WORLD ASSEMBLY OF YOUTH

FINANCIAL STATEMENTS

31 DECEMBER 2015

WORLD ASSEMBLY OF YOUTH

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STATEMENT BY THE COMMITTEE

We, **DATUK SERI IR. HAJI IDRIS BIN HAJI HARON** and **EDIOLA PASHOLLARI**, being the President and Secretary General, respectively, of the WORLD ASSEMBLY OF YOUTH, do hereby state that, in the opinion of the Committee, the financial statements set out on pages 4 to 19 are properly drawn up in accordance with the Article of Organisation Charter and Malaysian Financial Reporting Standard so as to give a true and fair view of the state of affairs of the Company as at 31 December 2015 and of its results for the year then ended.

Signed on behalf of the Committee,

DATUK SERI IR. HAJI IDRIS BIN HAJI HARON
President

EDIOLA PASHOLLARI
Secretary General

Melaka, Malaysia
Dated: 2 6 MAY 2016

KHR

KHAIRUDDIN
HASYUDEEN
& RAZI

Chartered Accountants
(AF 1161)

REPORT OF THE AUDITORS
TO THE MEMBERS OF WORLD ASSEMBLY OF YOUTH

Report on the Financial Statements

We have audited the financial statements set of World Assembly of Youth, which comprise the statement of financial position as at 31 December 2015, and the statement of comprehensive income and cash flow for the statement ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 4 to 19.

Executive Committees' Responsibility for the Financial Statements

Executive Committee are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards, Malaysian Financial Reporting Standards and Article of Organisation Charter, and for such internal control 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 entity's preparation of financial statements that give a true and fair view in order to design audit entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, 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.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with International Financial Reporting Standards, Malaysian Financial Reporting Standards and Article of Organisation Charter so as to give a true and fair view of

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the financial position of the Association as of 31 December 2015 and of its financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Article of Organisation Charter, we also report that in our opinion the accounting and other records and the registers required by the Article to be kept by the Association have been properly kept in accordance with the provisions of the Article.

Other Matters

This report is made solely to the Members of Association, as body, in accordance with Article of Organisation Charter and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Khairuddin Hasyudeen & Razi
AF 1161
Chartered Accountants

Mohd Arif Bin Yusa,CPA (Aust.), C.A(M)
1897/04/18(J)
Partner of the Firm

Melaka, Malaysia
Dated: 26 MAY 2016

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WORLD ASSEMBLY OF YOUTH

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2015

	NOTE	2015 RM	2014 RM
NON CURRENT ASSET			
Property, plant and equipment	6	1,546	6,023
CURRENT ASSETS			
Other receivables, deposits and prepayment		840	-
Cash and bank balances	7	18,753	82,790
		19,593	82,790
CURRENT LIABILITY			
Other payables and accruals		1,135,302	715,502
		1,135,302	715,502
NET CURRENT LIABILITIES		(1,115,709)	(632,712)
		(1,114,163)	(626,689)
FINANCED BY:			
Accumulated fund	8	(1,121,698)	(634,224)
Capital reserve	9	7,535	7,535
		(1,114,163)	(626,689)

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

WORLD ASSEMBLY OF YOUTH

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015	2014
	RM	RM
INCOME:		
Conference fees	76,147	36,675
Sponsorship	107,100	320,000
WAY General Assembly-Albania	-	581,306
Membership fees	1,971	46,701
	185,218	984,682
OTHER INCOME:		
Insurance reimbursement	1,682	789
Other income	-	500
Other event (WIF)	9,300	-
	10,982	1,289
EXPENDITURE:		
Accounting fees	1,000	700
Audit fees	1,500	2,000
Bank charges	247	77
Depreciations	5,005	15,022
Fuel, tolls and parking	8,863	8,661
Insurance	6,792	8,142
Maintenance-motor vehicles	7,331	7,793
Maintenance-office equipment	9,734	6,140
Office expenses	4,353	3,744
Periodical and subscriptions	7,061	5,095
Postage and stamps	1,028	369
Printing and stationery	4,010	2,952
Rental	9,120	7,200
Salaries and wages	254,216	236,993
Staff claims	34,895	28,829
Travel allowances	85,700	35,242
Visitor and refreshment	-	244
Utilities	19,064	16,960
WAY General Assembly XVI	40,556	183,734
WAY General Assembly-Albania	-	581,306
WAY conference and meeting	160,783	132,006
WAY events and workshop	22,416	-
	683,674	1,283,210
NET DEFICIT	(487,474)	(297,239)

