

THE MALAYSIAN SOCIETY FOR TRANSPARENCY & INTEGRITY
(Established under Societies Act, 1966)

REPORTS AND FINANCIAL STATEMENTS
31ST DECEMBER, 2013

CONTENTS

	Page No.
Independent Auditors' Report	1 - 2
Balance Sheets	3
Income Statements	4
Statements of changes in Equity	5
Cash Flows Statements	6 - 7
Notes to the Financial Statements	8 - 18
Statement by Members	19
Statutory by Treasurer	19

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE MALAYSIAN SOCIETY FOR TRANSPARENCY & INTEGRITY
(Established under Societies Act, 1966)
(Registration No.PPM-007-10-28081999)

Report on the Financial Statements

We have audited the financial statements of The Malaysian Society For Transparency & Integrity, which comprise the balance sheets as at 31st December, 2013 of the Group and of the Society, the income statements, statements of changes in equity and cash flows statements of the Group and of the Society for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 3 to 18.

Executive Committee's Responsibility for the Financial Statements

The executive committee of the Society is responsible for the preparation and fair presentation of these financial statements in accordance with Private Entity Reporting Standards and for such internal control as the executive committees determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Society's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the executive committees, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Registration No.
PPM-007-10-28081999

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Private Entity Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Society as of 31st December, 2013 and of its financial performance and cash flows statements for the year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the rules and regulations of the Society, we also report the following:-

- a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Society have been properly kept.
- b) We are satisfied that the financial statements of the subsidiary that have been consolidated with the Society's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us.
- c) The audit report on the financial statements of the subsidiary did not contain any qualification or any adverse comment made under Section 174(3) of the Companies Act, 1965 in Malaysia.

Other Matters

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



GOMEZ & CO.
AF 0611
CHARTERED ACCOUNTANTS



JEFFREY GERARD GOMEZ
1245/4/15(J)

Kuala Lumpur

Date: 1 1 APR 2014

THE MALAYSIAN SOCIETY FOR TRANSPARENCY & INTEGRITY
(Established under Societies Act, 1966)

BALANCE SHEETS - 31ST DECEMBER, 2013

	Note	The Group 2013 RM	The Society 2013 RM	2012 RM
PROPERTY, PLANT AND EQUIPMENT	3	72,239	66,668	50,944
INVESTMENT IN A SUBSIDIARY	4	-	52,882	-
CURRENT ASSETS				
Receivables, deposits and prepayment	5	2,576,595	2,554,876	2,266,705
Amount due from a subsidiary	6	-	2,143	-
Current tax asset		-	-	18,675
Fixed deposits	7	183,797	183,797	178,452
Cash and bank balances		815,185	749,537	589,222
		<u>3,575,577</u>	<u>3,490,353</u>	<u>3,053,054</u>
LESS: CURRENT LIABILITIES				
Sundry payables and accruals	8	2,987,221	2,958,395	2,763,966
Current tax liabilities		2,000	-	-
		<u>2,989,221</u>	<u>2,958,395</u>	<u>2,763,966</u>
NET CURRENT ASSETS		586,356	531,958	289,088
DEFERRED TAX LIABILITY	9	(659)	-	-
		<u>657,936</u>	<u>651,508</u>	<u>340,032</u>
Financed by:-				
ACCUMULATED FUNDS		<u>657,936</u>	<u>651,508</u>	<u>340,032</u>

The annexed notes form an integral part of the financial statements.

THE MALAYSIAN SOCIETY FOR TRANSPARENCY & INTEGRITY
(Established under Societies Act, 1966)

INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2013

	Note	The Group	The Society	
		2013 RM	2013 RM	2012 RM
INCOME				
Donations		14,000	14,000	5,090
Grant		167,700	167,700	120,000
Grant from Ti-M Core Funding		63,536	63,536	-
Membership fee		70,250	70,250	39,050
Fixed deposit interest received		5,345	5,345	8,385
Sundry income		38,976	6,404	15,877
UNACD workshop and dinner income		-	-	1,442
Contribution from individuals		28,933	28,933	29,511
Income from consultancy, workshop and seminars		95,594	-	-
		484,334	356,168	219,355
DIRECT COST				
2013 Anti-Corruption Day		(600)	(600)	(5,030)
OTHER INCOME				
Reimbursement of expenses for:				
- CRINIS project		-	-	15,300
- FGI project		338,128	338,128	324,523
- Business Integrity programme		187,200	187,200	192,337
Surplus:				
- of TIM strategic planning		-	-	4,500
- of Business Integrity programme		131,807	131,807	-
- of CRINIS		16,774	16,774	-
- from other TIS projects		98,342	98,342	-
		1,255,985	1,127,819	750,985
DEPRECIATION		(11,461)	(11,338)	(11,681)
STAFF COSTS		(524,755)	(469,059)	(526,644)
OTHER OPERATING EXPENSES		(399,206)	(335,946)	(255,874)
PROFIT/(LOSS) BEFORE TAXATION		320,563	311,476	(43,214)
TAXATION	10	(2,659)	-	-
NET PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u>317,904</u>	<u>311,476</u>	<u>(43,214)</u>

The annexed notes form an integral part of the financial statements.

