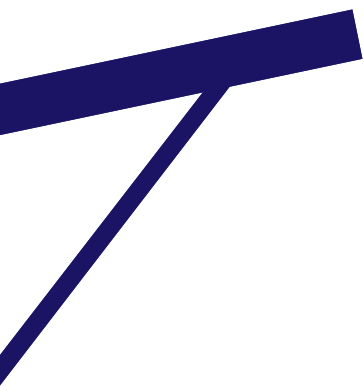
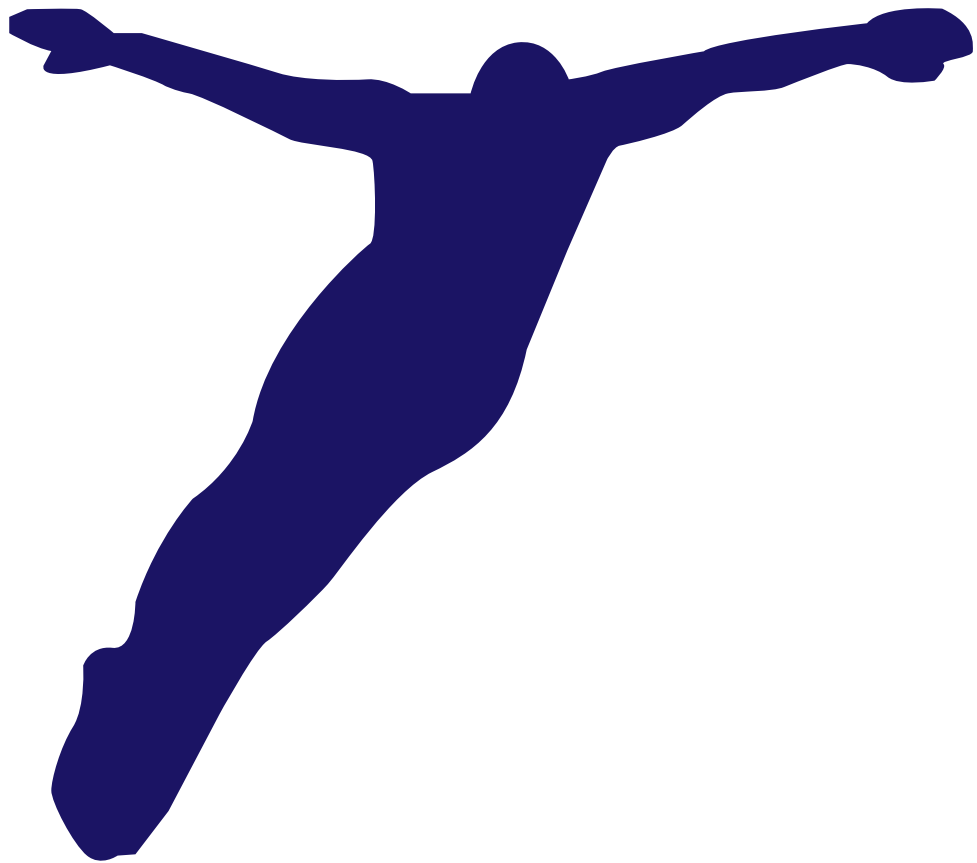


Annual Report 2015

Building Investors'
TRUST & CONFIDENCE



FIMM

Federation of Investment Managers Malaysia

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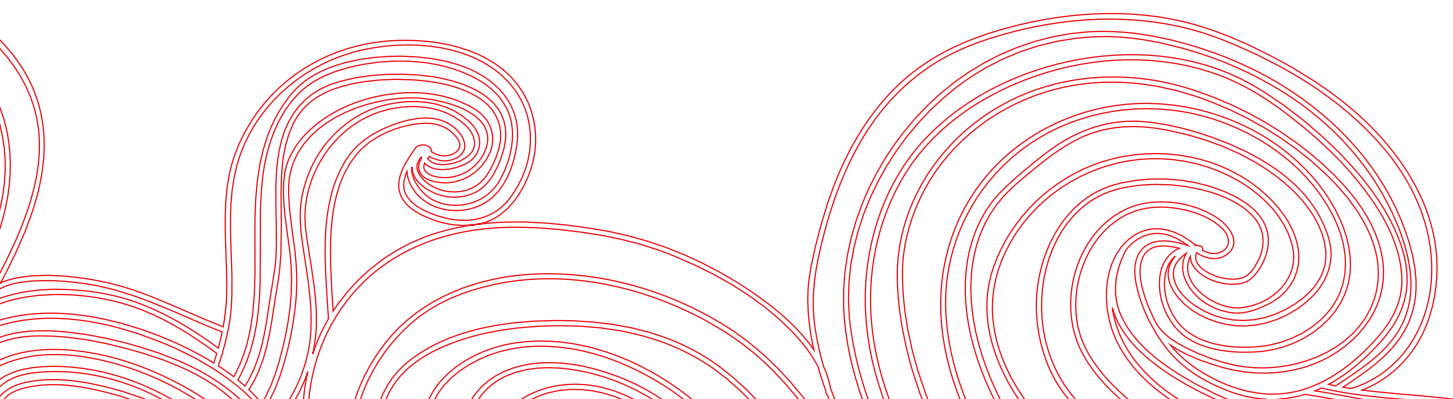


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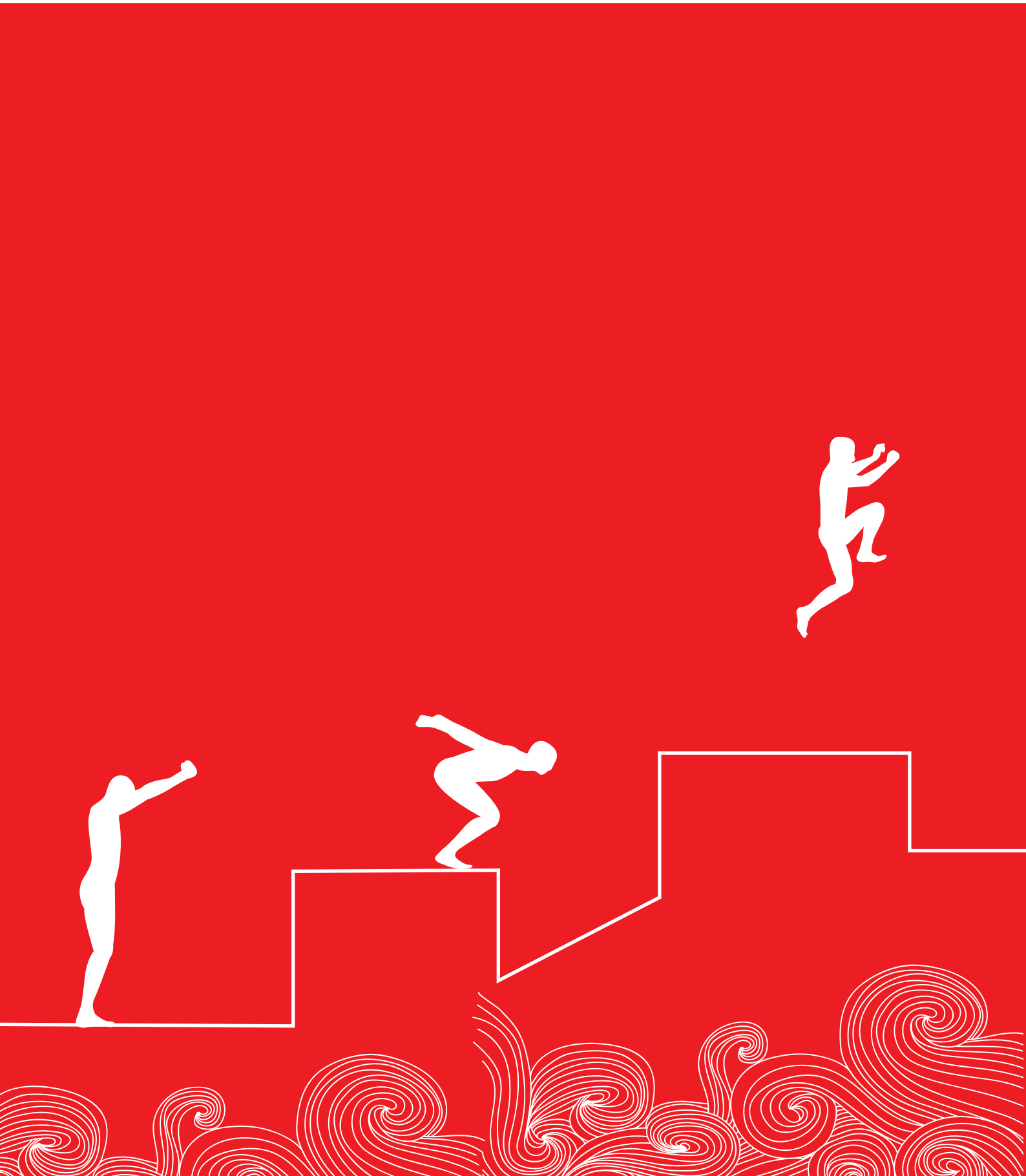
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Corporate Review



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Twenty-Second (22nd) Annual General Meeting of Federation of Investment Managers Malaysia ("FIMM") will be held at Dillenia & Eugenia Room, Ground Floor, Sime Darby Convention Centre, 1A, Jalan Bukit Kiara 1, 60000 Kuala Lumpur, on Wednesday, 15 June 2016, at 10.00 a.m.

Agenda

Ordinary Business

- | | | |
|----|---|---------------------------------|
| 1. | To receive the audited financial statements and the reports of the Board of FIMM for the financial year ended 31 December 2015. | (Please refer to Note 1) |
| 2. | To re-appoint Messrs. Morison Anuarul Azizan Chew as Auditors of FIMM to hold office until the conclusion of the next Annual General Meeting of FIMM and to authorize the Directors to fix their remuneration. | Ordinary Resolution 1 |
| 3. | (a) To note the total attendance fee of RM204,000 paid to members of the Board and Committees for meeting attendances in the year 2015 and the total attendance fee of RM12,000 paid to non-members of the Board for Committees meeting attendances in the year 2015. | Notation |
| | (b) To note the total annual allowance of RM36,000 paid to the Chairman for the year 2015. | |
| 4. | To transact any other ordinary business for which due notice has been given. | |

By Order of the Board,



Chua Siew Chuan (MAICSA 0777689)

Mak Chooi Peng (MAICSA 7017931)

Company Secretaries

Dated: 24 May 2016

Notes:

1. This Agenda item is meant for discussion only, as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval from the members for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.
2. A member of FIMM entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead.
3. A proxy appointed to attend and vote at the Annual General Meeting of FIMM shall be either: (a) Chairman of the Meeting or (b) any other person who may but need not be a member of FIMM.
4. If you wish to appoint any person other than the Chairman of the Meeting as proxy, please insert the full name of the proxy (in block letters) in the space provided and delete the words “the Chairman of the Meeting.”
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney and the Directors may, but shall not be bound to, require evidence of the authority of the appointer or his attorney.
6. The instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
7. Please indicate with an “x” in the spaces provided, how you wish your vote to be cast. Any alteration to the instrument appointing a proxy must be initialised.
8. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Registered Office of FIMM at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur not less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.

Last date and time for lodging the aforesaid instrument	:	Monday, 13 June 2016 at 10.00 a.m.
(Attn: Ms Tan Ley Theng / Ms. Celina Lee) (Tel No.: 03 – 2084 9000; Fax No.: 03 – 2094 9940)		

Corporate Information

Board of Directors

Datuk Siti Hadzar binti Mohd Ismail

Chairman / Public Interest Director

Datuk Noripah binti Kamso

Public Interest Director

Dato' Fauziah binti Yaacob

Public Interest Director

Dato' Mohamad Ayob bin Abu Hassan

Affin Hwang Asset Management Berhad

Tuan Muniandy a/l Kannayappan J.M.N

Public Interest Director

Mr. Danny Wong Teck Meng

Areca Capital Sdn Bhd

Mr. Harinder Pal Singh a/l Joga Singh

AmFunds Management Berhad

Mr. Ho Seng Yee

RHB Asset Management Sdn Bhd

Mr. Ismitz Matthew De Alwis

Kenanga Investors Berhad

Ms. Koid Swee Lian

Public Interest Director

En. Mohammad Bin Hussin

Amanah Saham Nasional Berhad

Ms. Yeoh Kim Hong

Public Mutual Berhad

Management

En. Nazaruddin bin Othman

Chief Executive Officer

(Appointed w.e.f 2 February 2015)

Past Council Presidents / Chairman

1993 (Pro Tem Council)

Mr. Steven Soh Teck Toh

1994 – 1995

Dato' Malek Merican

1996 – 1997

Dato' Kamaruddin Mohammed

1998 – 2003

Dato' Seri Abdul Azim Mohd Zabidi

2004 – February 2011

Y.M. Tunku Dato' Ya'acob Tunku Tan Sri Abdullah

February 2011 – June 2014

En. Abdul Kadir bin Md Kassim

Registered Office

Securities Services (Holdings) Sdn Bhd

Level 7, Menara Milenium

Jalan Damanlela, Pusat Bandar Damansara

Damansara Heights, 50490 Kuala Lumpur

Tel: 603-2084 9000 / Fax: 603-2094 9940

Ms. Chua Siew Chuan/Ms. Mak Chooi Peng

Company Secretary

Auditor & Tax Consultant

Morison Anuarul Azizan Chew (AF001977)

18, Jalan Pinggir 1/64

Jalan Kolam Air Off Jalan Sultan Azlan Shah (Jalan Ipoh)

51200 Kuala Lumpur

Tel : 603-4048 2888 / Fax: 603-4048 2999

Banker

Malayan Banking Berhad

Ground Floor, Block C

Kompleks Pejabat Damansara

Jalan Semantan, Bukit Damansara

50490 Kuala Lumpur

Tel : 603 - 2095 3259 / Fax : 603 - 2094 4291

Malayan Banking Berhad

AG 1,2,9 & 10, Ground Floor

Plaza Pekeliling

2, off Jalan Tun Razak

50400 Kuala Lumpur

Tel : 603 - 4041 6049 / Fax : 603 - 4041 5161

Board of Directors Attendance Record

Board Of Directors Meeting Year 2015

1/2015
03 Mar
2/2015
15 May
3/2015
08 Oct
4/2015
08 Dec
TOTAL

Datuk Siti Hadzar binti Mohd Ismail Chairman	1	1	1	1	4
Datuk Noripah binti Kamso Public Interest Director (Appointed w.e.f. 5 August 2015)			1	1	2
Dato' Fauziah binti Yaacob Public Interest Director (Appointed w.e.f. 11 September 2015)			1	1	2
Dato' Mohamad Ayob bin Abu Hassan Affin Hwang Asset Management Berhad	1	1	1	1	4
Tuan Muniandy Kannyappan J M N Public Interest Director (Appointed w.e.f. 5 August 2015)			1	1	2
Mr. Danny Wong Teck Meng Areca Capital Sdn Berhad	1	1	1	1	4
Mr. Harinder Pal Singh AmFunds Management Berhad	1	1	1	1	4
Mr. Ho Seng Yee RHB Asset Management Sdn Berhad	1	0	1	1	3
En. Ismitz Matthew De Alwis Kenanga Investors Berhad (Appointed w.e.f. 22 June 2015)			1	1	2
Ms. Koid Swee Lian Public Interest Director (Appointed w.e.f. 5 August 2015)			1	0	1
En. Mohammad bin Hussin Amanah Saham Nasional Berhad	1	0	0	0	1
Ms. Yeoh Kim Hong Public Mutual Berhad	1	1	1	1	4
Datuk Meriam Bt Hj Ya'acob Public Interest Director (Ceased w.e.f. 26 July 15)	1	1			2
Datuk Wira Jahaya bin Mat Public Interest Director (Ceased w.e.f. 26 July 15)	1	1			2
Prof. Dr. Saiful Azhar bin Rosly Public Interest Director (Ceased w.e.f. 26 July 15)	1	1			2
Dr. Sieh Lee Mei Ling Public Interest Director (Ceased w.e.f. 26 July 15)	1	1			2
Ms. Vasantha Moorthy Public Interest Director (Ceased w.e.f. 26 July 15)	1	1			2
In Attendance : En. Nazaruddin bin Othman Chief Executive Officer (Appointed w.e.f. 2 February 2015)	1	1	1	1	4

Chairman's Statement



Datuk Siti Hadzar binti Mohd Ismail
Chairman / Public Interest Director

“ The Board is fully committed to put our resources together to further enhance value propositions for all participants in the industry. ”

The year 2015 saw the coming on board of four new Public Interest Directors (PIDs) on the Board of the Federation of Investment Managers Malaysia (FIMM), and two in early 2016. They are eminent individuals with diversity of experience and expertise. Congratulations also to Elected Directors (ED) for their re-election, as well as the newly elected.

We take this opportunity to record our appreciation to PIDs whose terms of appointment ended in July 2015. We thank you for the commitment and guidance that have facilitated Board deliberations and decisions.

Moving forward, as an agency entrusted with the responsibility of developing and regulating the investment management industry, the Board will continue to endeavour for FIMM to rise to the demands for performance and governance as well as best practices. The Board is fully committed to put our resources together to further enhance value propositions for all participants in the industry.

We, undoubtedly, need to continually enhance our internal resources and capabilities. We need to invest in staff development and talent recruitment, as well as in upgrading systems and processes.

In concluding, I would like to thank all stakeholders for their contributions during the year, as well as a mention of gratitude for the support and guidance of the Securities Commission.

My appreciation and gratitude to the Board of Directors for their continued support and valuable guidance. Indeed, your contributions have facilitated Board's deliberations, and importantly, decision-making.

Lastly, my appreciation to FIMM's staff who have contributed during the course of the year.

