



CFM WAS ESTABLISHED IN FEBRUARY 2001 as a society with representation from all relevant parties, including the "supply and demand" side of the communications and multimedia industry. It was designated by MCMC as the Communications and Multimedia Consumer Forum in 2002 to protect the rights of consumers of that sector. This is in line with the requirements of the CMA which facilitates industry self-regulation.

As a designated forum, CFM is tasked with, among others, the preparation of consumer Codes that would be used as a base guideline for the provisioning of services by the communications and multimedia service providers. The General Consumer Code (GCC) was accepted by MCMC as an industry Code in 2002 along with the Internet Access Code. CFM reviews and updates the GCC every 3 years. An annual report is also available on activities and progress of CFM. Please check on the website to download or write in to enquiries@cfm.my for a copy.

BELOW ARE THE KEY FUNCTIONS OF CFM:

CODES DRAFTING

To draft, develop, prepare, amend, modify, review and update the Codes.

LEGAL

To advise the Council on legal requirements and considerations.

MEMBERSHIP

To enlist and update membership of CFM.

EDUCATION AND PROMOTIONS

To promote the objectives and publish the activities of CFM and to provide avenues for dissemination of public information and education regarding consumer rights.

COMPLAINTS HANDLING

To provide avenues for lodging complaints relating to consumer matters. To provide for procedures for handling complaints and grievances and to recommend solutions for the resolution of such complaints.

COMPLIANCE & MONITORING

To enhance the understanding of the General Consumer Code (GCC) among service providers, to promote adoption of GCC in service providers' procedure, practices and policy, to ensure a high level of compliance with GCC and to prepare the industry for self-regulation.

CFM

Communications and Multimedia
Consumer Forum of Malaysia

Your Rights, Our Priority

corporate information

AUDITORS

Shanker & Co Chartered Accountants (AF1881)
Unit K-1-3, Block K, Dataran Ara Damansara,
47300 Petaling Jaya, Selangor, Malaysia
Tel: 603-7845 9418 • Fax: 603-7845 8418

REGISTRAR

Pendaftar Pertubuhan Malaysia
Registered on 13 February 2001
Registration No: 170

REGISTERED OFFICE

Forum Pengguna Komunikasi Dan Multimedia Malaysia
(Communications & Multimedia Consumer Forum of Malaysia)
6-02, 6th Floor, Wisma Straits Trading,
No 2 Lebuhr Pasar Besar, 50050 Kuala Lumpur, Malaysia