WORLD ASSEMBLY OF YOUTH

STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2015

	2015 RM	2014 RM
INFLOW:		
Bank b/f	82,790	21,327
Capital reserve	-	-
Conference fees	76,147	36,675
Sponsorship	107,100	320,000
Government funds	-	-
Advance	419,800	343,800
Membership fees	1,971	46,701
WAY General Assembly-Albania	-	581,306
Other income- Insurance reimbursment	1,682	789
Other income-WIF	9,300	-
Other income	-	500
	698,790	1,351,098
OUTFLOW:		
Account fees	1,000	700
Purchase of asset	528	119
Audit fees	1,500	2,000
Bank charges	247	77
Deposits	840	-
Fuel, tolls and parking	8,863	8,661
Insurances	6,792	8,142
Maintenance-motor vehicles	7,331	7,793
Maintenance-office equipment	9,734	6,140
Office expenses	4,353	3,744
Periodical and subscriptions	7,061	5,095
Postage and stamps	1,028	369
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Travel allowances	85,700	35,242
Utilities	19,064	16,960
WAY-General Assembly XVI	40,556	183,734
WAY-General Assembly Albania	-	581,306
Visitor and refreshment	-	244
WAY event and workshop	22,416	-
WAY conference and meeting	160,783	132,006
	680,037	1,268,308
BANK BALANCES FOR THE YEAR	18,753	82,790

1. PRINCIPAL OBJECTIVES

The Association is established under the International Coordinating Body of National Youth Council and Organisations. The principal objectives of the Organisation under the Articles are:

a) Increase inter-ethnic respect and to foster inter-cultural and international understanding and co-operations.
b) Facilitate the collection of information about the needs and problem of youth.
c) Disseminate information about the methods, techniques and activities of youth organisations.
d) Promote the interchanges of ideas between youth of all countries.
e) Assist in the development of youth work activities and to promote, by mutual aid, the extension of the work of the voluntary youth organisations.
f) Co-operate in the development of national youth organisations.
g) Promote the democratic participation of young people both in their own organisation and in the work of the voluntary youth.
h) Establish and maintain relations with the international organisations, both voluntary and governmental.
i) Support and encourage the national movements of non self governing countries in their struggle for national liberations.
j) Promote tolerance, understanding, solidarity and co-operation among young men and women irrespective of race, sex, language, religion or political orientations.
k) Encourage the full participation of young men and women in the development process of their countries.
l) Act as representative body of national youth councils to other appropriate governmental and non-governmental international bodies.

2. BASIS FROM PREPARATION OF THE FINANCIAL STATEMENTS

(a) Statement of compliance

The financial statements of the Association have been prepared in accordance with International Financial Reporting Standard and Malaysian Financial Reporting Standard.

The company has adopted mandatory financial reporting standards in Malaysia ("MFRS"), as follows:

MFRS, Interpretation and amendment effective for annual year beginning in or after 1 January 2015:

- *MFRS 13 Fair Value Measurement (effective from 1 January 2013)*
- *Amendment to MFRS 7 Financial Instruments: Disclosures (effective from 1 January 2013)*
- *Amendment to MFRS 116 Property, Plant and Equipment (effective from 1 January 2013)*
- *Amendment to MFRS 132 Financial Instruments: Presentation (effective from 1 January 2014)*
- *MFRS 9 Financial Instruments Classification and Measurement of Financial Assets and Financial Liabilities (effective from 1 January 2015)*

MFRS, Interpretation and amendment effective for annual year beginning in or after 1 January 2016:

- *Amendment to MFRS 7 Financial Instrument Disclosure (Improvement to MFRS 2012- 2014)*
- *Amendment to MFRS 116 Property, Plant and Equipment (Explanation of acceptable depreciation methods)*
- *Amendment to* MFRS 119 *Employee Benefits (Improvement to MFRS 2010-2012)*
- *Amendment to MFRS 127 Separation of Financial Statement – Capital Method Use For Separation Of Financial Statement*

(b) **Basis of measurement**

The financial statements have been prepared under the historical cost basis other than those specified in Note 4.