Datuk Siti Hadzar Binti Mohd Ismail
Chairman

Board of Directors



Datuk Siti Hadzar binti Mohd Ismail
Chairman / Public Interest Director



Datuk Noripah binti Kamso
Public Interest Director



Dato' Fauziah binti Yaacob
Public Interest Director



Dato' Mohamad Ayob Bin Abu Hassan
Affin Hwang Asset Management Berhad



Tuan Muniandy a/l Kannyappan J.M.N
Public Interest Director



Mr. Danny Wong Teck Meng
Areca Capital Sdn Bhd



Mr. Harinder Pal Singh a/l Joga Singh
AmFunds Management Berhad



Mr. Ho Seng Yee
RHB Asset Management Sdn Bhd



Mr. Ismitz Matthew De Alwis
Kenanga Investors Berhad



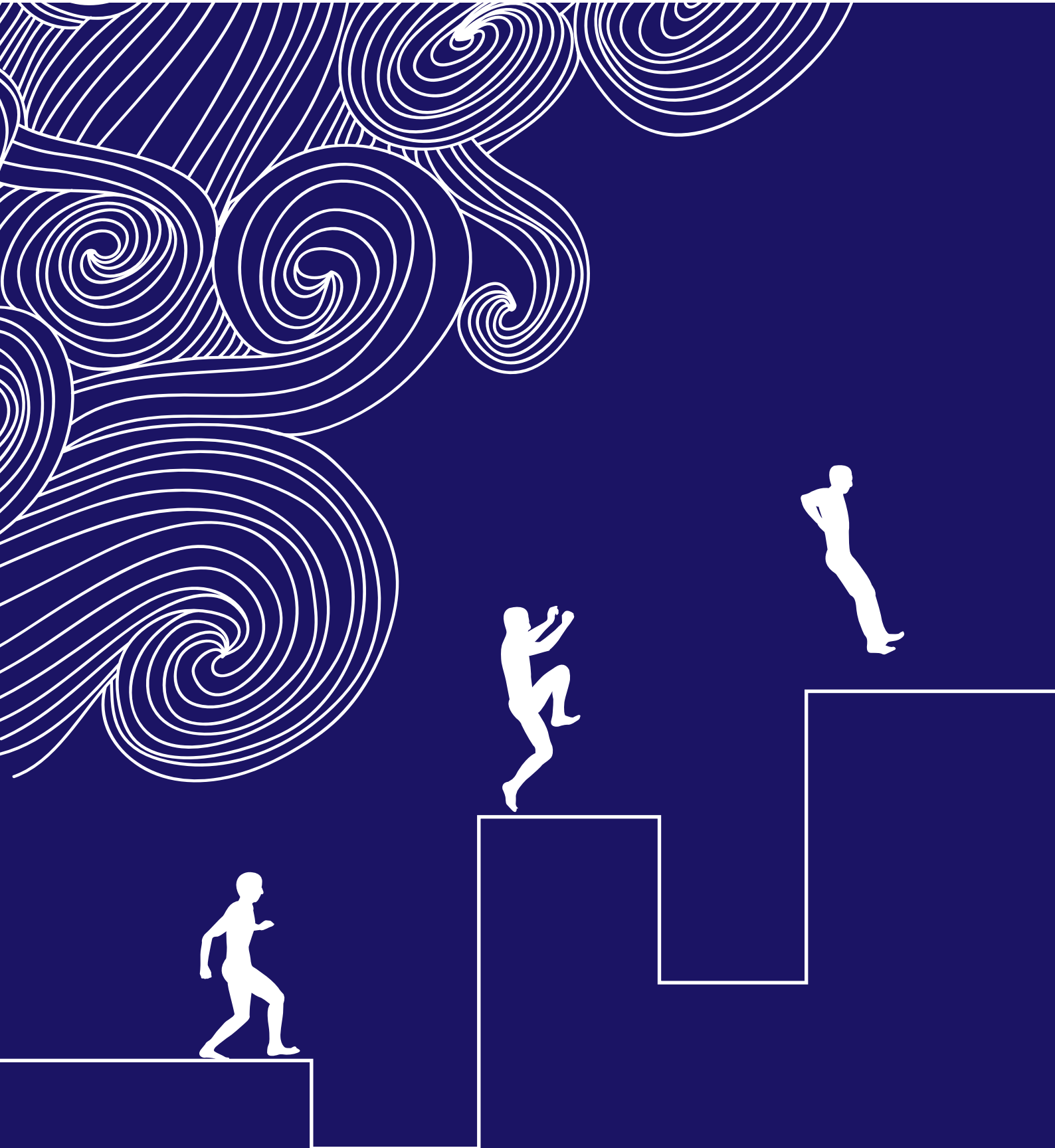
Ms. Koid Swee Lian
Public Interest Director

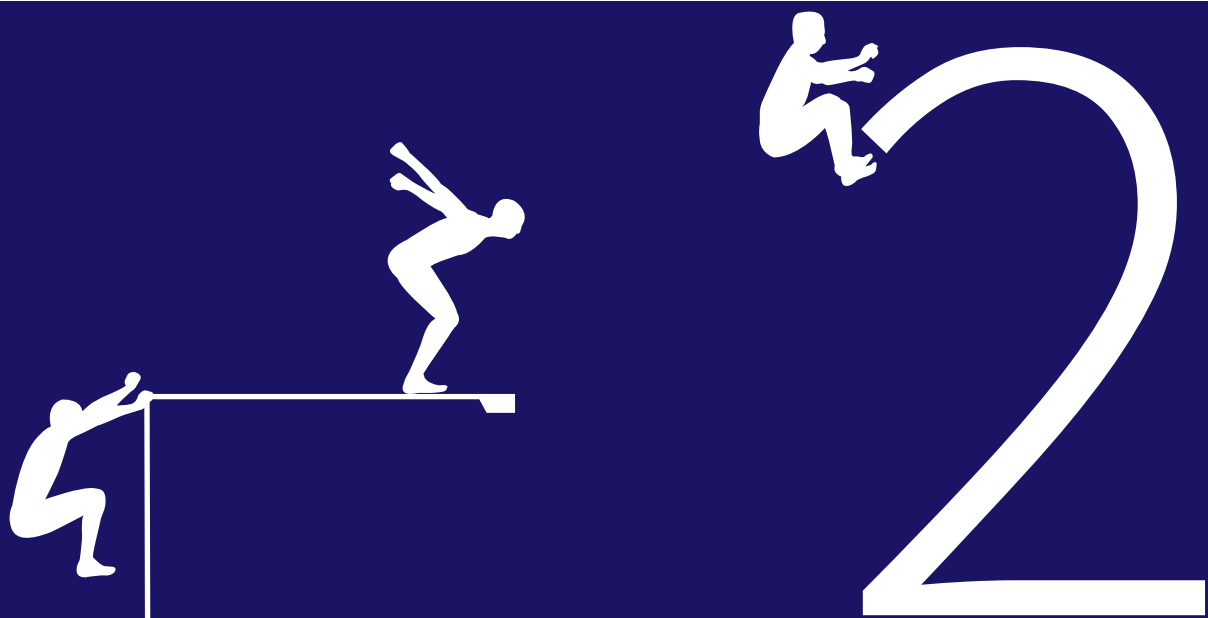


En. Mohammad Bin Hussin
Amanah Saham Nasional Berhad



Ms. Yeoh Kim Hong
Public Mutual Berhad





Industry Review

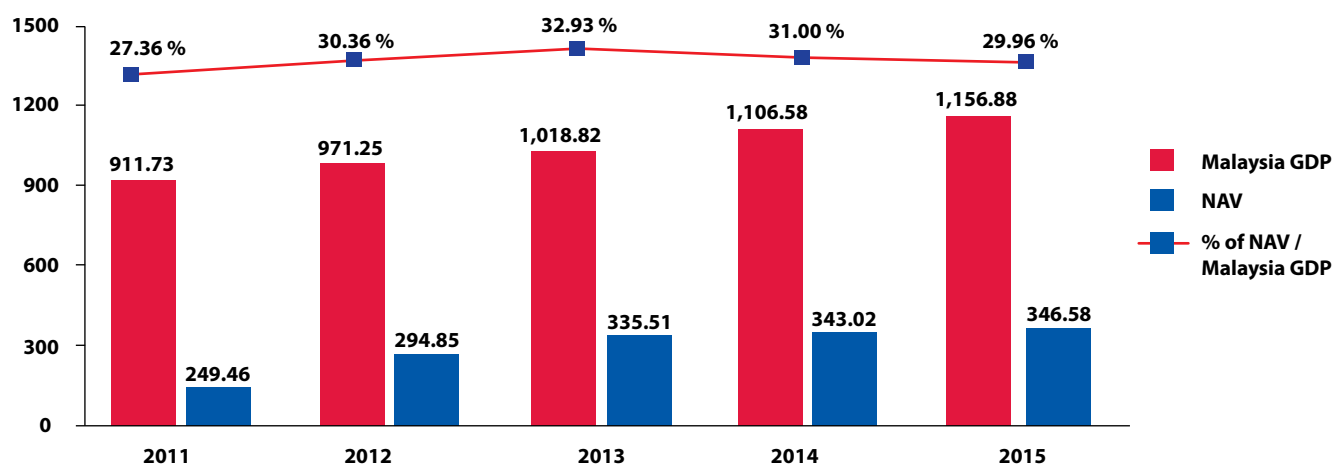
Analysis Of The Net Asset Value (NAV) Of The Industry

Unit Trust Funds

In 2015, Malaysia registered a 5% growth in Gross Domestic Products (GDP) (down from 6.0% in 2014), despite being confronted with domestic and external challenges such as heightened international financial market volatility and sharp fall in commodity prices. The growth was mainly driven by continued expansion of domestic demand and accelerating growth in supply sides, especially in manufacturing, transport, storage, communication and mining sectors.

Against this backdrop, the Net Asset Value (NAV) for unit trust funds increased 1.04% to RM346.58 billion as at end of December 2015, representing 30% of GDP (Chart 1).

Chart 1: Total NAV vs Malaysia's GDP as at 31 December (in RM billion)



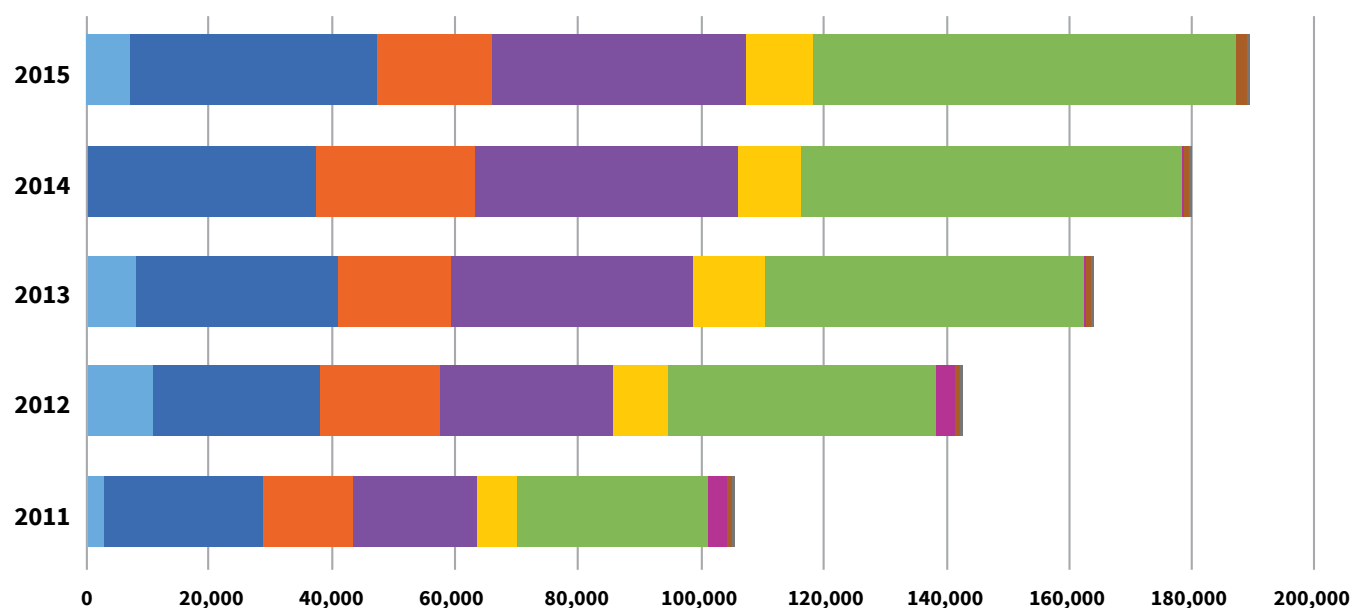
Source: Securities Commission and Bank Negara Malaysia

Private unit trust funds (excluding federal and state funds) saw NAV increased by 5.2% over the year and stood at RM189.4 billion as at end of December 2015 (Chart 2). Equity funds and money market funds (including Islamic funds) made up the biggest portions of NAV at 42.0% and 33.2% respectively.

In 2015, Islamic funds and target maturity funds grew significantly. The year also recorded the ninth consecutive year of firm growth in Islamic funds with total NAV stood at RM69.5 billion as at end of 2015, an increase of 10.9% as compared to 2014.

Conventional equity funds recorded an all year high in NAV of RM40.7 billion, an increase of RM3.8 billion as compared to 2014. Conventional bond funds decreased by RM7.1 billion to RM18.5 billion in 2015 while conventional money market funds dropped marginally by RM1.5 billion to RM41.3 billion in 2015. This was largely attributed to investors allocated funds to riskier assets in their efforts in seeking higher returns amid prolonged low interest rate environment.

As at 31 December 2015, the total number of wholesale funds managed by FIMM members stood at 231 or 78.8% of total number of wholesale funds launched in the market. Based on the NAV collated from a total of 148 participating wholesale funds managed by FIMM members, the NAV decreased marginally by 3.3% over the year and stood at RM54.1 billion which collectively made up over 63.9% of the total assets of wholesale funds at 31 December 2015 (RM84.5 billion).

Chart 2: Net Asset Value by Types of Funds as at 31 December (2011-2015) (RM million)

	2011	%	2012	%	2013	%	2014	%	2015	%
ETF-Equity	439.15	(0.42)	338.39	(0.24)	319.59	(0.19)	329.18	(0.18)	378.02	(0.20)
ETF-Bond General	590.79	(0.56)	584.66	(0.41)	684.34	(0.42)	685.89	(0.38)	1,341.88	(0.71)
Guaranteed/Protected	3,118.47	(2.95)	3,127.06	(2.19)	182.46	(0.11)	82.09	(0.05)	1.51	(0.00)
Islamic	31,700.96	(29.98)	44,163.10	(30.96)	52,623.94	(32.10)	62,727.23	(34.85)	69,549.28	(36.73)
Mixed Asset	6,156.40	(5.82)	8,313.04	(5.83)	11,049.04	(6.74)	10,036.29	(5.57)	10,652.55	(5.63)
Money Market	20,325.78	(19.22)	28,942.07	(20.29)	39,374.63	(24.02)	42,811.37	(23.78)	41,301.01	(21.81)
Bond	14,420.36	(13.64)	18,972.19	(13.30)	18,507.29	(11.29)	25,666.93	(14.26)	18,544.43	(9.79)
Equity	26,538.95	(25.10)	27,562.56	(19.32)	33,355.54	(20.35)	36,932.56	(20.52)	40,708.96	(21.50)
Others	2,445.13	(2.31)	10,640.53	(7.46)	7,842.12	(4.78)	732.91	(0.41)	6,880.88	(3.63)
Total	105,735.99	(100.00)	142,643.60	(100.00)	163,938.95	(100.00)	180,004.45	(100.00)	189,358.52	(100.00)

Source: Lipper, FIMM and Bursa Malaysia. Based on respondent private funds (including wholesale funds) as categorized by Lipper and adopted by members.

Notes:

1. Based on Lipper's fund investment objectives, these funds have been grouped into the following eight types:

- ETF-Bond & Equity: Includes both bond and equity ETF.
- Guaranteed/ Protected funds: Comprises conventional Capital Guaranteed funds and Capital Protected funds.
- Money Market funds: Includes all conventional money market funds.
- Mixed Asset funds: Includes conventional Mixed Asset MYR Balanced funds, Mixed Asset Other Aggressive funds, Mixed Asset Other Conservative funds and Mixed Asset Other Flexible funds.
- Islamic funds: Includes Islamic Bond funds, Islamic Equity funds, Islamic Guaranteed/ Protected funds, Islamic Mixed Asset funds and Islamic Money Market funds.
- Bond funds: Include all conventional bond funds invested in Malaysian assets and abroad.
- Equity: Include all conventional equity funds invested in local markets and abroad.
- Others: Includes Target Maturity funds, Commodities funds, Hedge/ Fixed Income Arbitrage funds as well as funds yet to be classified.

2. The private sector fund classification may differ between the Securities Commission Malaysia and Lipper.

3. The above excludes Real-Estate Investment Trusts (REIT) as insufficient fund data were captured by Lipper.

4. The above include 148 wholesale funds with total NAV of RM54.1 billion that are managed by FIMM members and captured by Lipper.

Exchange Traded Funds (ETFs)

The ETF industry added two new funds in 2015 and brought the total number of ETF to eight with total NAV of RM1.7 billion as at end of the year. Both new funds are Islamic ETF. The launch of these funds provides an option to investors seeking a low-cost and passive approach to investing in an equity portfolio which comprises Shariah-compliant companies in regional markets.

Real Estate Investment Trusts (REITs)

As at end of 2015, there were a total of 17 REITs listed on the Bursa Malaysia with market capitalisation increased by 5.1% to RM37.5 billion.

Private Retirement Schemes (PRS)

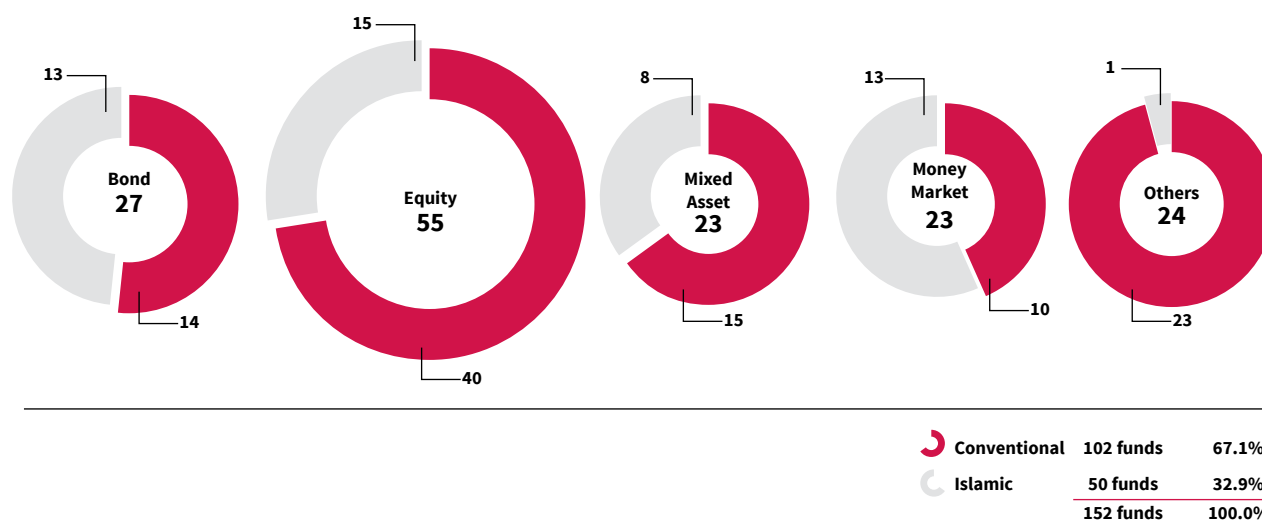
Private Retirement Schemes have registered a remarkable growth of 62.5% in 2015 with NAV stood at RM1.2 billion as compared to RM0.72 billion in 2014. There were a total of four new funds launched in 2015, bringing the total number of funds to 50 funds. The funds comprised 34 core funds and 16 noncore funds while 30 were conventional funds and 20 were Islamic funds.

New Funds Launched

A total of 152 unit trust funds were launched in 2015 (including 8 retail funds in multiple classes and 95 wholesale funds that include 14 multiple classes). Conventional funds populated most part of the list and equity funds being the largest among new funds launched or 36.2% (Chart 3).