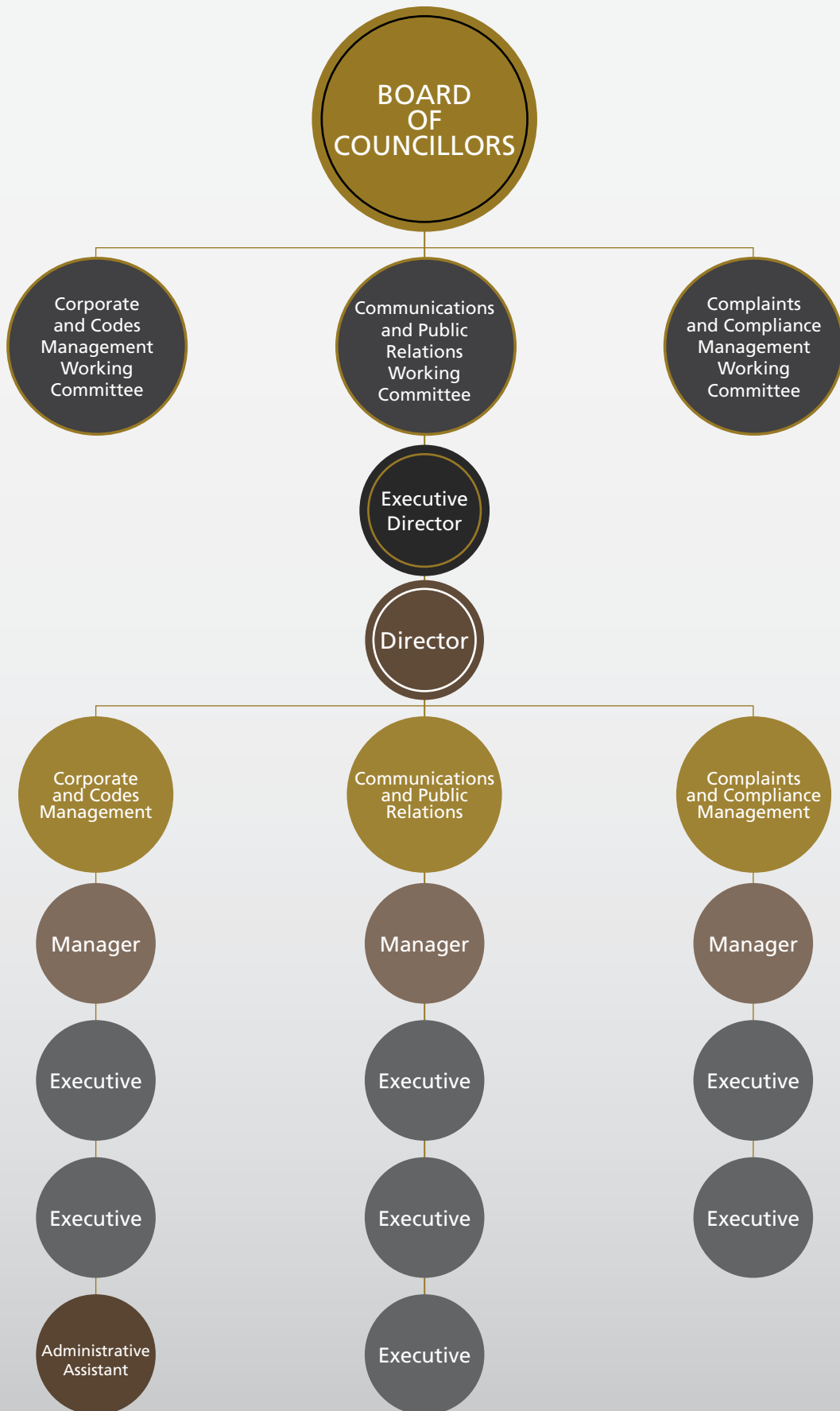
BANKERS

Bank Muamalat Malaysia Berhad
CIMB Bank Berhad

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organisation structure

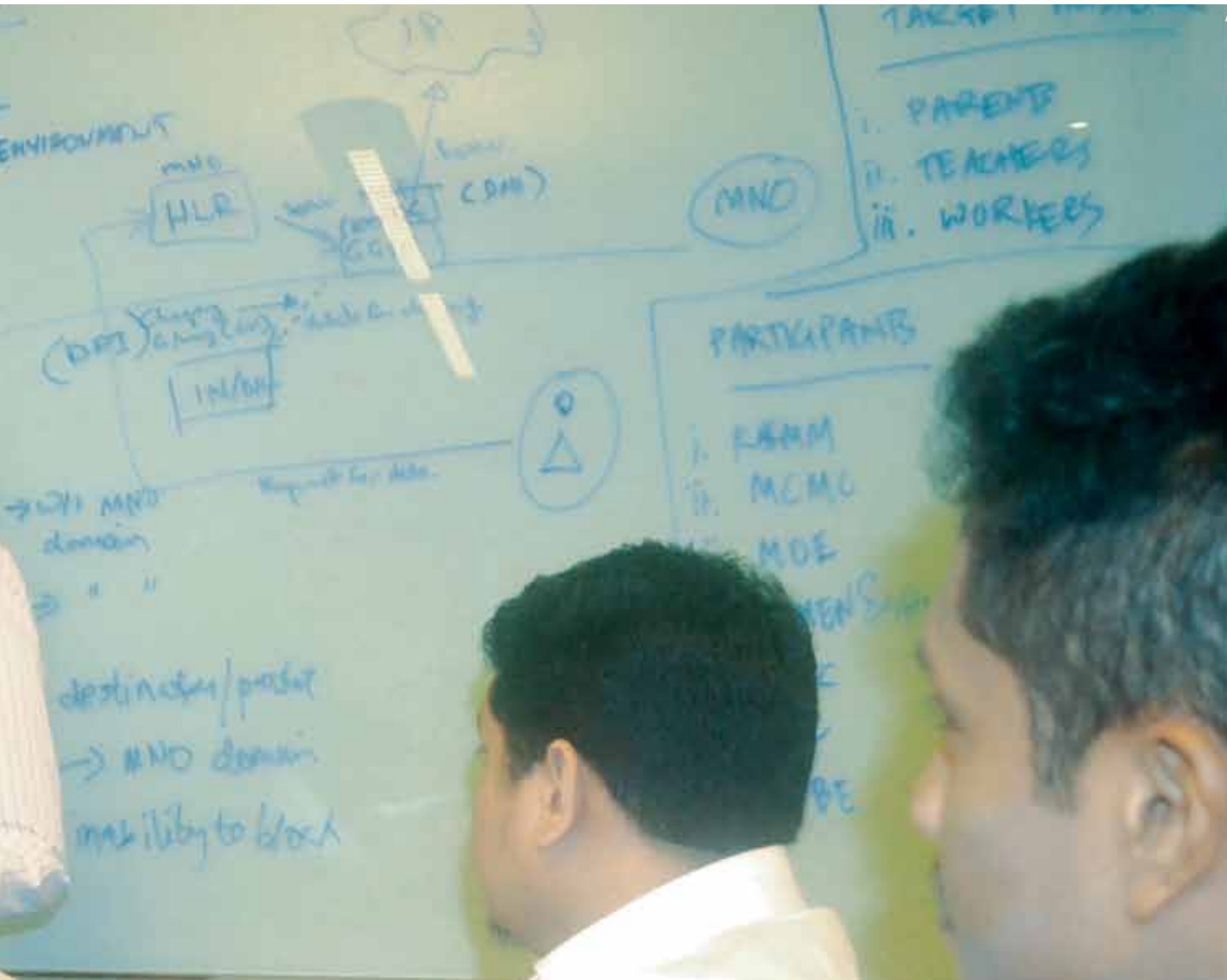


we're focused

on consumer rights

We take great care in highlighting and promoting consumer rights, as well as producing industry codes and best practises which put the consumer's best interests first. Our priority has always been, and will always be - the consumer.





- i. PARENTS
- ii. TEACHERS
- iii. WORKERS

- i. RANM
- ii. MEMO
- iii. MOE
- iv. MEN'S
- v. BE

destinations/profit
→ MNO domain
availability to block





chairman's statement

In order to achieve our target, we have encountered various challenges, including inculcating trust in consumers to view CFM as the champion in protecting their interest, as well as to showcase our credibility as mediator when it comes to resolving problems between service providers and consumers.

It is an honour to have been elected as Chairman of the **Communications and Multimedia Consumer Forum of Malaysia (CFM)** for the term 2013/2015. I am fortunate to be taking over at a time when we are beginning to see the fruits of our labour.

As the number of communications and multimedia users increase, the role of CFM is all the more relevant, as we strive to improve the industry by handling complaints, drafting consumer codes and ensuring the industry is in compliance with the General Consumer Code of Practice for the Communications and Multimedia Industry Malaysia (GCC).

CFM provides feedback to the regulators on viewpoints of both consumers and service providers, so that all policies and programs are in line with the wishes as well as the best interests of all stakeholders. Our efforts contribute to making every Malaysian a smart consumer, and in creating a harmonious environment for both the industry and consumers.

In order to achieve our target, we have encountered various challenges, including inculcating trust in consumers to view CFM as the champion in protecting their interest, as well as to showcase our credibility as mediator when it comes to resolving problems between service providers and consumers.

We are proud to have launched the Consumer Info Portal and Consumer Guide Book in 2013. The Consumer Info Portal aims to create awareness and offer reliable guidance to communications and multimedia users. It works as an efficient instrument of communication between the forum and consumers. The Consumer Guide Book is designed to provide consumers with a simplistic way to pre-buying thinking, with tips on what should be considered and common consumer choices.

I would like to express my appreciation to all our members and strategic partners for the support rendered throughout the year, and extend my gratitude to consumers for the continued trust and confidence. Last but not least, I would like to sincerely thank the Secretariat for their tireless commitment and hard work.

With God's grace, CFM will soar to greater heights in 2014!

YOUR RIGHTS, OUR PRIORITY.

Thank you.

DR. ELISTINA ABU BAKAR
CHAIRMAN

Communications and Multimedia Consumer Forum of Malaysia



executive director's review of operations

The increase in complaints made to CFM in 2013 shows that more consumers are aware of our existence. This also shows that consumers are well informed of their rights and is aware that there is a proper channel to address their unresolved complaints...