(c) **Functional and presentation currency**

Currency used by the Association are denominated in Ringgit Malaysia ("RM"), sales and purchase in dominance in RM, acceptance of the operations has been maintained in the RM and funds from finance activities also generated in RM.

(d) **Use of estimates and judgments**

Preparation of financial statements in accordance with the requirements of MFRS may require management to make judgments, estimates and assumptions that affect the use of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

For the current financial year, there is an integral part of estimation uncertainty and critical judgments in applying accounting policies that have significant effect on the amounts recognized in the financial statements.

(e) **Provision**

Provisions are recognised when the organization has the legal obligation and liabilities constructive as a result of a past event that is probable outflow of resources embodying economic benefits will be required to settle the obligation. Reasonable estimates can be made on the obligation.

Risks and uncertainties are taken into account in reaching the best estimate provisions. When the effect of the value of money is material, the amount recognised for a provision is the present value of the expenditure expected to be required to settle the obligation. Provisions determined by giving discounts future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the reliability. Termination of the discount is recognised as finance cost.

After initial recognition, 'held-to-maturity' investments are measured at amortised cost using the effective interest method less any accumulated impairment losses. Gains or losses are recognised in profit or loss when 'held-to-maturity' investments are derecognised or impaired.

(iii) Loans and Receivables (L&R)

Loans and receivables are non-derivative financial assets (such as trade receivables, loans assets, unquoted debt instruments and deposits held in banks) with fixed or determinable payments that are not quoted in an active market.

After initial recognition, loans and receivables are measured at amortised cost using the effective interest method less any accumulated impairment losses. Gains or losses are recognised in profit or loss when loans and receivables are derecognised or impaired.

(iv) 'Available-for-sale' Financial Assets (AFS)

Investment in quoted equity and debt instruments that are traded in active market and certain unquoted equity instruments (when the fair value can be determined using a valuation technique) are classified as 'available-for-sale' financial assets. 'Available-for-sale' financial assets are measured at fair value.

Gains or losses on 'available-for-sale' financial assets are recognised in other comprehensive income, except for impairment losses and foreign exchange gains or losses, until the 'available-for-sale' financial assets are derecognised. At that time, the cumulative gains or losses previously recognised in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment.

Interest calculated using the effective interest method is recognised in profit or loss. Dividends on 'available-for-sale' equity instruments are recognised in profit or loss when the Company's right to receive payment is established.

(v) Investment in Unquoted Equity Instruments Carried at Cost

Investment in equity instruments which do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such an unquoted equity instruments, are measured at cost less any accumulated impairment losses.

(vi) Reclassification of Financial Assets

The Association do not reclassify derivative out of the 'fair value through profit or loss' category while they are held or in issue. Equally, the Association do not reclassify other financial assets out of the 'fair value through profit or loss' category if upon initial recognition, those financial assets were designated as at 'fair value through profit or loss'. Other financial assets are not reclassified into the 'fair value through profit or loss' category after initial recognition under another category.

When it is no longer appropriate to classify an investment as 'held-to-maturity' as a result of a change in intention and ability, the investment is reclassified as held for sale and re-measured at fair value. Any difference between the carrying amount and fair value of the investment is recognised in other comprehensive income.

(vii) Impairment of Financial Assets

At the end of each reporting period, the Association assess whether there is any objective evidence that financial assets held, other than financial assets at 'fair value through profit or loss', are impaired. Financial assets are impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the financial assets which have an impact on the estimated future cash flows of the financial assets that can be reliably measured.

(viii) Derecognition of Financial Assets

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets expire or the Association transfer the financial assets and the transfers qualify for derecognition.

On derecognition of financial assets in their entirety, the differences between the carrying amounts and the sum of the consideration received and any cumulative gains or losses that have been recognised in other comprehensive income are recognised in profit or loss.

(b) **Financial Liabilities and Equity Instruments**

(i) Classification of Liabilities and Equity

On initial recognition, financial liabilities and equity instruments are classified in accordance with the substance of the contractual arrangement.

Interests, dividends, losses and gains relating to a financial instrument that is classified as a financial liability is recognised as income or expense in profit or loss. Distributions to holders of an equity instrument are debited directly to equity, net of any related income tax benefit. Transaction costs of an equity instrument are accounted for as a deduction from equity, net of any related income tax benefit.