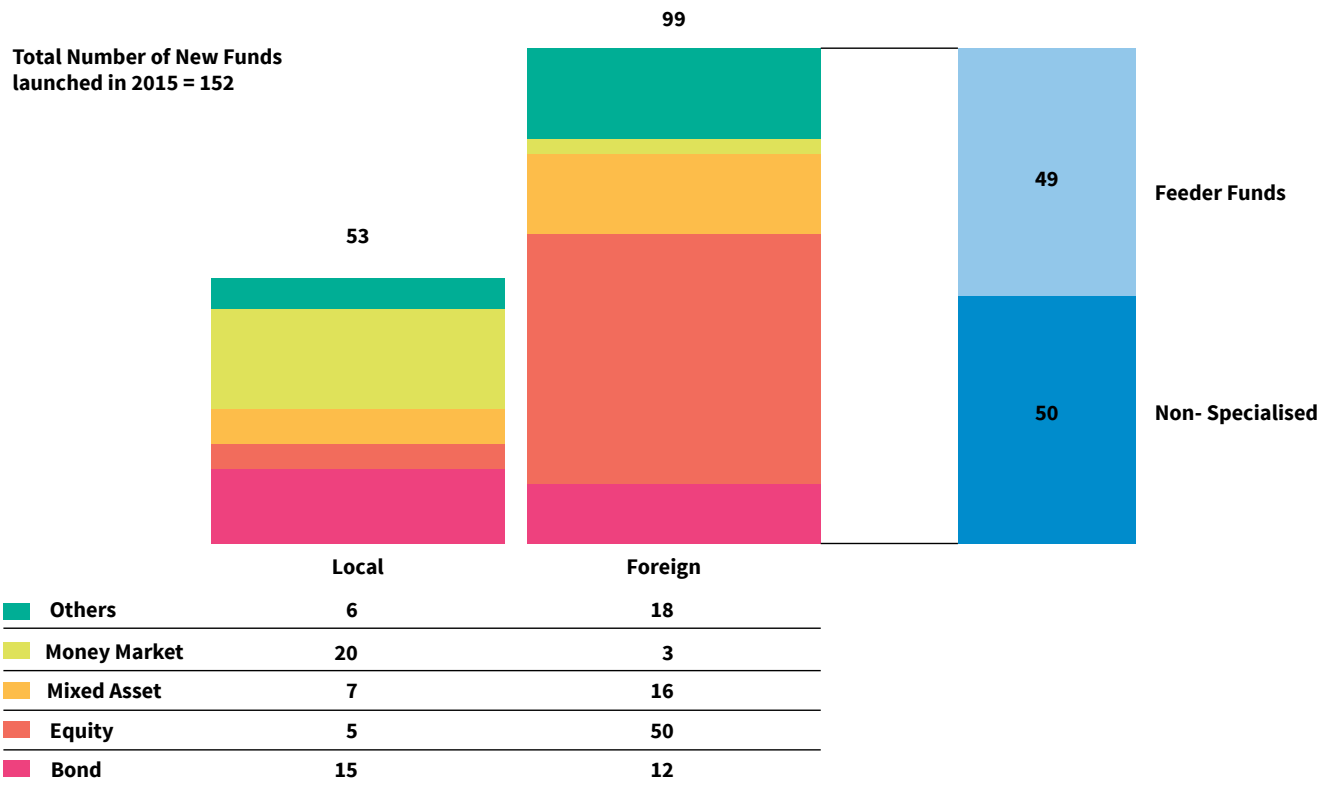
Meanwhile, bond funds added 27 new funds, in addition to 23 mixed asset funds, 23 money market funds and 24 for funds under others category (i.e. target maturity, total return). Among new fund offerings, 53 or 34.9% (Chart 4) are funds with more than 50% of assets mandated to be invested locally; whereas 99 funds or 65.1% are funds investing predominantly in overseas (foreign-focused unit trusts). Equity funds formed 50.5% of the foreign-focused funds. In term of composition of foreign funds, 50 or 50.5% of the foreign-focused funds were structured as non-specialized unit trust funds while 49 or 49.5% were offered through feeder funds structure.

Chart 3: New Funds Launched in 2015 - By Asset Class



Source: FIMM, based on data published/ provided by Lipper and Members

Note: The above excludes REITs and ETFs and includes 95 wholesale funds launched by FIMM members. Funds with multiple classes were accounted for separately.

Chart 4: New Funds Launched in 2015 - By Geographical Spread and Structure

Source: FIMM

Note: The above excludes REITs and ETFs and includes 95 Wholesale Funds launched by FIMM members. Funds with multiple classes were accounted for separately.

Table 1: New Funds Launched in 2015

No	Funds	Launch Date	Unit Trust Management Companies
(A)	Unit Trust Funds		
1	Maybank Constant Income 2	5-Jan-15	Maybank Asset Management Sdn Bhd
2	Affin Hwang Fixed Maturity Income XIII	12-Jan-15	Affin Hwang Asset Management Berhad
3	RHB Global Equity Stabiliser*	15-Jan-15	RHB Asset Management Sdn Bhd
4	CIMB-Principal Total Return Bond	23-Jan-15	CIMB-Principal Asset Management Berhad
5	Libra Shariah Liquidity Series 2	4-Feb-15	Libra Invest Berhad
6	AmIncome Regular 2	9-Feb-15	AmFunds Management Berhad
7	United Income Plus	9-Feb-15	UOB Asset Management (Malaysia) Berhad
8	CIMB-Principal Global Multi Asset Income 2*	10-Feb-15	CIMB-Principal Asset Management Berhad
9	PMB Wholesale Sukuk*	3-Mar-15	PMB Investment Berhad
10	RHB European Select*	3-Mar-15	RHB Asset Management Sdn Bhd
11	CIMB-Principal Asean Total Return - Class MYR	3-Mar-15	CIMB-Principal Asset Management Berhad
12	CIMB-Principal Asean Total Return - Class USD	3-Mar-15	CIMB-Principal Asset Management Berhad
13	United Institutional Income 2*	5-Mar-15	UOB Asset Management (Malaysia) Berhad
14	Kenanga Sukuk Wholesale - Series 1*	16-Mar-15	Kenanga Investors Berhad
15	United Target Income Bond	16-Mar-15	UOB Asset Management (Malaysia) Berhad
16	Public Islamic Enterprises Equity	18-Mar-15	Public Mutual Berhad
17	United Money Market	26-Mar-15	UOB Asset Management (Malaysia) Berhad
18	Affin Hwang Flexi III*	27-Mar-15	Affin Hwang Asset Management Berhad
19	United E-Cash*	1-Apr-15	UOB Asset Management (Malaysia) Berhad
20	Affin Hwang Fixed Maturity Income XIV	6-Apr-15	Affin Hwang Asset Management Berhad
21	Manulife Asian Small Cap Equity-RM Class*	8-Apr-15	Manulife Asset Management Services Berhad
22	Maybank Islamic Cash*	10-Apr-15	Maybank Asset Management Sdn Bhd
23	Affin Hwang TWD Flexi*	13-Apr-15	Affin Hwang Asset Management Berhad
24	RHB Emerging Asia Index Beta*	13-Apr-15	RHB Asset Management Sdn Bhd
25	RHB Eurozone Index Beta*	13-Apr-15	RHB Asset Management Sdn Bhd
26	RHB Japan Index Beta*	13-Apr-15	RHB Asset Management Sdn Bhd
27	RHB Us Index Beta*	13-Apr-15	RHB Asset Management Sdn Bhd
28	RHB Focus Income Bond - Series 5	15-Apr-15	RHB Asset Management Sdn Bhd
29	Maybank Bosera Greater China ASEAN Equity-I Class A	27-Apr-15	Maybank Asset Management Sdn Bhd
30	Maybank Bosera Greater China ASEAN Equity-I Class B	27-Apr-15	Maybank Asset Management Sdn Bhd
31	Maybank Bosera Greater China ASEAN Equity-I Class C	27-Apr-15	Maybank Asset Management Sdn Bhd
32	CIMB-Principal Global Dividend Maximiser - Class MYR*	11-May-15	CIMB-Principal Asset Management Berhad
33	CIMB-Principal Global Dividend Maximiser - Class USD*	11-May-15	CIMB-Principal Asset Management Berhad
34	RHB Islamic Global Developed Markets	28-May-15	RHB Islamic International Asset Management Berhad
35	RHB Focus Income Bond - Series 6	3-Jun-15	RHB Asset Management Sdn Bhd
36	Affin Hwang Dividend Value - AUD Class*	8-Jun-15	Affin Hwang Asset Management Berhad
37	Affin Hwang Dividend Value - RM Class*	8-Jun-15	Affin Hwang Asset Management Berhad
38	Affin Hwang Dividend Value - SGD Class*	8-Jun-15	Affin Hwang Asset Management Berhad
39	Affin Hwang Dividend Value - USD Class*	8-Jun-15	Affin Hwang Asset Management Berhad
40	RHB Asian High Yield - AUD*	8-Jun-15	RHB Asset Management Sdn Bhd
41	RHB Asian High Yield - RM*	8-Jun-15	RHB Asset Management Sdn Bhd

No	Funds	Launch Date	Unit Trust Management Companies
(A)	Unit Trust Funds		
42	RHB Asian High Yield - USD*	8-Jun-15	RHB Asset Management Sdn Bhd
43	Affin Hwang 12M Structured Income I*	15-Jun-15	Affin Hwang Asset Management Berhad
44	Eastspring Investments Asian High Yield Bond MY- AUD Hedged-Class*	16-Jun-15	Eastspring Investments Berhad
45	Eastspring Investments Asian High Yield Bond MY- RM Hedged-Class*	16-Jun-15	Eastspring Investments Berhad
46	Eastspring Investments Asian High Yield Bond MY- USD Class*	16-Jun-15	Eastspring Investments Berhad
47	Eastspring Investments Japan Dynamic MY- AUD Hedged-Class*	16-Jun-15	Eastspring Investments Berhad
48	Eastspring Investments Japan Dynamic MY- JPY Class*	16-Jun-15	Eastspring Investments Berhad
49	Eastspring Investments Japan Dynamic MY- RM Hedged-Class*	16-Jun-15	Eastspring Investments Berhad
50	Eastspring Investments Japan Dynamic MY- USD Hedged-Class*	16-Jun-15	Eastspring Investments Berhad
51	AMB Shariah Value Plus Class A-MYR	16-Jun-15	Amanah Mutual Berhad
52	AMB Shariah Value Plus Class C-MYR	16-Jun-15	Amanah Mutual Berhad
53	AMB Shariah Value Plus Class B-JPY	16-Jun-15	Amanah Mutual Berhad
54	AMB Shariah Value Plus Class B-SGD	16-Jun-15	Amanah Mutual Berhad
55	AMB Shariah Value Plus Class B-USD	16-Jun-15	Amanah Mutual Berhad
56	Areca Islamic Cash*	18-Jun-15	Areca Capital Sdn Bhd
57	United Asian High Yield MYR Class*	30-Jun-15	UOB Asset Management (Malaysia) Berhad
58	PB Dividend Builder Equity	30-Jun-15	Public Mutual Berhad
59	Manulife Investment-ML Shariah Flexi	30-Jun-15	Manulife Asset Management Services Berhad
60	Kenanga Asean Tactical Total Return	1-Jul-15	Kenanga Investors Berhad
61	United Target Income Bond 2	1-Jul-15	UOB Asset Management (Malaysia) Berhad
62	United Asian High Yield SGD Class*	1-Jul-15	UOB Asset Management (Malaysia) Berhad
63	United Asian High Yield USD Class*	1-Jul-15	UOB Asset Management (Malaysia) Berhad
64	Eastspring Investments Managed Income*	7-Jul-15	Eastspring Investments Berhad
65	United Global Durable Equity - MYR Class*	15-Jul-15	UOB Asset Management (Malaysia) Berhad
66	United Global Durable Equity - MYR Hedged Class*	15-Jul-15	UOB Asset Management (Malaysia) Berhad
67	United Global Durable Equity - USD Class*	15-Jul-15	UOB Asset Management (Malaysia) Berhad
68	CIMB-Principal Dynamic Growth - Class SGD*	22-Jul-15	CIMB-Principal Asset Management Berhad
69	CIMB-Principal Dynamic Growth - Class USD*	22-Jul-15	CIMB-Principal Asset Management Berhad
70	Public Select Treasures Equity	22-Jul-15	Public Mutual Berhad
71	Kenanga Islamic Income – Series 8*	23-Jul-15	Kenanga Investors Berhad
72	Maybank Bluewaterz Total Return*	24-Jul-15	Maybank Asset Management Sdn Bhd
73	Affin Hwang Constant Cash*	3-Aug-15	Affin Hwang Asset Management Berhad
74	Maybank Shariah Institutional Cash 1*	7-Aug-15	Maybank Asset Management Sdn Bhd
75	Affin Hwang 12M Structured Income II*	19-Aug-15	Affin Hwang Asset Management Berhad
76	Advantage Global Equity Volatility Focused - AUD Hedged Class*	20-Aug-15	AmFunds Management Berhad
77	Advantage Global Equity Volatility Focused - MYR Hedged Class*	20-Aug-15	AmFunds Management Berhad

No	Funds	Launch Date	Unit Trust Management Companies
(A)	Unit Trust Funds		
78	RHB Income Plus 12*	21-Aug-15	RHB Asset Management Sdn Bhd
79	Eastspring Investments Target Income 4	23-Aug-15	Eastspring Investments Berhad
80	Apex Dana Aman*	28-Aug-15	Apex Investment Services Berhad
81	Affin Hwang Flexible Maturity Income I	7-Sep-15	Affin Hwang Asset Management Berhad
82	Public Advantage Growth Equity	8-Sep-15	Public Mutual Berhad
83	Public Islamic Advantage Growth Equity	8-Sep-15	Public Mutual Berhad
84	Affin Hwang 6M Income IV*	15-Sep-15	Affin Hwang Asset Management Berhad
85	Affin Hwang USD Cash*	21-Sep-15	Affin Hwang Asset Management Berhad
86	Maybank Income Plus 1*	22-Sep-15	Maybank Asset Management Sdn Bhd
87	RHB Global Sukuk Dana 1	23-Sep-15	RHB Islamic International Asset Management Berhad
88	United Target Income Bond 3	1-Oct-15	UOB Asset Management (Malaysia) Berhad
89	Kenanga-ICBC China Focus Income - Class USD*	1-Oct-15	Kenanga Investors Berhad
90	Kenanga-ICBC China Focus Income- Class RMB*	1-Oct-15	Kenanga Investors Berhad
91	RHB Pre-IPO & Special Situation 3 - RM*	5-Oct-15	RHB Asset Management Sdn Bhd
92	Public Growth Balanced	7-Oct-15	Public Mutual Berhad
93	Public Islamic Growth Balanced	7-Oct-15	Public Mutual Berhad
94	AmGlobal Balanced – Class A (USD)	8-Oct-15	AmFunds Management Berhad
95	AmGlobal Balanced – Class B (MYR)	8-Oct-15	AmFunds Management Berhad
96	AmGlobal Balanced – Class B (USD)	8-Oct-15	AmFunds Management Berhad
97	AmGlobal Balanced – Class B (SGD)	8-Oct-15	AmFunds Management Berhad
98	AmGlobal Balanced – Class B (AUD)	8-Oct-15	AmFunds Management Berhad
99	United Japan Discovery - MYR Class*	12-Oct-15	UOB Asset Management (Malaysia) Berhad
100	Affin Hwang Flexi Maturity Structured Income I*	12-Oct-15	Affin Hwang Asset Management Berhad
101	United Japan Discovery - MYR Hedged Class*	12-Oct-15	UOB Asset Management (Malaysia) Berhad
102	CIMB Islamic Corporate Deposit 2*	13-Oct-15	CIMB-Principal Asset Management Berhad
103	Kenanga Islamic Income - Series 4*	22-Oct-15	Kenanga Investors Berhad
104	Kenanga Islamic Income - Series 5*	23-Oct-15	Kenanga Investors Berhad
105	Maybank Constant Income 3	26-Oct-15	Maybank Asset Management Sdn Bhd
106	Affin Hwang Flexible Maturity Income II	26-Oct-15	Affin Hwang Asset Management Berhad
107	Affin Hwang 6M Income V*	2-Nov-15	Affin Hwang Asset Management Berhad
108	Affin Hwang INR Flexi*	2-Nov-15	Affin Hwang Asset Management Berhad
109	BIMB-Arabesque i Global Dividend 1 - RM Class*	5-Nov-15	BIMB Investment Management Berhad
110	Bimb-Arabesque i Global Dividend 1 - USD Class*	5-Nov-15	BIMB Investment Management Berhad
111	RHB Asian Income - SGD*	5-Nov-15	RHB Asset Management Sdn Bhd
112	Affin Hwang European Unconstrained - AUD Hedged Class*	9-Nov-15	Affin Hwang Asset Management Berhad
113	Affin Hwang European Unconstrained - EUR Class*	9-Nov-15	Affin Hwang Asset Management Berhad
114	Affin Hwang European Unconstrained - MYR Hedged Class*	9-Nov-15	Affin Hwang Asset Management Berhad
115	Affin Hwang European Unconstrained - SGD Hedged Class*	9-Nov-15	Affin Hwang Asset Management Berhad
116	Franklin Malaysia Sukuk -Class A (MYR)	18-Nov-15	Franklin Templeton GSC Asset Management Sdn Bhd
117	Franklin Malaysia Sukuk -Class I (MYR)	18-Nov-15	Franklin Templeton GSC Asset Management Sdn Bhd

No	Funds	Launch Date	Unit Trust Management Companies
(A)	Unit Trust Funds		
118	Kenanga Islamic Balanced Wholesale - Series 1*	20-Nov-15	Kenanga Investors Berhad
119	Affin Hwang 6M Income VI*	23-Nov-15	Affin Hwang Asset Management Berhad
120	RHB Focus Income Bond - Series 7	23-Nov-15	RHB Asset Management Sdn Bhd
121	Affin Hwang Global Equity - MYR Class*	23-Nov-15	Affin Hwang Asset Management Berhad
122	Affin Hwang Global Equity - SGD Class*	23-Nov-15	Affin Hwang Asset Management Berhad
123	Affin Hwang Global Equity - USD Class*	23-Nov-15	Affin Hwang Asset Management Berhad
124	Libra Shariah Liquidity Series 3*	27-Nov-15	Libra Invest Berhad
125	CIMB-Principal Global Dividend Maximiser - Class AUD*	30-Nov-15	CIMB-Principal Asset Management Berhad
126	CIMB-Principal Global Dividend Maximiser - Class SGD*	30-Nov-15	CIMB-Principal Asset Management Berhad
127	United Target Income Bond 4	1-Dec-15	UOB Asset Management (Malaysia) Berhad
128	RHB Sukuk Wholesale - Series 1*	1-Dec-15	RHB Islamic International Asset Management Berhad
129	Aberdeen Islamic Asia Pacific Ex Japan Equity- Class A (RM)	2-Dec-15	Aberdeen Islamic Asset Management Sdn Bhd
130	Aberdeen Islamic Asia Pacific Ex Japan Equity -Class A (USD)	2-Dec-15	Aberdeen Islamic Asset Management Sdn Bhd
131	Maybank Shariah Institutional Cash 2*	3-Dec-15	Maybank Asset Management Sdn Bhd
132	Kenanga Income - Series 2*	4-Dec-15	Kenanga Investors Berhad
133	Maybank Institutional Sukuk*	7-Dec-15	Maybank Asset Management Sdn Bhd
134	Affin Hwang Flexi V*	8-Dec-15	Affin Hwang Asset Management Berhad
135	Maybank Institutional Cash 5*	10-Dec-15	Maybank Asset Management Sdn Bhd
136	Affin Hwang 6M Income VII*	14-Dec-15	Affin Hwang Asset Management Berhad
137	Affin Hwang Aiiman Global Sukuk - USD Class	14-Dec-15	Affin Hwang Asset Management Berhad
138	Affin Hwang Aiiman Global Sukuk - SGD Class	14-Dec-15	Affin Hwang Asset Management Berhad
139	Affin Hwang Aiiman Global Sukuk - RM Class	14-Dec-15	Affin Hwang Asset Management Berhad
140	Affin Hwang Aiiman Asia (Ex Japan) Growth - RM Class	14-Dec-15	Affin Hwang Asset Management Berhad
141	Affin Hwang Aiiman Asia (Ex Japan) Growth - AUD Class	14-Dec-15	Affin Hwang Asset Management Berhad
142	Affin Hwang Aiiman Asia (Ex Japan) Growth - GBP Class	14-Dec-15	Affin Hwang Asset Management Berhad
143	Affin Hwang Aiiman Asia (Ex Japan) Growth - SGD Class	14-Dec-15	Affin Hwang Asset Management Berhad
144	Affin Hwang Aiiman Asia (Ex Japan) Growth - USD Class	14-Dec-15	Affin Hwang Asset Management Berhad
145	Affin Hwang Aiiman 6M Income II*	14-Dec-15	Affin Hwang Asset Management Berhad
146	Affin Hwang Aiiman 6M Income III*	14-Dec-15	Affin Hwang Asset Management Berhad
147	BIMB i Cash Management 3*	14-Dec-15	BIMB Investment Management Berhad
148	Maybank Shariah Institutional Income*	15-Dec-15	Maybank Asset Management Sdn Bhd
149	United Trigger Equity*	18-Dec-15	UOB Asset Management (Malaysia) Berhad
150	Affin Hwang Aiiman 3M Income I*	21-Dec-15	Affin Hwang Asset Management Berhad
151	United Cash 2*	22-Dec-15	UOB Asset Management (Malaysia) Berhad
152	Maybank Institutional Cash 3*	28-Dec-15	Maybank Asset Management Sdn Bhd

* Wholesale funds

No	Funds	Launch Date	Unit Trust Management Companies
(B)	Private Retirement Schemes (PRS)		
1	Affin Hwang Aiiman PRS Shariah Moderate	1-Jul-15	Affin Hwang Asset Management Berhad
2	Public Mutual PRS Equity	3-Sep-15	Public Mutual Berhad
3	Public Mutual PRS Strategic Equity	3-Sep-15	Public Mutual Berhad
4	Public Mutual PRS Islamic Strategic Equity	6-Nov-15	Public Mutual Berhad

No	Funds	Launch Date	Unit Trust Management Companies
(C)	Exchange Traded Funds		
1	MyETF MSCI South East Asia Islamic Dividend	7-May-15	i-VCAP Management Sdn Bhd
2	MyETF Thomson Reuters Asia Pacific ex-Japan Islamic Agribusiness	3-Dec-15	i-VCAP Management Sdn Bhd

Source: SC, Bursa Malaysia and FIMM.