Communications and Multimedia Consumer Forum of Malaysia (CFM) has now entered its twelfth year of existence and I am pleased to present this Annual Report, which records the achievements that we have accomplished in 2013. Over the past year, we have worked continuously to increase the visibility of CFM through various channels and platforms.

The increase in complaints made to CFM in 2013 shows that more consumers are aware of our existence. This also shows that consumers are well informed of their rights and is aware that there is a proper channel to address their unresolved complaints.

Throughout 2013, CFM participated in 31 ground activities such as exhibitions, seminars and workshops. CFM also organised a Creative Pledge Contest on Facebook to celebrate our anniversary and its objective was to give contestants a better understanding of CFM.

The launch of the Consumer Info Portal and the Consumer Guide Book officiated by YB Dato' Sri Ahmad Shabery Cheek, Minister of Communications and Multimedia, is also worth mentioning as it was the first media launch by CFM. In 2013, we continue to review the GCC in order to improve the industry. Due to the MCMC's Policy and Planning Division setup, the review will restart in mid-2013 to further integrate new terms to manage up-to-date developments.

CFM received 6,257 complaints in year 2013. This was an increase of 172% as compared to last year, where a total of 3,631 complaints were received. Billing and charging (1,998) remains the highest complaint category, followed by poor service (1,873) and poor coverage (641). The increase on billing and charging as compared to year 2012 is 67.75%. Details of the breakdown will be stated in following pages.

As at 31 December 2013, CFM Secretariat has added two new positions to make a total of 14 staff members. The two new positions are Director and Executive for Complaints and Compliance, Management Department. I believe the increase in headcount will help CFM to serve consumers better. We will continuously strive to achieve our goal by educating consumers to be smarter users.

Thank You.

ALY SHAHAROM
EXECUTIVE DIRECTOR
Communications and Multimedia Consumer Forum of Malaysia



our **focused** on performance

Our performance is measured by our ability to resolve issues, complaints and concerns highlighted by consumers. As such, we strive to always exceed expectations and address each and every issue with competence, efficiency and effectiveness.



our board of council



office bearers

Dr. Elistina Abu Bakar
Chairman; MACFEA

Mediha Mahmood
Secretary; Measat Broadcast Network Sdn Bhd

Megat Ishak Maamunor Rashid
Deputy Chairman; Tunetalk Sdn Bhd

Abdul Rahman Samad
Treasurer;
Pertubuhan Pembimbing
Kewangan Pengguna &
Keluarga Malaysia (KPM)



councillors

1. Laili Hanim Mahmood
Sistem Televisyen Malaysia Bhd (TV3)

2. Roslan Rosli
Digi Telecommunication Sdn Bhd

3. Jamaludin Abdullah
Celcom Axiata Berhad

4. Mahfuzah Azahari
Maxis Mobile Services Sdn Bhd

5. Ravinder Singh Mall Singh
Persatuan Pengguna Pulau Pinang (CAP)

6. Lok Yim Pheng
National Union of the Teaching Profession Malaysia (NUTP)

7. Mohd Mustaffa Hamzah
Persatuan Pengguna Islam Malaysia (PPIM)

8. Dr. Kiranjit Kaur
National Council of Women's Organisations Malaysia (NCWO)

9. Mohamad Yusrizal Dato' Yusoff
Persatuan Pengguna Kedah (PPK)

members of the organisation

Our 43 Members (as at end 2013)