(ii) Equity Instruments

Equity instruments are any contracts that evidence a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(iii) Financial Liabilities

Financial liabilities are recognised on the statements of financial position when the Company become a party to the contractual provisions of the instrument.

On initial recognition, financial liabilities are measured at fair value, plus transaction costs for financial liabilities not at 'fair value through profit or loss'.

After initial recognition, financial liabilities are either classified as at 'fair value through profit or loss' or amortised cost using the effective interest method.

(iv) Financial Liabilities at 'Fair Value Through Profit or Loss'

Financial liabilities are classified as at 'fair value through profit or loss' when the financial liabilities are either 'held for trading' or upon initial recognition, the financial liabilities are designated as at 'fair value through profit or loss'.

A financial liability is classified as 'held for trading' if:

- it is incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition, it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective hedging instrument.

Financial liabilities (other than 'held for trading') are designed as at 'fair value through profit or loss' upon initial recognition if:

- it eliminates or significant reduces a measurement or recognition inconsistency that would otherwise arise from measuring liabilities or recognising the gains and losses on them on different bases; or
- a group of financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- a contract contains one or more embedded derivatives, the entire hybrid contracts are designated as at 'fair value through profit or loss'.

After initial recognition, financial liabilities at 'fair value through profit or loss' are measured at fair value. Gains or losses on the financial liabilities at 'fair value through profit or loss' are recognised in profit or loss.

(v) Financial Liabilities at Amortised Cost using the Effective Interest Method (FL)

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

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

(vi) Derecognition of Financial Liabilities

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

Any difference between the carrying amounts of financial liabilities derecognised and the consideration paid is recognised in profit or loss.

(c) **Property, Plant And Equipment and depreciation**

Initially, property, plant and equipment are stated at cost. The cost of property, plant and equipment are recognised as an asset if, and only if, it is probable that the economic benefits associated with the asset will flow to the company and the cost can be measured reliably.

Following the next recognition, property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. When part of the property, plant and equipment of a material should be replaced at the interval, the company recognizes the Division as individual assets with useful life and depreciation of certain each. So, when a major inspection is performed, cost is recognised in the carrying amount of property, plant and equipment as a replacement if it meets the criteria for recognition. All costs of other repairs and maintenance are recognised in profit or loss when incurred. Properties unlimited useful lives are not amortised.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be restored. Residual values, useful lives and methods of depreciation are reviewed at the end of each financial year, and adjusted prospectively, if appropriate.

Depreciation is provided on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. The estimated useful lives for the current year are as follows:

	Years
Air conditioner	10
Computer	5
Furniture and fitting	10
Kitchen equipment	10
Motor vehicles	5
Office equipment	10

Recognition of a property, plant and equipment reversed upon disposal or when no future economic benefits are expected to be paid off from the use or disposal of the asset. Any gains or losses from assets not recognised is included in profit or loss in the year the asset is derecognised.

(d) **Revenue recognition**

Revenue is measured at the fair value received or receivable, net of discounts and indirect taxes associated with the revenue. Revenue is recognised in the statement of comprehensive income based on the rendering of services by reference to the stage of completion of the transaction at the end of this reporting year when the results of the transaction can be measured reliably.

Revenue is recognised on accrual basis from the income received from membership subscription.

(e) **Income taxes**

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 to equity, in which case it is recognised directly in equity.

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

Deferred taxation is provided for under the liability method for all temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements. Temporary differences are not recognised for the initial recognition of assets or liabilities that is not a business combination and that at the time of the transaction affects neither accounting nor taxable profits.

The amount of deferred tax provided is based on the expected manner or realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the balance sheet date.
A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

(f) **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, bank balances, deposits with licensed financial institutions and highly liquid investments that are readily convertible to cash amount and subject to the risk of changes in value. The cash flow statement is prepared using the indirect method.

(g) **Financial instruments**

(i) Description

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

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is a liability that is contractual obligation to deliver cash or another financial instrument with another enterprise under conditions that are potentially unfavourable.

(ii) Financial instruments recognized on the balance sheet.

The particular recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual policy statements associated with each item.