Operational Review



Computerised Unit Trust Examination (CUTE)

CUTE sessions were conducted in Kuala Lumpur, Petaling Jaya, Penang, Johor Bahru, Ipoh, Kota Kinabalu, Kuantan, Kuching, Alor Setar, Kota Bharu, Kuala Terengganu, Seremban, Melaka, Miri, Sibul, and Tawau.

Table 2 shows the number of candidates registered for CUTE in 2015. The number of candidates registered for CUTE in year 2015 was higher than 2014.

Table 2: Comparison of CUTE Registration for 2014 and 2015

Examination Session	No. of Registered Candidates 2015	No. of Registered Candidates 2014
January	1,466	1,068
February	1,227	1,313
March	1,858	1,590
April	1,378	1,740
May	1,859	1,760
June	2,321	1,746
July	1,272	1,114
August	2,179	1,509
September	1,961	1,665
October	2,420	1,241
November	2,058	1,625
December	1,500	1,477
TOTAL	21,499	17,848

Unit Trust Consultants (UTC)

The total number of Unit Trust Consultants (UTC) (Table 3) stood at 52,521 as at 31 December 2015 compared to 50,390 as at 31 December 2014. From the total of 52,521 registered UTC, 83.3% were UTC of Members and the remaining 16.7% were UTC of IUTA and CUTA.

(Note: As of 31 December 2015, the renewal rate was 84.1% as a total of 9,918 UTC did not renew their registration for 2016)

Table 3: Number of Registered UTC

MEMBERS

No	COMPANY NAME	31 December 2015	31 December 2014
1.	ABERDEEN ISLAMIC ASSET MANAGEMENT SDN BHD	19	18
2.	AFFIN HWANG ASSET MANAGEMENT BERHAD	559	512
3.	AMANAH MUTUAL BERHAD	29	25
4.	AMANAH SAHAM NASIONAL BERHAD	596	561
5.	AMANAH SAHAM SARAWAK BERHAD	53	52
6.	AMANAH RAYA INVESTMENT MANAGEMENT SDN BHD	26	23

No	COMPANY NAME	31 December 2015	31 December 2014
7.	AMFUNDS MANAGEMENT BERHAD <i>(formerly known as AmInvestment Services Berhad)</i>	107	112
8.	APEX INVESTMENT SERVICES BERHAD	86	98
9	ARECA CAPITAL SDN BHD	15	12
10	BIMB INVESTMENT MANAGEMENT BERHAD	122	62
11	CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD	6814	6138
12	EASTSPRING INVESTMENTS BERHAD	1900	1772
13	FRANKLIN TEMPLETON GSC ASSET MANAGEMENT SDN BHD	4	3
14	HONG LEONG ASSET MANAGEMENT BERHAD	260	278
15	INTER-PACIFIC ASSET MANAGEMENT SDN BHD	2	1
16	KAF INVESTMENT FUNDS BERHAD	58	64
17	KEDAH ISLAMIC ASSET MANAGEMENT BERHAD <i>(formerly known as Amanah Saham Kedah Berhad)</i>	13	14
18	KENANGA INVESTORS BERHAD	1089	1339
19	KUMPULAN SENTIASA CEMERLANG SDN BHD <i>(Withdrew registration w.e.f 31 Dec 2015)</i>	0	1
20	LIBRA INVEST BERHAD	47	46
21	MANULIFE ASSET MANAGEMENT SERVICES BERHAD	1639	1512
22	MAYBANK ASSET MANAGEMENT SDN BHD	13	9
23	MIDF AMANAH ASSET MANAGEMENT BERHAD	5	5
24	PACIFIC MUTUAL FUND BERHAD	367	400
25	PELABURAN JOHOR BERHAD	7	7
26	PENGURUSAN KUMIPA BERHAD	13	13
27	PERMODALAN BSN BERHAD	6	6
28	PHEIM UNIT TRUSTS BERHAD	5	7
29	PHILLIP MUTUAL BERHAD	639	517
30	PMB INVESTMENT BERHAD	199	187
31	PTB UNIT TRUST BERHAD	18	18
32	PUBLIC MUTUAL BERHAD	28001	26883
33	RHB ASSET MANAGEMENT SDN BHD	711	697
34	RHB ISLAMIC INTERNATIONAL ASSET MANAGEMENT BERHAD	3	0
35	SAHAM SABAH BERHAD	38	33
36	SATURNA SDN BHD	2	0
37	TA INVESTMENT MANAGEMENT BERHAD	265	279
38	UOB ASSET MANAGEMENT (MALAYSIA) BERHAD	14	15
39	Sub-Total	43,744	41,719

IUTA* and CUTA

No	COMPANY NAME	31 December 2015	31 December 2014
1.	A.D. FINANCIAL SDN BHD	13	13
2.	AFFIN BANK BERHAD	242	268
3.	ALLIANCE BANK MALAYSIA BERHAD	396	370
4.	AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BERHAD	30	40
5.	AMBANK (M) BERHAD	613	588
6.	AMINVESTMENT BANK BERHAD	65	70
7.	BANK ISLAM MALAYSIA BERHAD	440	426
8.	BANK KERJASAMA RAKYAT MALAYSIA BERHAD	41	44
9.	BANK MUAMALAT MALAYSIA BERHAD	126	140
10.	BANK SIMPANAN NASIONAL	52	29
11.	BLUEPRINT PLANING SDN BHD	10	5
12.	CIMB BANK BERHAD	1078	1054
13.	CIMB INVESTMENT BANK BERHAD	87	90
14.	CIMB ISLAMIC BANK BERHAD	0	0
15.	CITIBANK BERHAD	136	124
16.	FA ADVISORY SDN BHD	28	15
17.	FIN FREEDOM SDN BHD	16	14
18.	HARVESTON WEALTH MANAGEMENT SDN BHD	19	4
19.	HONG LEONG BANK BERHAD	952	648
20.	HONG LEONG ISLAMIC BANK BERHAD	0	0
21.	HSBC AMANAH MALAYSIA BERHAD	106	156
22.	HSBC BANK MALAYSIA BERHAD	262	380
23.	iFAST CAPITAL SDN BHD	34	34
24.	INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MALAYSIA) BERHAD	8	0
25.	KENANGA INVESTMENT BANK BERHAD	31	100
26.	KUWAIT FINANCE HOUSE (MALAYSIA) BERHAD	38	43
27.	LEGACY ADVISORY SDN BHD	12	9

No	COMPANY NAME	31 December 2015	31 December 2014
28.	MALAYAN BANKING BERHAD	587	979
29.	MAYBANK ISLAMIC BERHAD	23	13
30.	OCBC AL-AMIN BANK BERHAD	33	30
31.	OCBC BANK BERHAD	452	363
32.	PUBLIC BANK BERHAD	923	939
33.	RHB BANK BERHAD	758	649
34.	RHB INVESTMENT BANK BERHAD	236	179
35.	RHB ISLAMIC BANK BERHAD	12	0
36.	STANDARD CHARTERED BANK MALAYSIA BERHAD	296	357
37.	STANDARD CHARTERED SAADIQ BERHAD	26	49
38.	STANDARD FINANCIAL ADVISER SDN BHD	69	74
39.	UNITED OVERSEAS BANK (MALAYSIA) BERHAD	457	366
40.	VKA WEALTH PLANNERS SDN BHD	57	0
41.	WHITMAN INDEPENDENT ADVISORS SDN BHD	13	9
	Sub-Total	8,777	8,671
	GRAND TOTAL	52,521	50,390

*Excluding members who are IUTAs.

Registration of Institutional Unit Trust Advisers (IUTA)

As at 31 December 2015, a total of 46 IUTA were registered with FIMM, with addition of 4 new IUTA as shown below, comprising banks, investment banks, unit trust management companies and an on-line financial services provider.

	Name of IUTA	Date of Registration
1	INDUSTRIAL AND COMMERCIAL BANK OF CHINA (MALAYSIA) BERHAD	11 Sep 2015
2	EASTSPRING INVESTMENTS BERHAD	11 Sep 2015
3	RHB ISLAMIC BANK BERHAD	8 Apr 2015
4	AFFIN HWANG ASSET MANAGEMENT BERHAD	9 Mar 2015
5	KAF INVESTMENT FUNDS BERHAD	17 Oct 2014
6	CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD	26 July 2013
7	RHB INVESTMENT BANK BERHAD	12 April 2013
8	BANK MUAMALAT MALAYSIA BERHAD	9 April 2013
9	MANULIFE ASSET MANAGEMENT SERVICES BERHAD	21 Sep 2012
10	MAYBANK ISLAMIC BERHAD	23 Dec 2011
11	KENANGA INVESTMENT BANK BERHAD	14 Oct 2011
12	BANK SIMPANAN NASIONAL	27 May 2010
13	BANK KERJASAMA RAKYAT MALAYSIA BERHAD	6 July 2009
14	OCBC AL-AMIN BANK BERHAD	21 Jan 2009
15	STANDARD CHARTERED SAADIQ BERHAD	18 Nov 2008
16	HSBC AMANAH MALAYSIA BERHAD	29 Oct 2008
17	AMANAH SAHAM NASIONAL BERHAD	25 Sep 2008
18	iFAST CAPITAL SDN BHD	27 Jun 2008
19	RHB ASSET MANAGEMENT SDN BHD	14 May 2008
20	BANK ISLAM MALAYSIA BERHAD	3 Mar 2008
21	ARECA CAPITAL SDN BHD	27 Nov 2007
22	CIMB ISLAMIC BANK BERHAD	29 Aug 2007
23	KUWAIT FINANCE HOUSE (MALAYSIA) BERHAD	27 Aug 2007
24	AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BERHAD	4 Jun 2007
25	HONG LEONG ISLAMIC BANK BERHAD	18 May 2007
26	PMB INVESTMENT BERHAD	11 Dec 2006
27	CIMB BANK BERHAD	8 Sep 2006
28	TA INVESTMENT MANAGEMENT BERHAD	7 Sep 2006
29	PHILLIP MUTUAL BERHAD	1 May 2005
30	KENANGA INVESTORS BERHAD	15 Apr 2005
31	AMBANK (M) BERHAD	15 Feb 2005
32	HONG LEONG BANK BERHAD	1 Oct 2004
33	AMINVESTMENT BANK BERHAD	1 Sep 2003
34	AFFIN BANK BERHAD	1 Mar 2003
35	RHB BANK BERHAD	1 Feb 2003
36	MALAYAN BANKING BERHAD	15 Sep 2002
37	CIMB INVESTMENT BANK BERHAD	1 May 2002

	Name of IUTA	Date of Registration
38	UNITED OVERSEAS BANK (MALAYSIA) BERHAD	15 Mar 2002
39	ALLIANCE BANK MALAYSIA BERHAD	1 Aug 2001
40	AMFUNDS MANAGEMENT BERHAD <i>(formerly known as AmlInvestment Services Berhad)</i>	15 Jun 2001
41	APEX INVESTMENT SERVICES BERHAD	1 Nov 2000
42	PUBLIC BANK BERHAD	1 Oct 2000
43	OCBC BANK (MALAYSIA) BERHAD	1 May 2000
44	HSBC BANK MALAYSIA BERHAD	1 May 2000
45	STANDARD CHARTERED BANK MALAYSIA BERHAD	1 May 2000
46	CITIBANK BERHAD	1 May 2000

Registration of Corporate Unit Trust Advisers (CUTA)

As at 31 December 2015, a total of 9 CUTA were registered with FIMM as shown below:

	Name of CUTA	Date of Registration
1	VKA WEALTH PLANNERS SDN BHD	16 Jan 2015
2	BLUEPRINT PLANNING SDN BHD	9 July 2014
3	FA ADVISORY SDN BHD	12 June 2014
4	LEGACY ADVISORY SDN BHD	10 Nov 2011
5	HARVESTON WEALTH MANAGEMENT SDN BHD	11 Feb 2010
6	A.D. FINANCIAL SDN BHD	2 Oct 2009
7	WHITMAN INDEPENDENT ADVISORS SDN BHD	17 Feb 2009
8	FIN FREEDOM SDN BHD	5 Aug 2008
9	STANDARD FINANCIAL ADVISER SDN BHD	29 Apr 2008

Private Retirement Scheme Examination (PRSE)

PRSE was conducted in Kuala Lumpur, Johor Bahru, Penang, Sarawak, Sabah and Kelantan (ad hoc).

Table 4 shows the number of candidates registered for PRSE in 2015.

Table 4: Comparison of PRSE Registration for 2014 and 2015

Examination Session	No. of Registered Candidates 2015	No. of Registered Candidates 2014
January	166	186
February	128	196
March	183	587
April	330	402
May	201	403
June	237	403
July	139	296
August	343	468
September	314	468
October	282	358
November	397	207
December	141	193
TOTAL	2,861	4,167

Private Retirement Scheme Consultants

The total number of Private Retirement Schemes Consultants (PRS Consultants) stood at 19,280 as at 31 December 2015. From the total of 19,280 registered PRS Consultants, 83% of them were PRS Consultants of PRS Providers and the remaining 17% were PRS Consultants of Institutional PRS Advisers and Corporate PRS Advisers.

Table 5: Number of Registered PRS Consultants

PRS PROVIDERS

	COMPANY NAME	31 December 2015	31 December 2014
1.	AFFIN HWANG ASSET MANAGEMENT BERHAD	355	364
2.	AIA PENSION AND ASSET MANAGEMENT SDN BHD	3,170	2560
3.	AMFUNDS MANAGEMENT BERHAD (formerly known as AmlInvestment Services Berhad)	42	47
4.	CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD	1,773	1,572
5.	KENANGA INVESTORS BERHAD*	651	812
6.	MANULIFE ASSET MANAGEMENT SERVICES BERHAD	534	527
7.	PUBLIC MUTUAL BERHAD	9,310	8,735
8.	RHB ASSET MANAGEMENT SDN BHD	184	151
	Sub-Total	16,019	14,768

*Registered with FIMM as PRS Provider and Institutional PRS Adviser

INSTITUTIONAL PRS ADVISERS

	COMPANY NAME	31 December 2015	31 December 2014
1.	AMBANK (M) BERHAD	441	374
2.	BANK MUAMALAT MALAYSIA BERHAD	32	0
3.	CIMB BANK BERHAD	882	920
4.	CITIBANK BERHAD	127	108
5.	iFAST CAPITAL SDN BHD	16	18
6.	KENANGA INVESTMENT BANK BERHAD	19	108
7.	PHILLIP MUTUAL BERHAD	230	142
8.	PMB INVESTMENT BERHAD (withdrew effective 31 Dec 2015)	0	11
9.	PUBLIC BANK BERHAD	728	666
10.	RHB BANK BERHAD	570	541
11.	TA INVESTMENT MANAGEMENT BERHAD	10	0
	Sub-Total	3,055	2,888

Corporate PRS Advisers

CORPORATE PRS ADVISERS

COMPANY NAME		31 December 2015	31 December 2014
1.	A.D. FINANCIAL SDN BHD	10	11
2.	BLUEPRINT PLANNING SDN BHD	6	0
3.	FA ADVISORY SDN BHD	25	13
4.	FIN FREEDOM SDN BHD	15	14
5.	HARVESTON WEALTH MANAGEMENT SDN BHD	15	7
6.	LEGACY ADVISORY SDN BHD	9	4
7.	STANDARD FINANCIAL ADVISER SDN BHD	54	56
8.	VKA WEALTH MANAGEMENT SDN BHD	61	57
9.	WHITMAN INDEPENDENT ADVISORS SDN BHD	11	9
Sub-Total		206	171
GRAND TOTAL		19,280	17,827

Registration of PRS Providers

As at 31 December 2015, a total of 8 PRS Providers were registered with FIMM.

NAME OF PRS PROVIDERS		Date of Registration
1.	AMFUNDS MANAGEMENT BERHAD <i>(formerly known as AmInvestment Services Berhad)</i>	1 Dec 2014
2.	KENANGA INVESTORS BERHAD	12 June 2013
3.	AIA PENSION AND ASSET MANAGEMENT SDN BHD	14 Jan 2013
4.	CIMB-PRINCIPAL ASSET MANAGEMENT BERHAD	1 Nov 2012
5.	PUBLIC MUTUAL BERHAD	18 Oct 2012
6.	MANULIFE ASSET MANAGEMENT SERVICES BERHAD	16 Oct 2012
7.	RHB ASSET MANAGEMENT SDN BHD	10 Oct 2012
8.	AFFIN HWANG ASSET MANAGEMENT BERHAD	14 Sep 2012

Registration of Institutional PRS Advisers

As at 31 December 2015, a total of 11 Institutional PRS Advisers were registered with FIMM, comprising banks, investment banks, unit trust management companies and an on-line financial services provider as shown below.

	NAME OF INSTITUTIONAL PRS ADVISERS	Date of Registration
1.	KENANGA INVESTORS BERHAD	11 Dec 2015
2.	BANK MUAMALAT MALAYSIA BERHAD	23 Sep 2015
3.	TA INVESTMENT MANAGEMENT BERHAD	24 Apr 2015
4.	PHILLIP MUTUAL BERHAD	14 Oct 2013
5.	KENANGA INVESTMENT BANK BERHAD	27 June 2013
6.	CITIBANK BERHAD	7 June 2013
7.	AMBANK (M) BERHAD	11 Mar 2013
8.	RHB BANK BERHAD	1 Nov 2012
9.	iFAST CAPITAL SDN BHD	18 Oct 2012
10.	PUBLIC BANK BERHAD	1 Oct 2012
11.	CIMB BANK BERHAD	1 Oct 2012

Registration of Corporate PRS Advisers

A total of nine (9) Corporate PRS Advisers were registered with FIMM as at 31 December 2015 as shown below:

NAME OF CORPORATE PRS ADVISERS		Date of Registration
1.	BLUEPRINT PLANNING SDN BHD	22 Aug 2014
2.	FA ADVISORY SDN BHD	24 June 2014
3.	LEGACY ADVISORY SDN BHD	22 Nov 2013
4.	A.D. FINANCIAL SDN BHD	1 Nov 2013
5.	HARVESTON WEALTH MANAGEMENT SDN BHD	19 Mar 2013
6.	VKA WEALTH MANAGEMENT SDN BHD	19 Nov 2012
7.	WHITMAN INDEPENDENT ADVISORS SDN BHD	9 Nov 2012
8.	FIN FREEDOM SDN BHD	1 Nov 2012
9.	STANDARD FINANCIAL ADVISER SDN BHD	16 Oct 2012

Reports on Initiatives and Activities of the Committees

Regulation

Initiatives undertaken by FIMM in 2015 to fulfil its regulatory functions include:

Enforcement Activities

FIMM conducted disciplinary proceedings and took actions for misconduct and breach of FIMM's rules by Members and Registered Persons. Sanctions meted out ranged from private reprimand to barring from re-registration.