TELECOMMUNICATIONS		
ORGANISATION	CATEGORY	DATE JOINED
Altel Communications Sdn Bhd	OMSS	13 MARCH 2013
Celcom Axiata Berhad	OMSS	18 AUGUST 2004
DiGi Telecommunications Sdn Bhd (DiGi)	OMSS	9 MARCH 2001
JARING Communications Sdn Bhd	OMSS	2 APRIL 2002
Malaysian Mobile Content Providers Association (MMCPA)	OMSS	10 APRIL 2008
Maxis Broadband Sdn Bhd	OMSS	7 MARCH 2001
Maxis Mobile Services Sdn Bhd	OMSS	7 MARCH 2001
Packet One Networks (M) Sdn Bhd (Green Packet Berhad)	OMSS	24 JULY 2007
Pernec Paypoint Sdn Bhd	OMSS	1 DECEMBER 2009
RedONE Mobile Sdn Bhd	OMSS	22 JULY 2013
Telekom Malaysia Berhad (TM)	OMSS	11 MARCH 2002
TM Net Sdn Bhd	OMSS	23 OCTOBER 2002
TT Dotcom Sdn Bhd	OMSS	7 MARCH 2001
Tunetalk Sdn Bhd	OMSS	15 APRIL 2010
U Mobile Sdn Bhd	OMSS	21 DECEMBER 2009
YTL Communications Sdn Bhd	OMSS	1 MARCH 2011
BROADCASTING		
ORGANISATION	CATEGORY	DATE JOINED
Astro Radio Sdn Bhd	OMSS	8 MARCH 2001
Asian Broadcasting Network (ABN)	OMSS	6 MARCH 2012
Measat Broadcast Network Systems Sdn Bhd (ASTRO)	OMSS	30 DECEMBER 2003
Sistem Televisyen (M) Bhd (TV3) / Media Prima Berhad TV Networks	OMSS	2 MARCH 2001
CONSUMER ASSOCIATIONS		
ORGANISATION	CATEGORY	DATE JOINED
Consumer Association of Miri (CAM)	OMDS	13 JULY 2004
Malaysian Consumer Association (MACONAS)	OMDS	21 MARCH 2012
National Council of Women's Organisations Malaysia (NCWO)	OMDS	3 MARCH 2001
Persatuan Kebajikan Pengguna Johor (JCWA)	OMDS	2 MARCH 2010
Persatuan Kebajikan Pengguna Melaka	OMDS	19 FEBRUARY 2013
Persatuan Keselamatan Pengguna Kuala Lumpur (PKP)	OMDS	20 SEPTEMBER 2012

members of the organisation

Our 43 Members (as at end 2013)

CONSUMER ASSOCIATIONS		
ORGANISATION	CATEGORY	DATE JOINED
Persatuan Pelindung Pengguna Kelantan (PELINDUNG)	OMDS	21 MARCH 2012
Persatuan Pelindung Pengguna Pulau Pinang (PCPA)	OMDS	20 SEPTEMBER 2012
Persatuan Pemilik-pemilik Telefon Bimbit Malaysia (PERBIT)	OMDS	6 MARCH 2012
Persatuan Pengguna Daerah Kuala Terengganu (PPDKT)	OMDS	25 FEBRUARY 2010
Persatuan Pengguna Islam Malaysia (PPIM)	OMDS	30 JUNE 2004
Persatuan Pengguna Kedah (PPK)	OMDS	2 FEBRUARY 2010
Persatuan Pengguna Melaka Tengah (PPMT)	OMDS	1 MARCH 2010
Persatuan Pengguna Negeri Sembilan (NESCA)	OMDS	31 AUGUST 2006
Persatuan Pengguna Pulau Pinang (CAP)	OMDS	2 MARCH 2001
Pertubuhan Pembimbing Kewangan Pengguna & Keluarga Malaysia (KPM)	OMDS	21 MARCH 2012

EDUCATION		
ORGANISATION	CATEGORY	DATE JOINED
Universiti Kebangsaan Malaysia (UKM)	OMDS	21 MARCH 2012
Universiti Sains Islam Malaysia (USIM)	OMDS	20 SEPTEMBER 2012

ASSOCIATE MEMBERS		
ORGANISATION	CATEGORY	DATE JOINED
Abdul Manaf Bohari	AM	21 APRIL 2010
Messrs Raja Darryl & Loh	AM	8 FEBRUARY 2010
Muhammad Arifin Abdul Ghani	AM	11 SEPTEMBER 2009

OTHERS		
ORGANISATION	CATEGORY	DATE JOINED
National Union of The Teaching Profession Malaysia (NUTP)	OMDS	9 MARCH 2001
The Malaysian Consumer and Family Economics Association (MACFEA)	OMDS	14 NOVEMBER 2007

*OMSS - Ordinary Member Supply Side

*OMDS - Ordinary Member Demand Side

*AM - Associate Members

ccmdcommittee report

The Consumer Forum deals with consumer issues related to the Communications and Multimedia industry. It also addresses the obligations of the Service Providers to deal reasonably with consumers and adequately resolve consumer complaints. One of our main concerns is meeting consumer expectations and to protect consumer information.