THE MALAYSIAN SOCIETY FOR TRANSPARENCY & INTEGRITY
(Established under Societies Act, 1966)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2013

	ACCUMULATED FUNDS RM
The Group	
AS AT 1ST JANUARY, 2013	340,032
NET PROFIT FOR THE FINANCIAL YEAR	<u>317,904</u>
AS AT 31ST DECEMBER, 2013	<u><u>657,936</u></u>
The Society	
AS AT 1ST JANUARY, 2012	383,246
NET LOSS FOR THE FINANCIAL YEAR	<u>(43,214)</u>
AS AT 31ST DECEMBER, 2012	<u><u>340,032</u></u>
AS AT 1ST JANUARY, 2013	340,032
NET PROFIT FOR THE FINANCIAL YEAR	<u>311,476</u>
AS AT 31ST DECEMBER, 2013	<u><u>651,508</u></u>

The annexed notes form an integral part of the financial statements.

THE MALAYSIAN SOCIETY FOR TRANSPARENCY & INTEGRITY
(Established under Societies Act, 1966)

CASH FLOWS STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER, 2013

	The Group	The Society	
	2013 RM	2013 RM	2012 RM
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(Loss) before taxation	320,563	311,476	(43,214)
Adjustment for depreciation	11,461	11,338	11,681
Operating profit/(loss) before working capital changes	332,024	322,814	(31,533)
Change in receivables	(309,890)	(288,171)	(1,009,837)
Change in payables	241,930	213,104	960,003
Cash generated from/(used in) operations	264,064	247,747	(81,367)
Tax refunded	-	-	5,474
Net cash generated from/(used in) operating activities	264,064	247,747	(75,893)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of a subsidiary (Note A)	-	(52,882)	-
Purchase of property, plant and equipment	(32,756)	(27,062)	(22,120)
Net cash used in investing activities	(32,756)	(79,944)	(22,120)
CASH FLOWS FROM FINANCING ACTIVITY			
Advances to a subsidiary	-	(2,143)	-
Net increase/(decrease) in cash and cash equivalents	231,308	165,660	(98,013)
Cash and cash equivalents at the beginning of the financial year	767,674	767,674	865,687
Cash and cash equivalents at the end of the financial year (Note 11)	998,982	933,334	767,674

Registration No.
PPM-007-10-28081999

Note A: Acquisition of a subsidiary

	The Society 2013 RM
Cash and bank balances	50,002
Cost of incorporation of a subsidiary	<u>2,880</u>
	<u><u>52,882</u></u>

The annexed notes form an integral part of the financial statements.

THE MALAYSIAN SOCIETY FOR TRANSPARENCY & INTEGRITY
(Established under Societies Act, 1966)

NOTES TO THE FINANCIAL STATEMENTS – 31ST DECEMBER, 2013

1. GENERAL INFORMATION

The principal activity of the Society is to promote transparency and integrity. There has been no significant change in this activity during the financial year.

The average number of employees during the financial year numbered 7 (2012 – 8).

The Society is a society registered with the Registrar of Societies.

The address of the registered office and principal place of business of the Society is as follows:-

No.23, Jalan Pantai 9/7
46000 Petaling Jaya
Selangor Darul Ehsan.

2. ACCOUNTING POLICIES

a) Basis of Preparation

The financial statements of the Group and of the Society have been prepared under the historical cost convention and comply with Private Entity Reporting Standards issued by the Malaysian Accounting Standards Board.

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

These are the Group and the Society’s first set of financial statements prepared in accordance with Private Entity Reporting Standards.

In the previous financial year, the financial statements of the Society have been prepared under the historical cost convention and Generally Accepted Accounting Principles. There were no financial impacts on the financial statements from the transition except for changes from Statement of Receipts and Payments to Cash Flows Statements.

b) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Society and its subsidiary. Subsidiary is a company in which the Group has an equity interest and where it has power to exercise control over the financial and operating policies so as to obtain benefits therefrom.