FIMM received 24 complaints in the year 2015 which included complaints referred by Securities Commission Malaysia (SC) and members and complaints lodged by investors. Complaints were mostly related to:

- a) Misappropriation of investor's funds;
- b) Unauthorized investment redemption;
- c) Unethical marketing and distribution of funds;
- d) Unsatisfactory client service; and
- e) Breach of confidentiality.

Enforcement actions taken in 2015:

There has been an increase in the imposition of sanctions in 2015 to 14 sanctions as opposed to only 10 sanctions imposed in 2014.

The nature of breach and types of sanctions imposed in 2015 are listed in the table below:

Registered Person	Nature of Breach	Sanctions
8 UTS consultants	Misappropriation of investors' money.	Deregistration of UTS consultants (inclusive of 3 public reprimand issued).
4 UTS consultants	Unauthorised investment, redemption and EPF withdrawal by requesting the clients to pre-sign the transaction forms and/or using and submitting the pre-signed transaction forms.	Private reprimand issued to the UTS consultants.
1 UTS consultant	Unethical marketing and distribution of funds.	Warning issued to the UTS consultants.
1 UTS consultant	Unethical marketing and distribution of funds.	Private reprimand issued to the UTS consultant.

The nature of cases where investigation has been closed in 2015 is set out in the table below:

Nature of cases	Number of cases	Sanction (s) imposed by DSC	Dismissed by DSC
Misappropriation of investor's funds	11	8	3
Unauthorized investment redemption	7	4	3
Unethical marketing and distribution of funds	2	2	-
Unsatisfactory client service	1	-	1
Breach of confidentiality	1	-	1
Total	22		

Reports on Initiatives and Activities of the Committees

Appeal Committee**CHAIRMAN**

Datuk Siti Hadzar Binti Mohd Ismail

RESPONSIBILITIES

To hear and decide on appeals made by persons aggrieved by decisions of Disciplinary Committee.

There was no appeal proceeding held in 2015.

Members of the AC	Remarks
Datuk Siti Hadzar binti Mohd Ismail Chairman / Public Interest Director	
Dato' Fauziah bt Yaacob Public Interest Director	Appointed w.e.f 11 September 2015
Vacant Public Interest Director	
En. Mohammad b Hussin Elected Director	
Mr. Harinder Pal Singh a/l Joga Singh Elected Director	

Reports on Initiatives and Activities of the Committees

Disciplinary Committee (DC)

CHAIRMAN

Ms. Koid Swee Lian

RESPONSIBILITIES

- (a) Convene and conduct hearings on cases brought before it by the management;
- (b) Consider and decide if there has been proven misconduct and/or non-compliance of FIMM's rules;
- (c) Decide and impose appropriate disciplinary sanctions;
- (d) Review report on cases that the management considers as frivolous and vexatious; and
- (e) Provide advice and guidance to the management on policy or procedure that facilitates the disciplinary process, in the interest of the investing public.

Members of the DC	Attendance	Remarks
Ms. Koid Swee Lian Chairman / Public Interest Director	1/1	Appointed w.e.f 5 August 2015
Tn Muniandy Kannyappan Public Interest Director	1/1	Appointed w.e.f 5 August 2015
Datuk Noripah bt Kamso Public Interest Director	1/1	Appointed w.e.f 5 August 2015
Ms. Yeoh Kim Hong Elected Director	0/2	
Dato' Mohamad Ayob b Abu Hassan Elected Director	2/2	
Mr. Danny Wong Teck Meng Elected Director	1/2	
Mr. Ho Seng Yee Elected Director	0/2	
Datuk Meriam bt Hj Ya'acob Public Interest Director	1/1	Ceased w.e.f 26 July 15
Datuk Wira Jahaya b Mat Public Interest Director	1/1	Ceased w.e.f 26 July 15
Ms. Vasantha Moorthy Public Interest Director	1/1	Ceased w.e.f 26 July 15

ACTIVITIES/INITIATIVES

1. In the year 2015, the DC deliberated 22 complaints;
2. Noted and discussed the quarterly reports on complaints received by FIMM which were submitted to the Securities Commission Malaysia (SC); and
3. Provide clarification and advice on proper mechanisms and adequate measures to handle complaints, including (but not limited to) disciplinary procedures.

Reports on Initiatives and Activities of the Committees

Disciplinary Sub Committee (DSC)

CHAIRMAN

Ms. Koid Swee Lian

RESPONSIBILITIES

- (a) Conduct disciplinary proceedings on cases referred to by the Disciplinary Committee;
- (b) Consider and decide if there has been proven misconduct and/or non-compliance with FIMM's rules; and
- (c) Decide and impose appropriate disciplinary sanctions.

Members of the DSC	Attendance	Remarks
Ms. Koid Swee Lian Chairman / Public Interest Director	7/7	Appointed w.e.f 5 August 2015
Tn Muniandy Kannyappan Public Interest Director	5/7	Appointed w.e.f 5 August 2015
Datuk Noripah bt Kamsu Public Interest Director	2/7	Appointed w.e.f 5 August 2015
Ms. Yeoh Kim Hong Elected Director	4/8	
Dato' Mohamad Ayob b Abu Hassan Elected Director	8/8	
Mr. Danny Wong Teck Meng Elected Director	8/8	
Mr. Ho Seng Yee Elected Director	8/8	
Datuk Meriam bt Hj Ya'acob Public Interest Director	0/1	Ceased w.e.f 26 July 15
Datuk Wira Jahaya b Mat Public Interest Director	1/1	Ceased w.e.f 26 July 15
Ms. Vasantha Moorthy Public Interest Director	0/1	Ceased w.e.f 26 July 15

ACTIVITIES/INITIATIVES

1. Conducted 8 disciplinary proceedings:

- i. Heard 22 complaints;
- ii. 8 complaints were dismissed;
- iii. 3 Registered Persons were deregistered and publicly reprimanded;
- iv. 5 Registered Persons were deregistered;
- v. 5 Registered Persons were privately reprimanded; and
- vi. 1 Registered Person was given a warning.

Reports on Initiatives and Activities of the Committees

Industry Development Committee (IDC)

CHAIRMAN

Datuk Noripah Kamso
Datuk Wira Jahaya Bin Mat

RESPONSIBILITIES

- a) Provide a medium through which Members and Registered Persons are able to consult with each other and cooperate with the government agencies in connection with issues affecting the investment management industry;
- b) Introduce best practices in fund management, fund operations as well as marketing and distribution of funds by developing and issuing industry standards on investment management as well as the marketing and distribution of Funds;
- c) Review the Employees Provident Fund (EPF) Members Investment Scheme requirements, evaluation methodology and approve fund evaluation results performed in accordance to the methodology;
- d) Review the current distribution channels and propose measures for improvement and expansion;
- e) Enhance public awareness and confidence in the investment management industry through the formulation and promotion of investor awareness programmes in the form of road shows, seminars, newspaper articles, business bulletins, or such other activities as deemed appropriate;
- f) Work closely with the Members, Registered Persons and Securities Commission Malaysia towards promulgation and modification of administrative rules, regulations and interpretations and distribution of products and services, taxation or other areas that impact the investment management industry;
- g) Commission research to identify issues; explore new opportunities for broadening the offerings of investment products and services, in order to facilitate the growth of the investment management industry;
- h) Seek tax incentives and minimise negative tax impacts (where applicable) for the investment management industry, investment products and investors, both direct and indirect, to encourage the public to invest; and
- i) Commission on oversee collection of periodical industry statistics submitted by Members and Registered Persons to facilitate industry development efforts.

Members of the IDC	Attendance	Remarks
Datuk Noripah Kamso Chairman / Public Interest Director	2/2	Appointed w.e.f. 5 August 2015
Datuk Wira Jahaya Bin Mat Chairman / Public Interest Director	2/2	Ceased w.e.f. 26 July 2015
Dato' Fauziah Yaacob Public Interest Director	2/2	Appointed w.e.f. 11 September 2015
Datuk Meriam Binti Haji Ya'acob Public Interest Director	2/2	Ceased w.e.f. 26 July 2015

Members of the IDC	Attendance	Remarks
Dr. Sieh Lee Mei Ling Public Interest Director	1/2	Ceased w.e.f. 26 July 2015
Ms. Koid Swee Lian Public Interest Director	2/2	Appointed w.e.f. 5 August 2015
Tuan Muniandy Kanniyappan Public Interest Director	2/2	Appointed w.e.f. 5 August 2015
Ms. Vasantha N Punniamoorthy Public Interest Director	2/2	Ceased w.e.f. 26 July 2015
Dato' Mohamad Ayob Bin Abu Hassan Elected Director	3/4	
Mr. Danny Wong Teck Meng Elected Director	2/4	
Mr. Harinder Pal Singh a/l Joga Singh Elected Director	3/4	
Mr. Ho Seng Yee Elected Director	2/4	
Mr. Ismitz Matthew De Alwis Elected Director	2/2	Appointed w.e.f. 22 June 2015
En. Mohammad Bin Hussin Elected Director	2/4	
Pn. Munirah Binti Khairuddin Subject Matter Expert	3/4	
Ms. Yeoh Kim Hong Elected Director	2/4	

ACTIVITIES/INITIATIVES

1.0 Securities Commission (SC)

1.1 Issuance of FIMM Guidance on Simple Language & Effective Drafting Practices for Prospectus (Guidance)

FIMM conducted jurisdictional study and led the industry working group that consists of representatives from members and the Securities Commission (SC) to develop and issue the Guidance. The Guidance was issued on 30 November 2015 as industry best practices that aim to complement SC's efforts in raising the prospectus drafting standard as well as reducing the approval timeframe for new funds.

The Guidance sets out 17 general guidance on simple language and effective drafting practices with examples and illustrations that help members to improve the readability of prospectus and facilitate investors' understanding on the information disclosed in the prospectus. Additionally, a glossary of financial/investment terminology as well as standard risk disclosures were also included in the Guidance that aims to standardise the disclosures whenever the terminology is used in prospectuses for ease of understanding.

1.2 Industry Proposal for the Federal Budget 2016

FIMM proceeded to prepare and submit industry proposals for the Federal Budget 2016 amid challenging and tight national fiscal environments. The proposals include the increase of tax incentives for PRS, extension of current tax exemption for managing approved Islamic funds which will expire in year 2016, as well as exemption of fees charged on services provided by foreign service providers to Unit Trusts and PRS from being treated as imported services under the Goods and Services Tax (GST) regulations.

The Government has approved the extension of current tax exemption for managing approved Islamic funds by another 4 years, expiring in year 2020.

1.3 Foreign Account Tax Compliance Act (FATCA)

FATCA was signed into law on March 18, 2010. It targets non-compliance by U.S. taxpayers using foreign accounts and with the main objective to monitor and curb tax evasion activities. FATCA imposes rigid new account identification, reporting, and tax withholding requirements on foreign financial institutions (FFIs) and other withholding agents. Under FATCA, the assets and identity of U.S. persons are required to be reported to the U.S. Department of the Treasury.

On 15 March 2015, the Inland Revenue Board of Malaysia (IRBM) issued the draft Malaysia-US Intergovernmental Agreement (IGA) Guidance Notes on Compliance Requirements for Malaysia-US IGA on FATCA. A revised draft was issued on 11 September 2015. The Intergovernmental Agreement (IGA) between Malaysia and U.S. was expected to be signed by end of 2015.

FIMM has issued a circular to members to update members on the status of the FATCA implementation and to gather feedback/queries from members. FIMM has subsequently forwarded the feedback/queries from members to the SC in December 2015.

2.0 Royal Malaysian Customs Department (Customs)

2.1 Goods and Services Tax (GST): Industry proposal to resolve policy and compliance issues for the industry

In 2015, the Royal Malaysian Customs Department (Customs) has clarified and approved 10 out of 12 industry proposals before the GST came into force on 1 April 2015. The approvals provide guidance and certainty in GST treatments among Members and Registered Persons. These contributed significantly in the industry's overall efforts in GST compliance.

The current "declared and launch" framework adopted by the Customs was initiated by FIMM as part of FIMM's proposal on blanket approval for self-billing arrangement. The framework does not only reduce substantial administrative burdens among Members and Registered Persons, but also helps Customs to resolve huge backlogs arising from the bottleneck in Customs' IT capacity. The framework was subsequently imposed on similar applications received by Customs from other sectors such as insurance industry.

Industry proposals on special treatments for investors invested under nominee system and fees payable to foreign brokers/custodian for trades conducted overseas were nevertheless not successful. In line with advice from Customs, FIMM will engage the Customs directly for appeals in 2016 as Customs needs to focus its resources to trouble-shoot and stabilise GST implementation during its first year in operations.

3.0 Employees Provident Fund (EPF)

3.1 Annual Employees Provident Fund Members Investment Scheme (EPF-MIS) Fund Evaluation Exercise

The annual evaluation exercise resulted in a total of 216 funds approved under EPF-MIS, out of which, 209 or 96.8% of funds were existing EPF approved funds and 7 funds were reinstated. Meanwhile, 21 of the existing EPF approved funds were suspended, mainly caused by failing to meet the minimum Simple Average Rating for Consistent Returns (SACR) threshold as prescribed by the EPF.

The profile for the approved funds remains largely similar to the previous year with 178 funds or 82.4% invested fully in Malaysia and 100 funds or 46.3% are equity funds. The list was submitted to EPF on 27 February 2015 and subsequently approved by the EPF. The list of approved funds came into force on 1 April 2015.

Subsequently, there were four (4) new funds being admitted to the list of approved funds via additional window of submission. Hence, total number of EPF-MIS funds increased to 220 as at 31 December 2015.

3.2 EPF Islamic Project

EPF will be introducing EPF Islamic option that offers all EPF members a choice to handle and manage their EPF savings in accordance with Shariah principle only. Once selected and the account is designated as Islamic account, the account status cannot be revoked by EPF members.

FIMM represented the industry and worked closely with the EPF to identify changes needed to the E-PPA system especially those that were related to the file exchange gateway and interface system of the respective Unit Trust Management Companies that are approved by EPF as Instititusi Pengurusan Dana (IPD).

Although the EPF Islamic project will come into effect on 1 January 2017, the preparation started since Q2, 2015. FIMM facilitated this and made the following 3 counter proposals to EPF during the initial stage of the project:

- a. No change in the KWSP 9N form. Member IPDs are to submit additional information required by EPF via data file submitted during withdrawal application;
- b. Automate the update of EPF Members' Islamic account status and effective dates via the Eligibility Check (ELC); and
- c. Annual exercise for customer account tagging instead of a one-time tagging as proposed by EPF.

In addition, FIMM has also proposed to increase the ELC from current 3 batches to 5 batches with the implementation of the EPF Islamic project.

EPF has accepted the above proposals from FIMM which helped to minimise the system enhancement needed for EPF Islamic project.

3.3 Submission of the EPF-MIS monthly report within 3 business days instead of 3 calendar days

On 30 July 2015, upon obtaining approval from the EPF, FIMM issued the circular to member IPDs to inform them of the new submission deadline for the EPF-MIS monthly report of NAV to the EPF. The new submission deadline was revised from 3 calendar days to 3 business days. This has eased member IPDs' report preparation and reduced risks of non-compliance for late submission due to public holiday falling on a weekend or immediately after a weekend at the beginning of the month.

3.4 Proposal to review the methodology used to calculate the amount for withdrawal permitted under the EPF-MIS

Under the revised Basic Savings that was introduced since 1 January 2014, the growth of the unit trust industry has been severely impacted. The investments made in unit trusts under EPF-MIS declined by 38.0% to RM4.86 billion in 2014 from RM7.85 billion in previous year. Overall growth of the industry was also significantly impacted with Net Asset Value (NAV) of unit trust industry growing only by 2% in 2014 as compared to 14% in 2013.

Furthermore, it is anticipated that the Basic Savings is going to be revised soon due to the revision of the pension amount to RM950 per month for pensioners who have exceeded 25 years of service as announced in the 2016 Budget. This could potentially lead to revision of Basic Savings amount to RM228,000, an increase of RM31,200 from the current minimum amount. Consequently, this will potentially reduce the eligible withdrawal amount further.

In view of the above, FIMM has taken a pre-emptive measure by submitting the proposal to the EPF to include 50% of the amount withdrawn by EPF members under the EPF-MIS as part of the calculation to determine the amount eligible for further withdrawal for EPF-MIS.

The objective of the proposal is to allow EPF members who are willing and able to take higher risks to participate further under the EPF-MIS for the purpose of enhancing the value of their retirement assets.

The proposal is awaiting approval from the EPF.

4.0 Enhancing Professionalism among consultants, Investor Education and Stakeholders Engagement

4.1 Industry brainstorming sessions/ workshops

In 2015, FIMM conducted two industry brainstorming sessions/workshops that were participated by FIMM's elected directors and other industry chieftains. The objectives of the sessions were to have an initial discussion to identify issues, challenges and growth opportunities for FIMM/industry and to discuss potential measures to enhance the effectiveness of FIMM in meeting members' needs; particularly in addressing immediate shortfalls.

The first session was held on 17 April 2015 and the key discussion outcomes include reaffirming FIMM's roles as Self-Regulatory Organisation and Industry focal point, expansion of language selection for PRS Examination to include Bahasa Malaysia and Chinese, enhancing FIMM's communication with members and industry as well as changes needed in FIMM committees to empower FIMM Management with administrative functions.

Issues discussed in the second brainstorming session held on 5 November 2015 were relatively more strategically focused that include branding and communication focuses that FIMM should undertake as well as industry growth opportunity brought by changing landscape.

The outcomes of the brainstorming sessions/workshops form part of the industry projects and activities in the FIMM Business Plan 2016/2017.

4.2 FIMM Breakfast Talks

FIMM has organized two Breakfast Talks on 28 May 2015 and 5 August 2015. Asset servicing, outcomes on the global survey on experience of mutual fund investors in 25 countries as well as the roles of Securities Industry Dispute Resolution Center (SIDREC) were among the topics of the talks.

FIMM Breakfast Talks received good feedback from the industry. Moving forward, FIMM will enhance the frequency and expand the coverage of topics to include Islamic and international investments related topics.

4.3 Issuance of reminders to Members and Registered Persons on excessive switching

On 14 July 2015, FIMM issued a circular to remind members and registered persons on their responsibilities in addressing excessive switching by helping investors to make informed decision under switching transactions. Among the responsibilities are ensuring switching transaction is properly verified and documented, informing on free switching options entitled to investors and recommending an annual review on policy and procedures on switching transactions as a control.

4.4 Issuance of reminders to Members and Registered Persons on Suitability Assessment

The IDC approved the proposal to issue reminders to Members and Registered Persons on Suitability Assessment in December 2015. FIMM has subsequently issued the circular in January 2016 to remind members and registered persons on their responsibilities in conducting suitability assessment.

4.5 Proposed establishment of Staff Training Fund (STF) for the Investment Management Industry

Based on FIMM's proposal on the establishment of STF for the Investment Management Industry, the Committee and the Board of Directors have requested FIMM to engage the industry for further directions.

FIMM has established the STF working group and would be conducting an industry survey to gauge the industry's acceptance of the STF and the seriousness of staff pinching among members before calling a STF working group meeting for further deliberation.

4.6 Centralised Database System (CDS)

FIMM has submitted a proposal to develop a centralised database system for the unit trust industry. However, in order to minimise the duplication in submission of data by members and registered persons, the Committee has decided to implement the project in as follows:

- a. Initial phase – FIMM to obtain from SC sets of data that members are currently submitting to SC
- b. Later phase – FIMM to conduct a jurisdictional study on statistics collated and provided to the industry for Committee's further consideration.

FIMM is currently undertaking the study of SC's statistical returns and statistics provided by other jurisdiction before seeking further approval from the Committee.

4.7 Developed and introduced PRS Examination in Bahasa Malaysia and Chinese

On 27 June 2015, FIMM introduced PRS Examination in Bahasa Malaysia and Chinese language to further broaden the reach of PRS Consultants. Both PRS Examination study guide and examination questions in Bahasa Malaysia and Chinese language were completed before the implementation date. Offering of PRS Examination in multiple languages facilitates the industry's recruitment efforts that target segments of investing public whom are more proficient in languages other than English.

