135,000
Less: Held in trust for MAEI (Note 11)	(160,000)	(160,000)
Held in trust for AMCHAM - MACEE		
Scholarship fund (Note 11)	<u>-</u>	<u>(20,303)</u>
	-	954,697
Cash and bank balances	<u>2,792,147</u>	<u>959,500</u>
	<u>2,792,147</u>	<u>1,914,197</u>

19. **RENTAL COMMITMENTS**

As of 31 December 2017, the Chamber has the following outstanding commitments in respect of rental of premise as follows:

	31.12.2017 RM	31.12.2016 RM
Financial year/years ending 31 December:		
2016	-	-
2017	-	235,620
2018	<u>235,620</u>	<u>235,620</u>
	<u>235,620</u>	<u>471,240</u>

20. **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The Chamber's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Chamber's businesses whilst managing its liquidity risk and credit risk. The Governors review and agree policies for managing each of these risks and they are summarised below. It is, and has been throughout the year under review, the Chamber's policy that no trading in derivative financial instruments shall be undertaken.

(a) **Liquidity risk**

Liquidity risk is the risk the Chamber will encounter difficulty in meeting financial obligations due to shortage of funds. The Chamber's exposure to liquidity risk arises from mismatches of financial assets and financial liabilities.

The Chamber actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. The Chamber practices prudent liquidity risk management to minimise the mismatch of financial assets and financial liabilities.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Chamber's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations:

	On demand or within one year RM	One to five years RM	Total RM
31.12.2017			
Financial liabilities:			
Other payables and accrued charges	<u>1,327,526</u>	<u>-</u>	<u>1,327,526</u>
Total undiscounted financial liabilities	<u>1,327,526</u>	<u>-</u>	<u>1,327,526</u>
31.12.2016			
Financial liabilities:			
Other payables and accrued charges	<u>324,649</u>	<u>-</u>	<u>324,649</u>
Total undiscounted financial liabilities	<u>324,649</u>	<u>-</u>	<u>324,649</u>

(b) Credit risk management

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

The Chamber's credit risk is primarily attributable to accounts receivables. For cash and bank balances, the Chamber minimises credit risk by dealing exclusively with high credit rating counterparties.

The Chamber trades only with recognised and creditworthy third parties. Credit risk, or the risk of counterparties defaulting, is controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored via strictly limiting the Chamber's associations to business partners with high creditworthiness. Trade receivables are monitored on an ongoing basis via the Chamber's management reporting procedures.

The Chamber does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial assets.

(c) Fair values of financial instruments

The fair values of other financial assets and financial liabilities of the Chamber as at 31 December 2017 and 31 December 2016 are not materially different from their carrying values due to short term maturity of these financial instruments.

Company No. 37216 - W

AMERICAN MALAYSIAN CHAMBER OF COMMERCE
(Incorporated in Malaysia and Limited by Guarantee)

STATEMENT BY GOVERNORS

The Governors of **AMERICAN MALAYSIAN CHAMBER OF COMMERCE**, state that, in their opinion, the Financial Statements of the Chamber 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 Chamber as of 31 December 2017 and of the financial performance and the cash flows of the Chamber for the year then ended.

Signed on behalf of the Board
in accordance with a resolution of the Governors,



RAMZI ALBERT TOUBASSY



ANUSHAJOAN SOOSAIPILLAI

Kuala Lumpur

- 5 JUN 2018

Company No. 37216 - W

AMERICAN MALAYSIAN CHAMBER OF COMMERCE
(Incorporated in Malaysia and Limited by Guarantee)

**DECLARATION BY THE OFFICER PRIMARILY RESPONSIBLE FOR
THE FINANCIAL MANAGEMENT OF THE CHAMBER**

I, **SIOBHAN MAIRE DAS**, the officer primarily responsible for the financial management of **AMERICAN MALAYSIAN CHAMBER OF COMMERCE**, do solemnly and sincerely declare that the accompanying Financial Statements of the Chamber are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

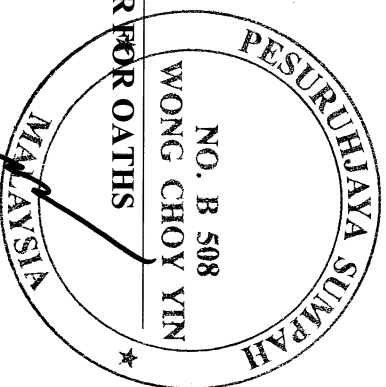


SIOBHAN MAIRE DAS

Subscribed and solemnly declared by the
abovenamed **SIOBHAN MAIRE DAS** at
PETALING JAYA in the state of
SELANGOR DARUL EHSAN this

- 5 JUN 2018

Before me,



No. 34A/Tkt 1), Jalan SS2/67
47300 Petaling Jaya
Selangor Darul Ehsan