Subsidiary is consolidated using the acquisition method of accounting. Under the acquisition method of accounting, the results of subsidiary acquired or disposed off during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. The assets and liabilities of a subsidiary are measured at their fair values at the date of acquisition and these values are reflected in the consolidated balance sheet. The difference between the cost of an acquisition and the fair value of the Group's share of the net assets of the acquired subsidiary at the date of acquisition is included in the consolidated balance sheet as goodwill or negative goodwill arising on consolidation.

Intragroup transactions, balances and resulting unrealised gains are eliminated on consolidation and the consolidated financial statements reflect external transactions only. Unrealised losses are eliminated on consolidation unless costs cannot be recovered.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets together with any unamortised balance of goodwill and exchange differences which were not previously recognised in the consolidated income statement.

Minority interest is measured at the minorities' share of the post acquisition fair values of the identifiable assets and liabilities of the acquiree.

c) Investment in a Subsidiary

In the Society's balance sheet, investment in a subsidiary is stated at the cost less any accumulated impairment losses, if any. On disposal of the investments, the difference between net disposal proceeds and their carrying amounts included in statement of income statement.

d) Goodwill on Consolidation

Goodwill represents the excess of the cost of an acquisition of a subsidiary over the fair value at the date of acquisition of the Group's share of their identifiable net assets.

Goodwill on acquisitions of a subsidiary is included in intangible assets.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any impairment loss and tested at least annually for impairment and carried at cost less accumulated impairment losses.

Gains and losses on the disposal of the subsidiary include the carrying amount of goodwill relating to the entity sold.

e) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Property, plant and equipment are depreciated on a straight line basis to write off the cost of the assets over their estimated useful lives. The principal annual rates used are:

Office equipment	10%
Computer equipment	25%
Furniture and fittings	10%

The carrying values of property, plant and equipment are reviewed 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. An impairment loss is charged to the income statement immediately.

f) Projects/Programmes funding

The Society carries out projects or programmes and recognises the funding or contributions from donors for these projects or programmes as payables and the correspondence expenditures for the projects or programmes as receivables. In the event, there is a surplus when the projects or programmes are properly completed, the surplus from the funding is recognised as income.

g) Receivables

Receivables are carried at anticipated realisable value. Known bad debts are written off and specific allowance is made for any considered to be doubtful of collection.

h) Payables

Payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services received.

i) Income Recognition

Income is recognised when it is probable that the economic benefits will flow to the Group and when the income can be measured reliably on the following basis:

- (a) Contribution from members are recognised on an accrual basis.
- (b) Grants are recognised where there is reasonable assurance that the Society will comply with the conditions attaching to them and the grants will be received. Grants are recognised as income on a systematic basis over the periods necessary to match them with the related costs which they are intended to compensate.
- (c) Donation income are recognised on receipt basis.
- (d) Surplus from projects/programmes funds undertaken are recognised upon proper completion of the projects/programmes.
- (e) Service income from consulting, workshop, seminar and training are recognised upon services rendered.
- (f) Interest income is recognised on a time proportion basis.
- (g) Reimbursement of expenses incurred by the Society in carrying out projects/programmes on actual basis.

j) Currency Translations

Transactions in foreign currencies are converted into Ringgit Malaysia at exchange rates ruling at the transaction dates. Foreign currency monetary assets and liabilities are translated into Ringgit Malaysia at exchange rates approximating those ruling at balance sheet date. All exchange differences are taken to the income statement.

The closing rate used in translating foreign monetary assets and liabilities is as follows:-

EUR1.00 : RM4.5263

k) Employee Benefits

i) Short term benefits

Wages, salaries, paid leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the period in which the associated services are rendered by employees.

Non-monetary benefits such as medical care and other staff related expenses are charged to the income statement as and when incurred.

ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the Employees Provident Fund (“EPF”). Such contributions are recognised as an expense in the income statement in the financial year to which they relate.

l) Impairment of Assets

The carrying values of assets are reviewed 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. The recoverable amount is the higher of net realisable value and value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit.