During the period between 27 June 2015 until 31 December 2015, the proportion of candidates who signed up for the PRS examination in Bahasa Malaysia and Chinese Language was relatively low at only 199 candidates or 11.8% of total PRS candidates.

4.8 2015 FIMM Seminars

A total of 12 seminars were conducted from June to September 2015 in seven cities. The seminars attracted a total of 844 registered participants, out of which, 798 participants attended the seminars and 46 absent. Among the participants registered, 802 of them are Consultants and 42 are investing public. Two scheduled seminars were cancelled due to insufficient participants.

FIMM introduced for the first time, six sessions of seminars (technical) that enable participants to collect Continuing Education points recognized by the Securities Industry Development Corporation (SIDC) in addition to the Continuing Professional Development points administered by FIMM. A total of 157 holders of Capital Markets Services Representative's License (CMSRL) or Employee of Registered Persons (ERP) registered for the seminars.

FIMM has incurred a total expenses of RM152,734.59 and received RM74,660.00 seminar fees paid by participants. This was within the budget of RM285,240.00 as approved by the FIMM Board.

Participants rating on speakers ranged from 3.57 to 4.48 (out of 5.00), with the highest rating on soft-skill subjects. As for event management, it was rated between 3.30 to 4.41 (out of 5.00) and venue in east coast garnered the highest rating.

Participants have also commented that participation in FIMM seminars has broadened their knowledge and improved their skills that are relevant to unit trust investment planning. Suggestion on topics that they wished to be conducted more frequently as well as new locations for conducting FIMM seminars were also forwarded to the Management for consideration.

Figure 1: Seminars Organised by FIMM in 2015

No.	Venue	Date	Speaker	Topic
1	Hotel Royal Kuala Lumpur	13 May 2015	Dr. Ch'ng Huck Khoon	GST and Its Impact to Unit Trust Consultants & Financial Planners
2	Ming Garden Hotel Kota Kinabalu	20 May 2015	Jamal Hj. No	Creative Thinking for Problem Solving
3	Bukit Kiara Equestrian & Country Resort Kuala Lumpur	9 June 2015	Karen Ng	PRS: Laying the Foundation
4	Tower Regency Hotel Ipoh	29 July 2015	Ooi Kok Hwa	Understanding Behavioural Finance & the Psychology of Investing
5	Sunway Hotel, Seberang Jaya Penang	4 August 2015	Dr. Ch'ng Huck Khoon Prof. Dato' Dr. Sheikh Omar	Investment Strategies in GST Era Thinking Big: Soar to Success with Distinction
6	Grand Paragon Hotel Johor Bahru	6 August 2015	Dr. Ch'ng Huck Khoon Prof. Dato' Dr. Sheikh Omar	Investment Strategies in GST Era Thinking Big: Soar to Success with Distinction
7	Tang Dynasty Hotel Kota Kinabalu	19 August 2015	Jagdeep Singh	Managing Investment Risks

No.	Venue	Date	Speaker	Topic
8	Hotel Grand Continental Kuching	20 August 2015	Prof. Dato' Dr. Sheikh Omar	Thinking Big: Soar to Success with Distinction
9	Hotel Royal Kuala Lumpur	27 August 2015	Jamal Hj. No	Effective Leadership and Supervisory Skills
10	Bukit Kiara Equestrian & Country Resort Kuala Lumpur	1 September 2015	Zairulnizad Shahrim	Islamic Equity Capital Market and Sukuk
11	Vistana Hotel Kuantan	3 September 2015	Jagdeep Singh	Managing Investment Risks
12	Evergreen Laurel Hotel Penang	30 September 2015	Thum Kheng Pong	Create an Efficient Frontier Portfolio

4.9 2015 FIMM Annual Convention

FIMM organised its 2015 Annual Convention (Convention) on 6 October 2015 at Sime Darby Convention Centre, Kuala Lumpur with the theme “Investors’ Trust and Confidence: Key to Sustainable Relationship”.

The event was another of FIMM’s commitment in providing continuing professional development programs for Consultants to keep abreast with the latest developments in the industry. The 2015 FIMM Annual Convention attracted 483 participants from the investment management industry, banking as well as regulatory bodies.

In line with the theme of the Convention, Consultants were given the opportunity to tap new ideas and approaches on advisory business that will lead to improved quality in client services and sustainable relationship during an increasingly challenging economic landscape that brought by severe misalignment in the value of ringgit exchange rate, slowing Chinese economy, geopolitical tension in Middle East and weak crude oil prices.

FIMM also pulled together panellists from the industry, communication expert and young entrepreneur to discuss how Millennial generation, being an increasingly important segment of demographic, makes investment decisions, how they invest their money, and how Consultants can best service Millennials based on those preferences.

The Convention also featured discussions on income/growth opportunities across asset classes in a return-starved investment landscape, behavioural challenges in saving for retirement as well as need-based approach in advising clients for investments that covered best practices/approaches to embrace individuality that differentiate what investors want and what they actually need.

4.10 FIMM Today Magazine

Published by FIMM, the FIMM Today provides targeted and relevant contents to Unit Trust Consultants and PRS Consultants registered with FIMM. The magazine offers analysis on subjects relating to markets, economics and investments. It also features comment pieces from respected industry heavyweights.

In 2015, a total of two editions were published as follows:

Edition	Key topics
1 st Edition September 2015	<ul style="list-style-type: none"> The continuous pursuit of professionalism Malaysian economy to be driven by manufacturing, exports and government Projects Asia’s Big Four: Reforms at the forefront
2 nd Edition December 2015	<ul style="list-style-type: none"> Life after retirement – do we have enough? Tapping Private Retirement Schemes’ potential to retain employees The reality of retirement in Malaysia FIMM Annual Convention 2015 – Investors’ Trust and Confidence: Key to Sustainable Relationship Eleventh Malaysian Plan – Spotlight for Vision 2020 Managing your finance

4.11 Investor Education via Strategic Collaboration and Partnership

In line with the objective of promoting greater and more informed investors' participation in the market, FIMM engaged media and collaborated with industry stakeholders.

FIMM continued its efforts in creating awareness on unit trust and PRS investing through participating in events organised by members and other strategic partners.

Activity	Particulars	Subject Matters / Venue	Readership/Participation
Media Engagement (Magazine advertisement)	Smart Investor Magazine November 2015 Issue	Coverage of Annual Convention 2015	Readership: 63,600
	Money Compass Magazine November/December 2015 issue	Coverage of Annual Convention 2015	Readership: 30,000
Unit Trust Investment Fair organised by Fundsupermart.com	10 January 2015	Wawasan Open University, Penang	300 visitors (general public, industry players and investors)
	17 January 2015	Mid Valley Exhibition Centre, Kuala Lumpur	800 visitors (general public, industry players and investors)
Minggu Saham Amanah Malaysia 2015 organised by Permodalan Nasional Berhad	18 – 27 April 2015	Dataran Sibü, Sibü, Sarawak	4,250 participants feedback
Gold & Metal Price Outlook Conference 2015 organised by Bursa Malaysia	15 June 2015	Grand Hyatt Hotel, Kuala Lumpur	500 visitors (industry players, investors)
Financial Markets Price Outlook Conference 2015	16 June 2015	Grand Hyatt Hotel, Kuala Lumpur	500 visitors (industry players, investors)
Investsmart Fest 2015 organised by Securities Commission	9 – 11 October 2015	Mid Valley Exhibition Centre, Kuala Lumpur	719 feedbacks received (general public, students, consultants, investors)
Malaysian Investment & Stock Exchange Expo (MISEE) organised by Persatuan Pelabur Strategik Melayu Malaysia	20 – 22 November 2015	Putra World Trade Centre, Kuala Lumpur	142 feedbacks received (general public, students, consultants, investors)

During these events, FIMM took the opportunity to reach out the general public and explained the basics of unit trusts and PRS as well as its role in the investment management industry. We also distributed to visitors the FIMM educational leaflets and booklets which provide overall view of unit trusts and act as a guide for those who seek to understand how unit trusts work and types of funds and its risks and benefits.

FIMM's participation in events with strategic partners has not only allowed FIMM to explain to public on unit trusts, but also allowed us to gauge public's perception about unit trusts from different market segments with different demographic profiles. For example, by participating in the Minggu Saham Amanah 2015 and the InvestSmart Fest 2015, the feedback collected showed that many young investors, and also public from the rural areas, are not aware of the benefits of unit trusts, the difference between unit trusts and capital guaranteed funds, and most importantly about the members and distributors that offer these funds.

The feedback collected will serve as a valuable input for FIMM to plan the Advertising & Promotions campaign for 2016, as well as creating the message and ideas to increase the traffic to FIMM's booth for third party events moving forward.

Audit Committee

- The Audit Committee discharges its oversight responsibilities to encourage and safeguard the highest standards of integrity, reliable financial reporting, compliance with regulatory matters and effective internal controls of FIMM.
- The Audit Committee reports directly to the Board and as such, has no executive responsibilities. However, it is responsible for performing its duties in accordance with the Audit Committee Terms of Reference and in this regard, makes recommendations to the Board on the adequacy of external audit, internal audit, risk management and compliance procedures.
- In accordance with the Audit Committee Terms of Reference, the members shall consist of:
 - (i) three (3) public interest directors ("PID"); and
 - (ii) three (3) from elected director ("ED").
- The elections of the Board of Directors were held at the Annual General Meeting on 22 June 2015. The Audit Committee members upon the approval of new committee structure at the 3/2015 Board of Directors' meeting which was held on 8 October 2015 are:
 - Dato' Fauziah bt Yaacob, Chairman/PID;
 - Ms Koid Swee Lian, PID;
 - Ms Yeoh Kim Hong, Elected Director;
 - En Mohammad Hussin, Elected Director; and
 - Mr Ismitz Matthew De Alwis, Elected Director.
- Audit Committee shall meet at least four (4) times a year and at least two (2) times a year with the external auditor. Details of the Audit Committee meetings in 2015 and the attendance of the Audit Committee Members at the meetings are described below:

Number of Audit Committee meetings (ACM) in 2015	2	
Date of ACM in 2015	1/2015	26 February 2015
	2/2015	27 November 2015

Members of AC	Attendance	Remarks
<u>1/2015 Audit Committee Meeting (26 February 2015)</u>		
Prof. Dr. Saiful Azhar Rosly (Chairman) (PID)	1/1	Chairman/PID
Datuk Wira Jahaya Bin Mat (PID)	1/1	PID
Dr. Sieh Lee Mei Ling	1/1	PID
Dato' Mohamad Ayob Abu Hassan	1/1	Elected Director
Ms Yeoh Kim Hong	1/1	Elected Director
En Mohammad Hussin	1/1	Elected Director

2/2015 Audit Committee Meeting (27 November 2015)

Dato' Fauziah bt Yaacob	1/1	Chairman/PID
Ms Koid Swee Lian	1/1	PID
Ms Yeoh Kim Hong	2/2	Elected Director
En Mohammad Hussin	1/2	Elected Director
Mr Ismitz Matthew De Alwis	0/1	Elected Director

- The activities of the Audit Committee in 2015 are stated below:

Date	Significant Decisions
26 February 2015	<p>During the meeting, the Committee dissolved that the draft audited Financial Statements for the year ended 31 December 2014 be proposed at the Board of Directors meeting for approval.</p> <p>The Committee had also appraised the annual performance of the Head of Internal Audit as specified in the Audit Committee Terms of Reference.</p>
27 November 2015	<p>During the meeting, the Committee dissolved the following:</p> <ul style="list-style-type: none"> The approval of the Audit Plan by Morison Anuarul Azizan Chew for the Financial Year ended 31 December 2015; The approval of Internal Audit Budget and Annual Audit Plan for Financial Year ended 31 December 2016; and Deliberation on the issues highlighted and approval of the recommendations of the internal control review of Legal, Secretarial and Regulatory Affairs Department.

Reports on Initiatives and Activities of the Committees

Regulatory Committee (RC)

CHAIRMAN

Tn Muniandy Kanniyappan

RESPONSIBILITIES

- (a) Ensure the rules of FIMM:
 - (i) are consistent with the relevant requirements of the Capital Market and Services Act 2007 and rules and regulations made thereunder, requirements of the Securities Commission Malaysia ("SC") and other applicable laws; and
 - (ii) sufficiently and effectively allow FIMM to discharge its regulatory functions.
- (b) Recommend to the Board for its approval, new rules of FIMM to govern the conduct and behavior of registered persons, including amendments and revisions of all rules of FIMM, as necessary.
- (c) Review matters pertaining to the supervision and surveillance functions of FIMM; and
- (d) Review outcome of supervision and surveillance and result of surveys, and approve the actions to be taken based on the outcome and result.

There was no RC meeting held in 2015.

Members of the RC	Remarks
Tn Muniandy Kanniyappan Chairman / Public Interest Director	Appointed w.e.f. 5 August 2015
Datuk Noripah bt Kamso Public Interest Director	Appointed w.e.f. 5 August 2015
Ms. Koid Swee Lian Public Interest Director	Appointed w.e.f. 5 August 2015
Vacant Public Interest Director	
Dato' Mohamad Ayob b Abu Hassan Elected Director	
Mr Harinder Pal Singh Elected Director	
Mr Ho Seng Yee Elected Director	
Mr Danny Wong Teck Meng Elected Director	
Mr Ismitz Matthew De Alwis Elected Director	

Reports on Initiatives and Activities of the Committees

Private Retirement Scheme Committee (PRSC)

CHAIRMAN

Ms. Koid Swee Lian

RESPONSIBILITIES

- a) Provide a forum for discussion on matters relating to the PRS industry to enhance confidence and raise public awareness in the PRS industry;
- b) Act as a platform for consultation and cooperation between PRS providers and the Securities Commission Malaysia ("SC") as well as other authorities on matters concerning the PRS industry;
- c) Review, develop and introduce best practices including industry standards, fund operations and marketing and distribution of PRS; and
- d) To review and oversee the implementation of the promotion and advertisement of PRS.

Members of the PRSC	Attendance	Remarks
Ms. Koid Swee Lian Chairman / Public Interest Director	2/2	Appointed w.e.f. 8 October 2015
Dato' Fauziah Yaacob Public Interest Director	2/2	Appointed w.e.f. 8 October 2015
Tuan Muniandy Kannyappan Public Interest Director	2/2	Appointed w.e.f. 8 October 2015
Ms. Yeoh Kim Hong Elected Director	2/2	Appointed w.e.f. 8 October 2015
Mr. Ho Seng Yee Elected Director	1/2	Appointed w.e.f. 8 October 2015
Mr. Ismitz Matthew De Alwis Elected Director	1/2	Appointed w.e.f. 8 October 2015
Pn. Munirah Binti Khairuddin Subject Matter Expert	2/2	Appointed w.e.f. 8 October 2015
Datin Maznah Mahbob Subject Matter Expert	1/2	Appointed w.e.f. 8 October 2015
Mr. Teng Chee Wai Subject Matter Expert	1/2	Appointed w.e.f. 8 October 2015
Mr. Wong Boon Choy Subject Matter Expert	1/2	Appointed w.e.f. 8 October 2015
Mr. Ng Wah Boon Subject Matter Expert	2/2	Appointed w.e.f. 8 October 2015

ACTIVITIES/INITIATIVES

1. Approval on terms of references (TOR) for PRSC
Following the establishment of the PRSC on 8 October 2015, the TOR for the PRSC has been approved accordingly in November 2015 by the Committee.
2. Alternative proposal for PRS Provider Account Fee (PAF)
On 12 November 2015, Private Pension Administrator (PPA) announced to all PRS Providers that the SC had approved for PPA to commence the collection of PAF, effective January 2016. The PAF is an annual fee payable by respective PRS Provider to PPA at RM10 per account maintained by PPA as at 31 December of the preceding year. Given that the industry is at its infancy stage and has yet to collectively amass sufficient assets and accounts, the PAF will be financially burdensome for PRS Providers. Hence, under the guidance from PRS Committee, FIMM developed a 10-year cash flow projection for Private Pension Administrator (PPA) and identified PPA's funding gap. FIMM counter proposed alternative measures that could help to enhance the financial stability of PPA. The proposal was submitted to the SC on 26 January 2016 and is pending SC's approval.





Financial Reports



Directors' Report

The Directors have pleasure in submitting their report together with the audited financial statements of the Federation for the financial year ended 31 December 2015.

Principal Activities

The Federation is a recognised self regulatory organisation ("SRO") for the unit trust industry under section 323(1) of the Capital Markets & Services Act 2007 ("CMSA"). As a SRO, the Federation's principal activity is to conduct its affairs in the best interests of the public and investment management industry while promoting orderly development of the investment management industry. The Federation will encourage and foster among its members conduct, ethics and standards of practice that will best serve, maintain further and protect the interests of investors and the investment management industry. In discharging its obligation, the Federation shall act in the public interest with particular regard to the need for protection of investors.

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

Financial Results

Operating surplus for the financial year

RM4,629,924

Reserves and Provisions

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

Directors

The Directors who served since the date of the last report and the date of this report are as follows:-

	Appointed date	Resigned date
Public Interest Directors:-		
Datuk Siti Hadzar binti Mohd Ismail		
Datuk Noripah binti Kamso	05.8.2015	
Koid Swee Lian	05.8.2015	
Muniandy A/L Kannyappan J.M.N	05.8.2015	
Dato' Fauziah binti Yaacob	11.9.2015	
Datuk Wira Jahaya bin Mat		26.7.2015
Dr. Sieh Lee Mei Ling		26.7.2015
Datuk Meriam binti Hj. Ya'acob		26.7.2015
P. Vasantha a/p N. Punniamoorthy		26.7.2015
Prof. Dr. Saiful Azhar bin Rosly		26.7.2015
Non-Public Interest Directors:-		
Ho Seng Yee		
Yeoh Kim Hong		
Dato' Mohamad Ayob bin Abu Hassan		
Wong Teck Meng		
Harinder Pal Singh A/L Joga Singh		
Mohammad bin Hussin		
Ismitz Matthew De Alwis	22.6.2015	

Directors' Report (Continued)

Directors' Benefits

Since the end of the previous financial year, no Director of the Federation has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Federation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Federation a party to any arrangement the object of which is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Federation or any other body corporate.

Other Statutory Information

- (a) Before the statement of profit or loss and other comprehensive income and statement of financial position of the Federation were made out, the Directors took reasonable steps:-
 - (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:-
 - (i) the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Federation inadequate to any substantial extent; or
 - (ii) the values attributed to the current assets in the financial statements of the Federation misleading; or
 - (iii) adherence to the existing method of valuation of assets or liabilities of the Federation misleading or inappropriate; or
 - (iv) any amount stated in the financial statements of the Federation misleading.
- (c) No contingent or other liabilities of the Federation have become enforceable, or are likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Federation to meet its obligations as and when they fall due.
- (d) At the date of this report, there does not exist:-
 - (i) any charge on the assets of the Federation which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability in respect of the Federation which has arisen since the end of the financial year.

Directors' Report (Continued)

Other Statutory Information (Continued)

(e) In the opinion of the Directors:-

- (i) the results of the operations of the Federation for the financial year ended 31 December 2015 have not been substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Federation for the financial year in which this report is made.

Auditors

The auditors, Messrs. Morison Anuarul Azizan Chew, have expressed their willingness to accept re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.



DATUK SITI HADZAR BINTI MOHD ISMAIL

KUALA LUMPUR
29 Feb 2016



DATO' FAUZIAH BINTI YAACOB

Statement by Directors Pursuant to Section 169 (15) of the Companies Act, 1965

We, DATUK SITI HADZAR BINTI MOHD ISMAIL and DATO' FAUZIAH BINTI YAACOB, being two of the Directors of FEDERATION OF INVESTMENT MANAGERS MALAYSIA, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 9 to 32 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Federation as of 31 December 2015 and of its financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.