(h) **Employee Benefits**

(i) Short-term Benefits

Salaries, wages, bonuses, paid annual leave, leave treatment and in-kind benefits are recognised as an expense during the financial year in which the employee has provided services to the company.

(ii) Defined contribution plan

As required by law, companies in Malaysia are required to contribute to the employees Provident Fund (EPF). This contribution is recognised as an expense in the income statement during the financial year concerned. Once the contributions have been paid, the company does not have any future liabilities.

(iii) Termination Benefits

Employee termination benefits are recognized only after the consent of the employee representatives on the terms stipulated or after an employee was informed about these requirements.

5. PROPERTY, PLANT AND EQUIPMENT

	COST			
	Balance at 01.01.2015 RM	Additions RM	Disposals RM	Balance at 31.12.2015 RM
Air conditioner	29,500	-	-	**29,500**
Computer	12,733	-	-	**12,733**
Furniture and Fitting	70,810	528	-	**71,338**
Kitchen Equipment	500	-	-	**500**
Motor Vehicles	107,500	-	-	**107,500**
Office Equipment	8,987	-	-	**8,987**
	230,030	528	-	**230,558**

	ACCUMULATED DEPRECIATION			
	Balance at 01.01.2015 RM	Additions RM	Disposals RM	Balance at 31.12.2015 RM
Air conditioner	29,200	293	-	**29,493**
Computer	12,731	1	-	**12,732**
Furniture and Fitting	70,750	107	-	**70,857**
Kitchen Equipment	494	5	-	**499**
Motor Vehicles	102,999	4,498	-	**107,497**
Office Equipment	7,833	101	-	**7,934**
	224,007	5,005	-	**229,012**

	CARRYING VALUE		DEPRECIATION
	2015 RM	2014 RM	2014 RM
Air conditioner	**7**	300	2,950
Computer	**1**	2	346
Furniture and Fitting	**481**	60	7,081
Kitchen Equipment	**1**	6	44
Motor Vehicles	**3**	4,501	4,500
Office Equipment	**1,053**	1,154	101
	1,546	6,023	15,022

6. CASH AND CASH EQUIVALENT

	2015 RM	2014 RM
Cash and bank balances	82,790	21,328

7. ACCUMULATED FUND

	2015 RM	2014 RM
Opening balance brought forward	(634,224)	(336,985)
Deficit for the period	(487,474)	(297,239)
Closing balance carried forward	(1,121,698)	(634,224)

8. CAPITAL RESERVE

The capital reserve are funds and donations received in previous year.

9. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

Table below shown financial analysis instruments which categorize as follows:

(i) Loan & Receivables (L&R);
(ii) Fair value profit and loss (FVTPL);
- Held for Trading(HFT), or
- Determine under initial recognition (DUIR)

(iii) Asset available for sale (AFS);
(iv) Held to maturity (HTM); and
(v) Financial liability measure under amortization cost (FL)

	Carrying amount RM	L&R/(FL) RM
2015		
Financial Assets		
Loan and receivables:		
Other receivables, deposits and prepayment	840	840
Cash and cash equivalents	18,753	18,753
	19,593	18,753
Financial Liabilities		
Financial liabilities measure under amortization cost:		
Other payables and accruals	1,135,302	1,135,302
	1,135,302	1,135,302
2014		
Financial Assets		
Loan and receivables:		
Cash and cash equivalents	82,790	82,790
	82,790	82,790
Financial Liabilities		
Financial liabilities measure under amortization cost:		
Other payables and accruals	715,502	715,502
	715,502	715,502

(b) Financial risk management

Company's exposure to the risks below due adoption to financial instrument:

- Credit risk
- Liquidity risk

(i) Credit risk

Credit risk is the risk of financial loss to the company if the customer or a party to a financial instrument fails to meet the demands of the contract. The company's exposure to credit risk arises mainly from receivables from customers and funding and advances to related companies.

(ii) Liquidity risk

Liquidity risk is the risk to which the company was unable to meet financial obligations when they fall due. The company's exposure to liquidity risk arises mainly from various creditors and financing.

The company maintains a level of cash and cash equivalents deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to settle liabilities when they fall due.

(c) Fair value

The fair value of financial assets and liabilities reported in the Statement of Financial Position for the year ended 31 December 2015 is measured at the carrying amount of the assets and liabilities based on short term maturity of these financial instruments.