The impairment loss is charged to the income statement immediately, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of previously recognised revaluation surplus for the same asset.

m) Operating leases

Lease rental under operating lease are recognised as an expense on straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessors is, if any, recognised as a reduction of rental expense over the lease term on a straight-line basis.

n) Income Tax

Tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Temporary differences are not recognised for the initial recognition of assets or liabilities that at the time of the transaction affects neither accounting nor taxable profit. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

o) Cash and cash equivalents

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

3. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:-

The Group	Office equipment RM	Computer equipment RM	Furniture and fittings RM	Total RM
Cost				
As at 1 st January, 2013	42,561	75,971	40,934	159,466
Additions	1,680	11,932	19,144	32,756
As at 31 st December, 2013	44,241	87,903	60,078	192,222
Accumulated Depreciation				
As at 1 st January, 2013	23,994	67,757	16,771	108,522
Charge for the financial year	2,934	3,668	4,859	11,461
As at 31 st December, 2013	26,928	71,425	21,630	119,983
Net Book Value				
As at 31 st December, 2013	17,313	16,478	38,448	72,239

The Society	Office equipment RM	Computer equipment RM	Furniture and fittings RM	Total RM
Cost				
As at 1 st January, 2013	42,561	75,971	40,934	159,466
Additions	1,680	6,238	19,144	27,062
As at 31 st December, 2013	<u>44,241</u>	<u>82,209</u>	<u>60,078</u>	<u>186,528</u>
Accumulated Depreciation				
As at 1 st January, 2013	23,994	67,757	16,771	108,522
Charge for the financial year	2,934	3,545	4,859	11,338
As at 31 st December, 2013	<u>26,928</u>	<u>71,302</u>	<u>21,630</u>	<u>119,860</u>
Net Book Value				
As at 31 st December, 2013	<u>17,313</u>	<u>10,907</u>	<u>38,448</u>	<u>66,668</u>
As at 31 st December, 2012	<u>18,567</u>	<u>8,214</u>	<u>24,163</u>	<u>50,944</u>
Depreciation charge				
Financial year ended 31 st December, 2012	<u>2,906</u>	<u>5,190</u>	<u>3,585</u>	<u>11,681</u>

4. **INVESTMENT IN A SUBSIDIARY**

	The Society	
	2013	2012
	RM	RM
Unquoted shares in Malaysia, at cost	<u>52,882</u>	<u>-</u>

The subsidiary is TI BIP Malaysia Sdn. Bhd., a wholly owned subsidiary of the Society, incorporated in Malaysia. The principal activities of the subsidiary is to act as management consultant and conduct workshops, seminars, training to promote integrity and good governance within Malaysia and internationally.

The subsidiary commenced operation in August 2013.

5. **RECEIVABLES, DEPOSITS AND PREPAYMENT**

	The Group	The Society	
	2013	2013	2012
	RM	RM	RM
Receivables			
Consultancy, workshop and seminars	21,719	-	-
Business Integrity Programme	-	-	288,024
CRINIS Project	-	-	201,288
Forestry Governance Integrity (FGI) Project	2,438,811	2,438,811	1,636,049
Berlin Innovation Grant (fix my street)	20,600	20,600	-
Grant receivable	30,000	30,000	30,000
TIM strategic Planning	21,500	21,500	21,500
Reimbursable expenses	-	-	26,976
Staff emergency medical loan	12,814	12,814	30,000
	<u>2,545,444</u>	<u>2,523,725</u>	<u>2,233,837</u>
Deposits	24,651	24,651	26,368
Prepayment	6,500	6,500	6,500
	<u>2,576,595</u>	<u>2,554,876</u>	<u>2,266,705</u>

6. **AMOUNT DUE FROM A SUBSIDIARY**

The amount due from a subsidiary represents unsecured advances, which is interest free with no fixed term of repayment.

7. **FIXED DEPOSITS**

The fixed deposits are placed with licensed banks and have a maturity period of less than one year.

8. **SUNDRY PAYABLES AND ACCRUALS**

	The Group	The Society	
	2013 RM	2013 RM	2012 RM
Sundry Payables			
Advances received for:			
- CRINIS Project	-	-	214,962
- Forestry Governance Integrity (FGI) Project	2,722,119	2,722,119	1,904,163
- EU Project	-	-	12,934
- Project TI-S Berlin	-	-	23,575
- Business Integrity Programme	-	-	570,000
- TI AusAid Grant	-	-	23,220
Membership fee received in advance	200	200	-
Grant for development operation manual	-	-	4,735
Grant for private sector tools	-	-	7,363
TIM Core funding received	124,000	124,000	-
Berlin Innovation Grant (fix my street)	101,476	101,476	-
Other payables	5,260	-	-
	<u>2,953,055</u>	<u>2,947,795</u>	<u>2,760,952</u>
Accruals			
Audit fee	9,350	6,350	2,350
Tax fee	3,050	1,250	-
Bonus	17,653	-	-
EPF	1,113	-	-
Accountancy fee	3,000	3,000	-
Socso	-	-	664
	<u>34,166</u>	<u>10,600</u>	<u>3,014</u>
	<u>2,987,221</u>	<u>2,958,395</u>	<u>2,763,966</u>

9. **DEFERRED TAX LIABILITY**

	The Group	The Society	
	2013	2013	2012
	RM	RM	RM
At 1 st January	-	-	-
Origination during the financial year	659	-	-
At 31 st December	<u>659</u>	<u>-</u>	<u>-</u>

Deferred tax liability represent excess of net book value over tax written down value of property, plant and equipment.