DATUK SITI HADZAR BINTI MOHD ISMAIL



DATO' FAUZIAH BINTI YAACOB

KUALA LUMPUR
29 Feb 2016

Statutory Declaration Pursuant to Section 169(16) of the Companies Act, 1965

I, ZAMZURI BIN AZUL ISLAMI, being the Officer primarily responsible for the financial management of FEDERATION OF INVESTMENT MANAGERS MALAYSIA, do solemnly and sincerely declare that the financial statements set out on pages 9 to 32 are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly
declared by the abovenamed
ZAMZURI BIN AZUL ISLAMI
at Kuala Lumpur on this
date of 29 Feb 2016



ZAMZURI BIN AZUL ISLAMI



COMMISSIONER FOR OATHS

Independent Auditors' Report to The Members of Federation of Investment Managers Malaysia

Report on the Financial Statements

We have audited the financial statements of Federation of Investment Managers Malaysia, which comprise the statement of financial position as at 31 December 2015 of the Federation, and the statement of profit or loss and other comprehensive income, statement of changes in accumulated fund and statement of cash flows of the Federation for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 9 to 32.

Directors' Responsibility for the Financial Statements

The Directors of the Federation are responsible for the preparation of financial statements so as to give a true and fair view in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The Directors are also responsible for such internal controls as the Directors determine is 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 about 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 the 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 Federation'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 Federation's internal controls. 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 opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the Federation as of 31 December 2015 and of its financial performance and cash flows for the financial year then ended in accordance with the Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Companies Act, 1965 in Malaysia to be kept by the Federation have been properly kept in accordance with the provisions of the Companies Act, 1965 in Malaysia.

Independent Auditors' Report to The Members of Federation of Investment Managers Malaysia (Continued)

Other Matters

This report is solely made to the members of the Federation, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume any responsibility to any other person for the content of this report.



MORISON ANUARUL AZIZAN CHEW
Firm Number: AF 001977
Chartered Accountants



SATHIEA SEELEAN A/L MANICKAM
Approved Number: 1729/05/16 (J/PH)
Chartered Accountant

KUALA LUMPUR
29 Feb 2016

Statement of Financial Position as at 31 December 2015

	Note	2015 RM	2014 RM
Non-Current Asset			
Property, plant and equipment	3	730,204	877,333
Current Assets			
Other receivables	4	925,876	558,726
Tax recoverable		62,054	103,033
Fixed deposits with a financial institution	5	29,722,017	26,000,998
Cash and bank balances		1,089,221	521,899
		<u>31,799,168</u>	<u>27,184,656</u>
Current Liabilities			
Other payables	6	1,440,049	1,564,338
		<u>1,440,049</u>	<u>1,564,338</u>
Net current assets		<u>30,359,119</u>	<u>25,620,318</u>
		<u>31,089,323</u>	<u>26,497,651</u>
Financed By:-			
Accumulated fund	7	17,344,064	13,366,346
SRO requirement reserve	8	13,696,324	13,044,118
		<u>31,040,388</u>	<u>26,410,464</u>
Non-Current Liability			
Deferred tax liability	9	48,935	87,187
		<u>31,089,323</u>	<u>26,497,651</u>

Statement of Profit or Loss and Other Comprehensive Income for The Financial Year Ended 31 December 2015

	Note	2015 RM	2014 RM
Revenue	10	13,080,540	11,963,922
Other income	11	974,144	940,125
Administration expenses	12	(4,646,031)	(4,500,646)
Staff costs	13	(4,314,164)	(3,353,901)
Excess of revenue over expenditure		5,094,489	5,049,500
Taxation	14	(464,565)	(129,315)
Operating surplus and total comprehensive income for the financial year		4,629,924	4,920,185

Statement of Changes in Accumulated Fund for The Financial Year Ended 31 December 2015

	Note	Accumulated Fund RM	SRO requirement reserve RM	Total RM
At 1 January 2015		13,366,346	13,044,118	26,410,464
Transfer to SRO requirement reserve	8	(652,206)	652,206	-
Total comprehensive income for the financial year		4,629,924	-	4,629,924
At 31 December 2015		17,344,064	13,696,324	31,040,388
At 1 January 2014		9,067,309	12,422,970	21,490,279
Transfer to SRO requirement reserve	8	(621,148)	621,148	-
Total comprehensive income for the financial year		4,920,185	-	4,920,185
At 31 December 2014		13,366,346	13,044,118	26,410,464

Statement of Cash Flows for The Financial Year Ended 31 December 2015

	2015 RM	2014 RM
Cash Flows From Operating Activities		
Excess of revenue over expenditure	5,094,489	5,049,500
Adjustments for:-		
Depreciation of property, plant and equipment	346,716	344,106
Interest income	(835,097)	(794,092)
Excess of operating revenue over expenditure before working capital changes	4,606,108	4,599,514
Changes in working capital:		
Other receivables	(367,150)	55,588
Other payables	(124,289)	(163,176)
	(491,439)	(107,588)
Cash generated from operations	4,114,669	4,491,926
Tax paid	(461,838)	(268,564)
Net cash generated from operating activities	3,652,831	4,223,362
Cash Flows From Investing Activities		
Purchase of property, plant and equipment	(199,587)	(180,190)
Interest received	835,097	794,092
Net cash generated from investing activities	635,510	613,902
Net increase in cash and cash equivalents	4,288,341	4,837,264
Cash and cash equivalents at the beginning of the financial year	26,522,897	21,685,633
Cash and cash equivalents at the end of the financial year	30,811,238	26,522,897
Cash and cash equivalents at the end of the financial year comprises:-		
Fixed deposits with a financial institution	29,722,017	26,000,998
Cash and bank balances	1,089,221	521,899
	30,811,238	26,522,897

Notes to The Financial Statements

1. Corporate Information

The Federation is a recognised self regulatory organisation (“SRO”) for the unit trust industry under section 323(1) of the Capital Markets & Services Act 2007 (“CMSA”). As a SRO, the Federation’s principal activity is to conduct its affairs in the best interests of the public and investment management industry while promoting orderly development of the investment management industry. The Federation will encourage and foster among its members conduct, ethics and standards of practice that will best serve, maintain further and protect the interests of investors and the investment management industry. In discharging its obligation, the Federation shall act in the public interest with particular regard to the need for protection of investors.

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

The Federation is a company limited by guarantee, incorporated in Malaysia under the Companies Act, 1965 and domiciled in Malaysia.

The registered office of the Federation is located at Level 7, Menara Millenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Height, 50490 Kuala Lumpur.

The principal place of business is located at 19-06-1, 6th Floor, Wisma Tune, 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur.

2. Basis of Preparation and Significant Accounting Policies

(a) Basis of preparation

The financial statements of the Federation have been prepared in accordance with the provisions of the Malaysian Financial Reporting Standards (“MFRS”), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The financial statements have been prepared under the historical cost convention except as disclosed in summary of significant accounting policies.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reported period. It also requires Directors to exercise their judgment in the process of applying the Federation’s accounting policies. Although these estimates and judgment are based on the Directors’ best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(b) to the financial statements.

Amendments to accounting standards that are effective for the Federation’s financial year beginning on or after 1 January 2015 are as follows:-

- Amendments to MFRS 1, “First-time Adoption of Malaysian Financial Reporting Standards” (Annual Improvements 2011-2013 Cycle)
- Amendments to MFRS 2, “Share-based Payment” (Annual-Improvements 2010-2012 Cycle)
- Amendments to MFRS 3, “Business Combinations” (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)
- Amendments to MFRS 8, “Operating Segments” (Annual Improvements 2010-2012 Cycle)

Notes to The Financial Statements (Continued)

2. Basis of Preparation and Significant Accounting Policies (Continued)

(a) Basis of preparation (Continued)

- Amendments to MFRS 13, "Fair Value Measurement" (Annual Improvements 2010-2012 Cycle and 2011-2013 Cycle)
- Amendments to MFRS 116, "Property, Plant and Equipment" and MFRS 138, "Intangible Assets" (Annual Improvements 2010-2012 Cycle)
- Amendments to MFRS 119, "Defined Benefit Plans Employee Contribution"
- Amendments to MFRS 124, "Related Party Disclosures" (Annual Improvements 2010-2012 Cycle)
- Amendments to MFRS 140, "Investment Property" (Annual Improvements 2011-2013 Cycle)

The above amendments to accounting standards effective during the financial year do not have any significant impact to the financial results and position of the Federation.

Accounting standards and amendments to accounting standards that are applicable for the Federation in the following periods but are not yet effective:-

Annual periods beginning on/after 1 January 2016

Amendments to MFRS 5 Non Current Assets Held for Sale and Discontinued Operations

The Amendments introduce specific guidance in MFRS 5 for when an entity reclassifies an asset (or disposal group) from held-for-sale to held-for-distribution to owners (or vice versa), or when held-for-distribution is discontinued.

Amendments to MFRS 7 Financial Instruments: Disclosures

The Amendments provide additional guidance to clarify whether servicing contracts constitute continuing involvement for the purposes of applying the disclosure requirements of MFRS 7. The Amendments also clarify the applicability of Amendments to MFRS 7, Disclosure-Offsetting Financial Assets and Financial Liabilities to condensed interim financial statements.

Amendments to MFRS 11 Joint Arrangements

These Amendments clarify that when an entity acquires an interest in a joint operation in which the activity of the joint operation constitutes a business, as defined in MFRS 3, it shall apply the relevant principles on business combinations accounting in MFRS 3, and other MFRSs, that do not conflict with MFRS 11. Some of the impact arising may be the recognition of goodwill, recognition of deferred tax assets/liabilities and recognition of acquisition-related costs as expenses.

Amendments to MFRS 101 Presentation of Financial Statements

The Amendments aim to improve the effectiveness of disclosures and are designed to encourage companies to apply professional judgement in determining the information (including where and in what order) to be disclosed in the financial statements.

Amendments to MFRS 116 Property, plant and equipment

These Amendments to MFRS 116 prohibit revenue-based depreciation because revenue does not, as a matter of principle, reflect the way in which an item of property, plant and equipment is used or consumed.

Notes to The Financial Statements (Continued)

2. Basis of Preparation and Significant Accounting Policies (Continued)

(a) Basis of preparation (Continued)

Annual periods beginning on/after 1 January 2016 (continued)

Amendments to MFRS 119 Employee Benefits

The Amendment clarifies that the high quality corporate bonds used to estimate the discount rate for post-employment benefit obligations should be denominated in the same currency as the liability. The Amendment also clarifies that the depth of the market for high quality corporate bonds should be assessed at a currency level.

Amendments to MFRS 127 Separate Financial Statements

The Amendments allow a parent and investors to use the equity method in its separate financial statement to account for investments in subsidiaries, joint ventures and associates, in addition to the existing options.

Amendments to MFRS 134 Interim Financial Reporting

The Amendment clarifies the meaning of disclosure of information 'elsewhere in the interim financial report' as used in MFRS 134. The Amendment requires such disclosures to be given either in the interim financial statements or incorporated by cross-reference from the interim financial statements to some other statement that is available to users of the financial statements on the same terms as the interim financial statements and at the same time.

Amendments to MFRS 138 Intangible assets

These Amendments to MFRS 138 introduce a rebuttable presumption that an amortisation method that is based on the revenue generated by an activity that includes the use of an intangible asset is inappropriate. This presumption can be overcome only in the limited circumstances:

- in which the intangible asset is expressed as a measure of revenue, i.e. in the circumstance in which the predominant limiting factor that is inherent in an intangible asset is the achievement of a revenue threshold; or
- when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

Annual periods beginning on/after 1 January 2018

MFRS 9 Financial Instruments

This Standard addresses the classification, measurement and recognition of financial assets and financial liabilities.

Notes to The Financial Statements (Continued)

2. Basis of Preparation and Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Annual periods beginning on/after 1 January 2018 (Continued)

Classification determines how financial assets and financial liabilities are accounted for in financial statements and, in particular, how they are measured on an ongoing basis. The Standard introduces an approach for classification of financial assets which is driven by cash flow characteristics and the business model in which an asset is held. The new model also results in a single impairment model being applied to all financial instruments, thereby removing a source of complexity associated with previous accounting requirements. If a financial asset is a simple debt instrument and the objective of the entity's business model within which it is held is to collect its contractual cash flows, the financial asset is measured at amortised cost. In contrast, if that asset is held in a business model the objective of which is achieved by both collecting contractual cash flows and selling financial assets, then the financial asset is measured at fair value in the balance sheet, and amortised cost information is provided through profit or loss. If the business model is neither of these, then fair value information is increasingly important, so it is provided both in the profit or loss and in the balance sheet.

The Standard introduces a new, expected-loss impairment model that will require more timely recognition of expected credit losses. Specifically, it requires entities to account for expected credit losses from when financial instruments are first recognised and to recognise full lifetime expected losses on a more timely basis. The model requires an entity to recognise expected credit losses at all times and to update the amount of expected credit losses recognised at each reporting date to reflect changes in the credit risk of financial instruments. This model is forward-looking and it eliminates the threshold for the recognition of expected credit losses, so that it is no longer necessary for a trigger event to have occurred before credit losses are recognised.

In addition, the Standard introduces a substantially-reformed model for hedge accounting, with enhanced disclosures about risk management activity. The new model represents a significant overhaul of hedge accounting that aligns the accounting treatment with risk management activities, enabling entities to better reflect these activities in their financial statements. As a result of these changes, users of the financial statements will be provided with better information about risk management and the effect of hedge accounting on the financial statements.

MFRS 15 Revenue from Contracts with Customers

The Standard provides clarity on revenue recognition especially on areas where existing requirements unintentionally created diversity in practice. Under MFRS 15, an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Extensive disclosures are required to provide greater insight into both revenue that has been recognised, and revenue that is expected to be recognised in the future from existing contracts.

Notes to The Financial Statements (Continued)

2. Basis of Preparation and Significant Accounting Policies (Continued)

(a) Basis of preparation (Continued)

Effective date yet to be determined by the Malaysian Accounting Standards Board

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures

The Amendments address an acknowledged inconsistency between the requirements in MFRS 10 and those in MFRS 128, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the Amendments is that a full gain or loss is recognised when a transaction involves a business (whether it is housed in a subsidiary or not), as defined in MFRS 3. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.

The Federation is in the process of assessing the impact of MFRS 9 and MFRS 15 in the year of initial application. Aside from the above mentioned, the adoption of the accounting standards and amendments to accounting standards are not expected to have any significant impact to the financial statements of Federation.

Accounting standards and amendments to accounting standards that are not relevant and not yet effective for the Federation are as follows:

- Amendments to MFRS 10, MFRS 12 and MFRS 128, “Investment Entities: Applying the Consolidation Exception”
- MFRS 14, “Regulatory Deferral Accounts”
- Amendments to MFRS 116 and MFRS 141, “Agriculture: Bearer Plants”

(b) Significant accounting estimates and judgements

(i) Depreciation of property, plant and equipment

The costs of property, plant and equipment are depreciated on a straight-line basis over the useful lives of the property, plant and equipment. Management estimates the useful lives of the property, plant and equipment as stated in Note 2(d) to the financial statements. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(ii) Provisions for liabilities

Provisions for liabilities are recognised in accordance with accounting policy in Note 2(j) to the financial statements. To determine whether it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made, the Federation takes into consideration factors such as existence of legal/contractual agreements, past historical experience, external advisors’ assessments and other available information.

Notes to The Financial Statements (Continued)

2. Basis of Preparation and Significant Accounting Policies (Continued)

(c) Functional and presentation currency

The financial statements are presented in Ringgit Malaysia ("RM") which is the Federation's functional and presentation currency.

(d) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2(e) to the financial statements.

All property, plant and equipment are depreciated on a straight-line basis at rates calculated to write off the cost of the assets to their residual values over their estimated useful lives as follows:-

Office equipment	5 years
Furniture and fittings	10 years
Office renovations	3 years
Motor vehicles	5 years

Depreciation methods, useful lives and residual values are reassessed at the reporting date.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses on disposals are determined by comparing proceeds with carrying amount and are included in profit or loss.

(e) Impairment of non-financial assets

The carrying values of assets are reviewed for impairment when there is an indication that the assets might be impaired. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount is the higher of an asset's net selling price and its value in use, which is measured by reference to discounted future cash flows. An impairment loss is charged to the profit or loss immediately.

Subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the profit or loss immediately.

(f) Financial assets

Financial assets are recognised in the statement of financial position when the Federation have become a party to the contractual provisions of the instruments.

Notes to The Financial Statements (Continued)

2. Basis of Preparation and Significant Accounting Policies (Continued)

(f) Financial assets (Continued)

The Federation classifies its financial assets as loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this at every reporting date except for financial assets at fair value through profit or loss.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are unquoted in an active market. They arise when the Federation provides money, goods or services directly to a debtor with no intention of trading the receivable. They are included in current assets, except for maturities greater than 12 months after the reporting date. These are classified as non-current assets. Loans and receivables are classified as trade and other receivables in the statement of financial position.

Subsequent to initial recognition, loans and receivables are carried at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

(g) Impairment of financial assets

A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. For an equity instrument, a significant or prolonged decline in fair value below its cost is also considered objective evidence of impairment.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised costs, the reversal is recognised in profit or loss.

(h) Financial liabilities

Other payables are classified as financial liabilities in the statement of financial position as there is a contractual obligation to make cash payments to another entity and is contractually obliged to settle the liabilities in cash.

Financial liabilities are initially recognised at fair value plus transaction costs, and are subsequently measured at amortised cost using the effective interest method, except when the Federation designates the liabilities at fair value through profit or loss. Financial liabilities are designated at fair value through profit or loss when:-

Notes to The Financial Statements (Continued)

2. Basis of Preparation and Significant Accounting Policies (Continued)

(h) Financial liabilities (Continued)

- (i) they are acquired or incurred for the purpose of selling or repurchasing in the near term;
- (ii) the designation eliminates or significantly reduces measurement or recognition inconsistencies that would otherwise arise from measuring financial liabilities or recognising gains or losses on them; or
- (iii) the financial liability contains an embedded derivative that would need to be separately recorded.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

(i) Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank balances and deposits with a financial institution and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of pledged deposits.

(j) Provisions for liabilities

Provisions for liabilities are recognised when the Federation has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date 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.

(k) Income tax

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

Deferred tax is recognised on the liability method for all temporary differences between the carrying amount of assets or liabilities in the statement of financial position and its tax base at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax asset and liability is measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the reporting date. The carrying amount of a deferred tax asset is reviewed at each reporting date and is reduced to the extent that it becomes probable that sufficient future taxable profit will be available.

(l) Revenue recognition

(i) Subscriptions

Annual subscriptions receivable from members are accounted for under the accruals method of accounting.

(ii) Advance billings

Annual subscriptions received over the period of subscriptions for each calendar year are recognised as revenue evenly in the profit or loss on a monthly basis over the 12 months of each financial year.

Notes to The Financial Statements (Continued)

2. Basis of Preparation and Significant Accounting Policies (Continued)

(l) Revenue recognition (Continued)

(iii) Application and examination fees

Application and examination fees are recognised upon the receipt of application and the holding of examination respectively.

(iv) Interest income

Interest income is recognised as it accrues using the weighted average method in profit or loss.

(m) Employee benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Federation.

Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensation absences. Short term non-accumulating compensated absences such as sick and medical leave are recognised when the absences occur. The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the statement of financial position date.

(ii) Statutory 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 statement of profit or loss and other comprehensive income as incurred.

(iii) Private Retirement Scheme ("PRS")

Contributions made by the Federation to registered PRS provider for eligible employees are recognised as an expense in the statement of profit or loss and other comprehensive income as incurred.