10. **TAXATION**

	The Group	The Society	
	2013	2013	2012
	RM	RM	RM
Current tax:			
- current period	2,000	-	-
Deferred tax:			
- origination for the financial period	659	-	-
	<u>2,659</u>	<u>-</u>	<u>-</u>

The numerical reconciliations between income tax expense and the product of accounting result multiplied by the applicable tax rate are as follow:-

Profit/(Loss) before taxation	<u>320,563</u>	<u>311,476</u>	<u>(43,214)</u>
Taxation at applicable rate of 20%			
(2012 - 20%)	64,113	62,295	(8,643)
Tax effect of non-deductible expenses	2,390	1,549	2,022
Tax effect of non-taxable income	(3,917)	(3,917)	-
Deferred tax assets not recognised	-	-	6,621
Utilisation of deferred tax assets not recognised previously	<u>(59,927)</u>	<u>(59,927)</u>	<u>-</u>
	<u>2,659</u>	<u>-</u>	<u>-</u>

As at 31st December, 2013, the Society has not recognised deferred tax assets arising from the following temporary differences as it is not probable that future taxable profit will be available against which the assets can be utilised.

	The Group	The Society	
	2013	2013	2012
	RM	RM	RM
Deductible temporary differences on:			
- unused tax losses	40,498	40,498	97,647
- unabsorbed capital allowances	<u>1,904</u>	<u>1,904</u>	<u>3,622</u>
	42,402	42,402	101,269
Taxable temporary differences between net book value and tax written down value of property, plant and equipment	<u>(7,140)</u>	<u>(7,140)</u>	<u>(6,080)</u>
	<u>35,262</u>	<u>35,262</u>	<u>95,189</u>

11. **CASH AND CASH EQUIVALENTS**

	The Group	The Society	
	2013	2013	2012
	RM	RM	RM
Cash and cash equivalents consist of:			
Fixed deposits	183,797	183,797	178,452
Cash and bank balances	<u>815,185</u>	<u>749,537</u>	<u>589,222</u>
	<u>998,982</u>	<u>933,334</u>	<u>767,674</u>

12. **COMPARATIVE FIGURES**

There are no comparative figures for the Group as this is the first set of financial statements of the Group.

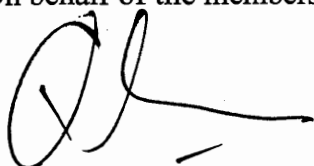
Registration No.
PPM-007-10-28081999

THE MALAYSIAN SOCIETY FOR TRANSPARENCY & INTEGRITY
(Established under Societies Act, 1966)

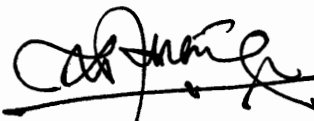
**STATEMENT BY MEMBERS OF THE
EXECUTIVE COMMITTEE**

We, DATO' AKHBAR SATAR and DR. LOI KHENG MIN, being two of the members of the Executive Committee of The Malaysian Society For Transparency & Integrity, state that, in the opinion of the Executive Committee, the financial statements set out on pages 3 to 18 are drawn up so as to give a true and fair view of the state of affairs of the Society as at 31st December, 2013 and of the income and expenditure account and receipts and payments of the Society for the financial year then ended in accordance with Private Entity Reporting Standards.

On behalf of the members of the Executive Committee



DATO' AKHBAR SATAR
President



DR. LOI KHENG MIN
Secretary General

Kuala Lumpur

Date: 1 1 APR 2014

STATEMENT BY TREASURER

I, MOHAMED RASLAN ABDUL RAHMAN, the person primarily responsible for the financial management of The Malaysian Society For Transparency & Integrity, do solemnly and sincerely declare that the financial statements set out on pages 3 to 18, are in my opinion, correct.



MOHAMED RASLAN ABDUL RAHMAN

Date: 1 1 APR 2014