Notes to The Financial Statements (Continued)

3. Property, Plant and Equipment

	Office equipment RM	Furniture and fittings RM	Office renovations RM	Motor vehicles RM	Total RM
Cost					
At 1.1.2015	2,178,582	349,030	570,250	169,223	3,267,085
Addition	199,167	420	-	-	199,587
Write-off	(70,958)	-	-	-	(70,958)
At 31.12.2015	2,306,791	349,450	570,250	169,223	3,395,714
Accumulated depreciation					
At 1.1.2015	1,866,055	214,996	221,443	87,258	2,389,752
Charge for the financial year	103,548	19,621	190,081	33,466	346,716
Write-off	(70,958)	-	-	-	(70,958)
At 31.12.2015	1,898,645	234,617	411,524	120,724	2,665,510
Carrying amount					
At 31.12.2015	408,146	114,833	158,726	48,499	730,204
Cost					
At 1.1.2014	1,998,392	349,030	570,250	169,223	3,086,895
Addition	180,190	-	-	-	180,190
At 31.12.2014	2,178,582	349,030	570,250	169,223	3,267,085
Accumulated depreciation					
At 1.1.2014	1,773,773	187,098	31,361	53,414	2,045,646
Charge for the financial year	92,282	27,898	190,082	33,844	344,106
At 31.12.2014	1,866,055	214,996	221,443	87,258	2,389,752
Carrying amount					
At 31.12.2014	312,527	134,034	348,807	81,965	877,333

4. Other Receivables

	2015 RM	2014 RM
Other receivables	505,696	179,938
Deposits	252,107	279,609
Prepayments	168,073	99,179
	925,876	558,726

Notes to The Financial Statements (Continued)

5. Fixed Deposits with a Financial Institution

The fixed deposits interest rates and maturities of deposits range from 3.15% to 3.55% (2014: 3.00% to 3.41%) per annum and the tenure ranges from 30 to 184 days (2014: 62 to 365 days) respectively.

6. Other Payables

	2015 RM	2014 RM
Other payables	60,292	380,393
Accruals		
- Staff bonus and benefit	603,700	440,952
- Others	230,522	204,709
Advance billings	394,594	538,284
Deferred revenue	150,941	-
	<u>1,440,049</u>	<u>1,564,338</u>

7. Accumulated Fund

Accumulated fund represents the reserve available to be utilised for the general operations and capital expenditure of the Federation.

8. SRO Requirement Reserve

	2015 RM	2014 RM
At 1 January	13,044,118	12,422,970
Transfer from accumulated fund	652,206	621,148
At 31 December	<u>13,696,324</u>	<u>13,044,118</u>

The Federation is a recognised Self Regulatory Organisation (“SRO”) for the unit trust industry under Section 323(1) of the Capital Markets & Services Act 2007 (“CMSA”).

To ensure there is sufficient financial resources to fund its operations and in reference to Article 15A of the Federation’s Articles of Association, the Federation is required to maintain a SRO Requirement Reserve which fulfills the following criteria:-

- (i) Pegged at a 3-year multiple of operating expenditure (inclusive of anticipated capital expenditure) based on its first year of establishment; and
- (ii) For subsequent years, the reserve should factor an annual increase of 5%.

Any refund of subscription fees to its members may only commence when the targeted SRO Requirement Reserve amount has been achieved and after consultation with the Securities Commission.

Notes to The Financial Statements (Continued)

9. Deferred Tax Liability

	2015 RM	2014 RM
Accelerated capital allowances:-		
At 1 January	87,187	74,422
Recognised in profit or loss	14,375	12,765
Over provision in prior year	(52,627)	-
At 31 December	48,935	87,187

10. Revenue

Revenue represents:-

- (a) application and annual subscription fees from members, Institutional Unit Trust Advisers, Corporate Unit Trust Advisers and Unit Trust Consultants' examination fees received or receivables.
- (b) application and annual subscription fees from members, Institutional Private Retirement Advisers and Private Retirement Consultants' examination fees received or receivables.

11. Other Income

	2015 RM	2014 RM
Conference fees received	115,940	90,520
Interest income	835,097	794,092
Sundry income	23,107	55,513
	974,144	940,125

12. Administration Expenses

Administration expenses consist of:-

	Note	2015 RM	2014 RM
Auditors' remuneration		23,000	20,000
Depreciation of property, plant and equipment		346,716	344,106
Key management personnel compensation	15	350,857	309,190
Other project expenses		162,143	135,772
Rental of premises		510,840	510,840
UTC seminar expenses		314,967	241,850
Examination expenses		1,610,419	1,563,928
Directors' attendance fees		252,000	511,000

Notes to The Financial Statements (Continued)

13. Staff Costs

	2015 RM	2014 RM
Staff costs (excluding Directors)	4,314,164	3,353,901

Included in staff costs (excluding Directors) are:-

- (a) contributions made to the Employees Provident Fund under a statutory contribution plan for the Federation amounting to RM435,546 (2014: RM320,443).
- (b) contributions made to registered Private Retirement Scheme for eligible employees of the Federation amounting to RM20,366 (2014: RM19,555).

14. Taxation

	2015 RM	2014 RM
Malaysian income tax:-		
- Current year	403,429	428,740
- Under/(Over) provision in prior year	99,388	(312,190)
	502,817	116,550
Deferred tax (Note 9):-		
- Current year	14,375	12,765
- Over provision in prior year	(52,627)	-
	(38,252)	12,765
Tax expense for the financial year	464,565	129,315

Income tax is calculated at the statutory tax rate of 26% (2014: 26%) of the estimated assessable operating surplus and total comprehensive income for the financial year.

Notes to The Financial Statements (Continued)

14. Taxation (Continued)

A reconciliation of income tax expense applicable to excess of revenue over expenditure at the statutory income tax rate to income tax expense at the effective income tax rate of the Federation is as follows:-

	2015 RM	2014 RM
Excess of revenue over expenditure	5,094,490	5,049,500
Tax at applicable tax rate of 26% (2014: 26%)*	1,324,567	1,312,870
Expenses not deductible for tax purposes	110,896	100,944
Tax exempt income	(1,005,509)	(960,159)
Under/(Over) provision of current taxation in prior year	99,388	(312,190)
Over provision of deferred taxation in prior year	(52,627)	-
Effect of differential tax rates	(12,150)	(12,150)
Tax expense for the financial year	464,565	129,315

*The Federation is treated as a 'Trade Association' under Section 53(3) of the Income Tax Act 1967, under which its income is taxed at scale rates. The effect of differential tax rates above is a result of the disparity between statutory tax rate of 26% (2014: 26%) and the scale rates applicable to the Federation.

15. Key Management Personnel Compensation

	2015 RM	2014 RM
Other key management personnel		
- Short term employee benefit	350,857	189,190
- Key management personnel compensation	-	120,000
	350,857	309,190

Key management personnel comprise persons other than the Directors of the Federation, who have authority and responsibility for planning, directing and controlling the activities of the Federation either directly or indirectly.

16. Financial Instruments

(a) Financial risk management objectives and policies

The Federation's financial risk management policy is to ensure that adequate financial resources are available for the development of the Federation's operations whilst managing its financial risks, including credit risk, liquidity and cash flow risk.

(b) Credit risk

The Federation's exposure to credit risk arises mainly from receivables. Receivables are monitored on an ongoing basis via management reporting procedure and action is taken to recover debts when due.

Notes to The Financial Statements (Continued)

16. Financial Instruments (Continued)

(b) Credit risk (Continued)

At reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk for the Federation is the carrying amount of the financial assets shown in the statement of financial position.

(c) Liquidity and cash flow risk

The Federation's exposure to liquidity risk arises principally from its other payables.

The Federation also maintains a certain level of cash and cash convertible investments to meet its working capital requirements.

Maturity analysis

The table below summarises the maturity profile of the Federation's financial liability as at the end of the reporting period based on undiscounted contractual payments.

	Carrying amount RM	Contractual interest rate %	Contractual cash flows RM	Below one year RM
2015				
Other payables	60,292	-	60,292	60,292
2014				
Other payables	380,393	-	380,393	380,393

(d) Fair values

The carrying amounts of cash and cash equivalents, other receivables and other payables approximate fair value due to the relatively short term nature of these financial instruments.

17. Capital Management

The Federation is a recognised Self Regulatory Organisation ("SRO") for the unit trust industry under Section 323(1) of the Capital Markets & Services Act 2007 ("CMSA").

The Federation is required to ensure there is sufficient financial resources to fund its operations and in reference to Article 15A of the Federation's Articles of Association and to maintain a SRO Requirement Reserve which fulfills the criteria as stated in Note 8 to the financial statements.

The Federation is not subject to externally imposed capital requirement as it does not have any external borrowings.

18. Date of Authorisation for Issue

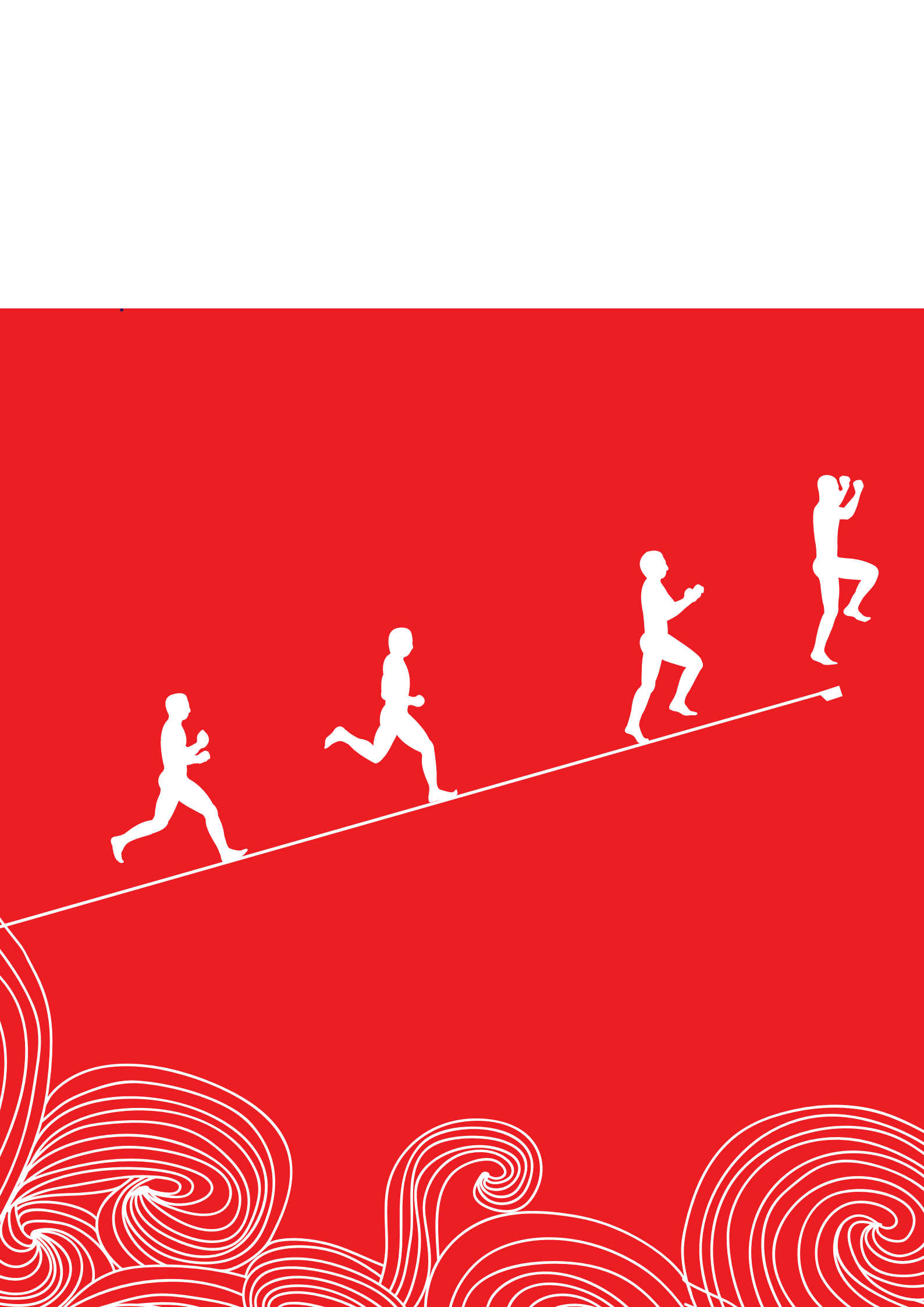
The financial statements of the Federation for the financial year ended 31 December 2015 were authorised for issue in accordance with a resolution of the Board of Directors on 29 February 2016.

Detailed Statement of Profit or Loss and Other Comprehensive Income for The Financial Year Ended 31 December 2015

	2015 RM	2014 RM
Revenue		
<u>Unit Trust</u>		
Members' subscription	7,594,960	7,038,356
Members' application fees	-	5,000
Institutional Unit Trust Advisers (IUTAs)		
- application fees	8,750	3,750
- annual fees	690,000	690,000
Corporate Unit Trust Advisers (CUTAs)		
- application fees	-	2,500
- annual fees	4,500	4,000
	8,298,210	7,743,606
<u>Private Retirement Scheme (PRSs)</u>		
Members' subscription	17,329	22,578
Institutional Private Retirement Advisers (IPRAs)		
- annual fees	20,000	30,000
Corporate Private Retirement Advisers (CPRAs)		
- annual fees	-	500
	37,329	53,078
Examination fees	4,289,660	3,714,200
Re-registration fees	455,341	453,038
	13,080,540	11,963,922
<u>Other income</u>		
Interest income	835,097	794,092
Conference income	115,940	90,520
Sundry income	23,107	55,513
	974,144	940,125
Less: Administration expenses		
Auditors' remuneration		
- external audit	(23,000)	(20,000)
Advertisement	(11,390)	(13,544)
AGM expenses	(27,520)	(41,000)
Attendance fees	(252,000)	(511,000)
Bankruptcy search expenses	(58,333)	(68,519)
Bank charges	(5,546)	(4,151)
Board and committee expenses	(51,810)	(7,283)
Computer program	(213,821)	(160,948)

Detailed Statement of Profit or Loss and Other Comprehensive Income for The Financial Year Ended 31 December 2015 (Continued)

	2015 RM	2014 RM
Less: Administration expenses		
Courier and postage	(5,874)	(2,726)
Depreciation	(346,716)	(344,106)
Entertainment	(951)	(804)
Examination expenses	(1,610,419)	(1,563,928)
Filing and stamping fees	(4,308)	(484)
Fund expenses	(29,616)	(25,558)
Handphone claims	(6,230)	(12,640)
Insurance	(35,616)	(66,859)
Library books	(235)	(1,868)
Magazines and periodicals	(5,330)	(12,683)
Other project expenses	(162,143)	(135,772)
Printing and stationery	(53,367)	(50,709)
Professional fees	95,127	(197,599)
Promotion - Billboard/Media advertisements	(471,405)	-
PRs expenses	(6,066)	(6,643)
Rental	(510,840)	(510,840)
Secretarial fees	(3,300)	(2,742)
Service tax	(29,233)	(18,791)
Study tour/conference	(164,561)	(84,357)
Sundry expenses	(33,887)	(31,447)
Telephone and faxes	(46,495)	(54,834)
Travelling and accommodation	(111,246)	(146,006)
Upkeep of office	(24,632)	(17,489)
Upkeep of office equipment	(2,325)	(2,463)
UTCs expenses	(79,713)	(101,814)
UTCs seminar expenses	(314,967)	(241,850)
Water and electricity	(38,262)	(39,189)
	(4,646,030)	(4,500,646)
Less: Staff costs	(4,314,164)	(3,353,901)
Excess of revenue over expenditure	5,094,490	5,049,500
Taxation	(464,565)	(129,315)
Operating surplus and total comprehensive income for the year	4,629,925	4,920,185





5

Calendar of
Events



Calendar of Events

Industry Briefing on
Goods and Services
Tax (GST)

7 January
2015

Unit Trust Investment
Fair 2015, by
FundsUPERMART.com,
Kuala Lumpur.

17 January
2015

Participated at the Minggu Saham
Amanah Malaysia Exhibition organised
by Permodalan Nasional Berhad

17-27 April
2015

FIMM Public Seminar,
Kuala Lumpur

19 May
2015

10 January
2015

Unit Trust Investment Fair
2015, by FundsUPERMART.com,
Penang.

17 April
2015

CEO's Brainstorming
Session

21 April
2015

FIMM Public Seminar, Penang

28 May
2015

Breakfast Talk and
Industry Engagement
Session



FIMM Public Seminar,
Kota Kinabalu

1 August
2015



Breakfast Talk and
Industry Engagement
Session

5 August
2015

4 August
2015

FIMM Seminar, Penang



FIMM Seminar, Kuala
Lumpur

1 September
2015

27 August
2015

FIMM Seminar, Kuala
Lumpur

Participated at the
InvestSmart Fest
Exhibition organised by
Securities Commission

9-11 October
2015

FIMM Public Seminar,
Kuching

31 October
2015



17 October
2015

FIMM Public Seminar,
Melaka



Participated at the Gold & Precious Metals Price Outlook Conference organised by Bursa Malaysia

15 June 2015



FIMM 21st Annual General Meeting

22 June 2015

16 June 2015

Financial Markets Price Outlook Conference organised by Bursa Malaysia

29 July 2015

FIMM Seminar, Ipoh



FIMM Seminar, Kota Kinabalu

19 August 2015

6 August 2015

FIMM Seminar, Johor Bahru

20 August 2015

FIMM Seminar, Kuching

FIMM Seminar, Penang

30 September 2015

3 September 2015

FIMM Seminar, Kuantan

6 October 2015

FIMM's Annual Convention



Participated at the Malaysia Investment and Stock Exchange Expo (MISEE) organised by Persatuan Pelabur Strategik Melayu Malaysia

20-22 November 2015



5 November 2015

CEO's Brainstorming Session

30 November 2015

Industry Briefing on EPF Islamic Project

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FEDERATION OF INVESTMENT MANAGERS MALAYSIA
(Incorporated in Malaysia)
(272577-P)

I _____
(FULL NAME IN BLOCK LETTERS)

of _____
being the Authorised Representative of the Member [being a member of Federation of Investment Managers Malaysia
("FIMM")] HEREBY APPOINT the *Chairman of the Meeting or _____
of _____
(being a person entitled to vote at a general meeting of FIMM in accordance with and subject to the Articles of Association
of FIMM) as my proxy to vote for me on my behalf at the 22nd Annual General Meeting of FIMM to be held on Wednesday,
15 June 2016 at 10.00 a.m. and at any adjournment of that meeting.

Resolutions	For	Against
Ordinary Resolution 1 To re-appoint Messrs. Morison Anuarul Azizan Chew as Auditors of FIMM to hold office until the conclusion of the next Annual General Meeting of FIMM and to authorise the Directors to fix their remuneration.		

Signed this _____ day of _____ 2016.

Signature

PROXY FORM

STAMP

Federation of Investment Managers Malaysia
19-06-1, 6th Floor, Wisma Tune,
19, Lorong Dungun, Damansara Heights,
50490 Kuala Lumpur

Notes:

1. A member of FIMM entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his stead.
2. A proxy appointed to attend and vote at the Annual General Meeting of FIMM shall be either: (a) Chairman of the Meeting or (b) any other person who may but need not be a member of FIMM.
3. If you wish to appoint any person other than the Chairman of the Meeting as proxy, please insert the full name of the proxy (in block letters) in the space provided and delete the words "the Chairman of the Meeting."
4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney and the Directors may, but shall not be bound to, require evidence of the authority of the appointer or his attorney.
5. The instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
6. Please indicate with an "x" in the spaces provided, how you wish your vote to be cast. Any alteration to the instrument appointing a proxy must be initialised.
7. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority must be deposited at the Registered Office of FIMM at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur.

Last date and time for lodging the aforesaid instrument	:	Monday, 13 June 2016 at 10.00 a.m.
(Attn: Ms Tan Ley Theng / Ms. Celina Lee) (Tel No.: 03 – 2084 9000; Fax No.: 03 – 2094 9940)		



Federation of Investment Managers Malaysia
19-06-1, 6th Floor, Wisma Tune,
19, Lorong Dungun, Damansara Heights,
50490 Kuala Lumpur