Complaints that are usually dealt by the Consumer Forum are generally regarding *provision of service* and is usually based on the concept of *unfair contract terms* i.e. failure of a service provider to treat the consumer fairly or in accordance with the agreed terms of service. Consumer complaints may be resolved by way of mediation, whereby both parties will come to an agreement to an appropriate remedy. In such situations, sanctions may or may not be imposed on the service provider.

THE WORKING COMMITTEE AND CCMD FUNCTIONS

The Complaints and Compliance Management Committee has been set up to direct and manage specific issues which form the work agenda of CFM. Members of the CFM board of Councillors are selected to head these working committees. The main aim of the Management Working Committee is to plan, review, and monitor recommendations, and drives the complaints and compliance activities.

The head of the CCMD Committee is the representative from the Consumer Association of Penang (CAP), whilst CCMD Working

Committee members are from Consumer Association of Kedah (CAKE), Celcom and Telekom Malaysia (TM).

ACTIVITIES AND ACHIEVEMENTS IN 2013

CFM has further improved the complaints management system through an online portal, called the *Complaints Online Portal (CoP)*. The system is capable of sending reminders on a weekly basis as well as generates automated acknowledgements and enhanced viewing reports. Besides that, meetings are initiated directly with stakeholders for refreshers and discussions on the General Consumer Code of Practice for the Communications and Multimedia Industry Malaysia (GCC) and the online portal, CoP.

CFM provides flexible and responsive complaint handling for consumers through a systematic enhancement of the complaints handling system and adhering with the resolution time cycle as stipulated under the General Consumer Code (GCC).

NON COMPLIANCE OF GENERAL CONSUMER CODE (GCC)

When CFM investigates a complaint, it ensures that all the general consumer codes have been complied with. In 2013, CFM investigated 103 cases of non-compliances. These cases were related to:

- CTOS Fee
- False Registration (wrong information given by agent)
- Unauthorized credit card transaction for

auto billing payment

The main issue raised by consumers included:

- Billing accuracy and clarity
- The quality of information given pertaining to the package/product
- Not acting on promises made to resolve consumer complaints at the first level (service provider level)

In the year 2013, CFM received a total of 6,257 complaints, which was an increase of 172% compared to the number of complaints received in 2012 which stood at 3,631 cases. CFM investigated all the complaints and managed to resolve 77.64% of the complaints within 30 business days. However, the GCC benchmark for resolution is 95%.

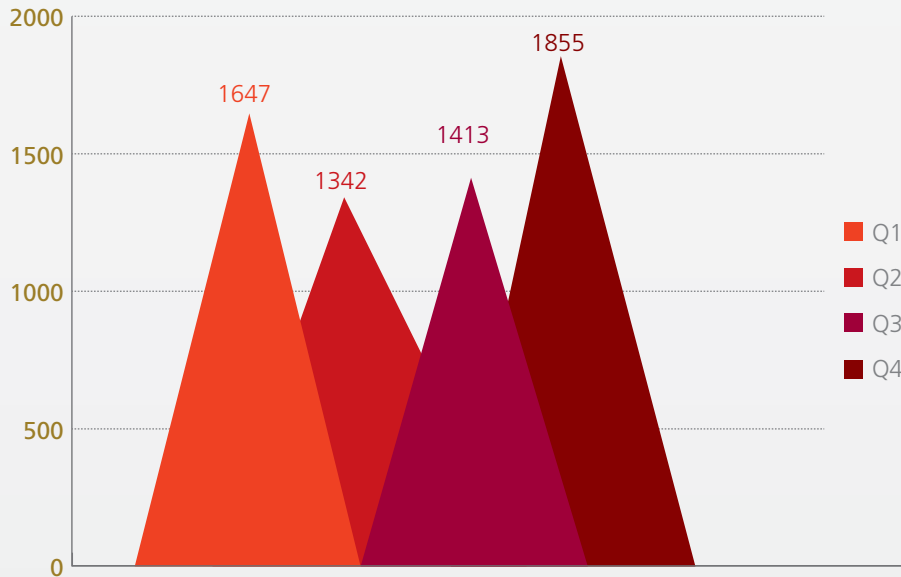
MOVING FORWARD

In the coming years, we aim to improve our efficiency and deliver a more effective complaints resolution system. Striving to meet the complaints demand through better focus on consumer interest is an area of continuous improvement for CFM, as well as to constantly review the end to end handling process.

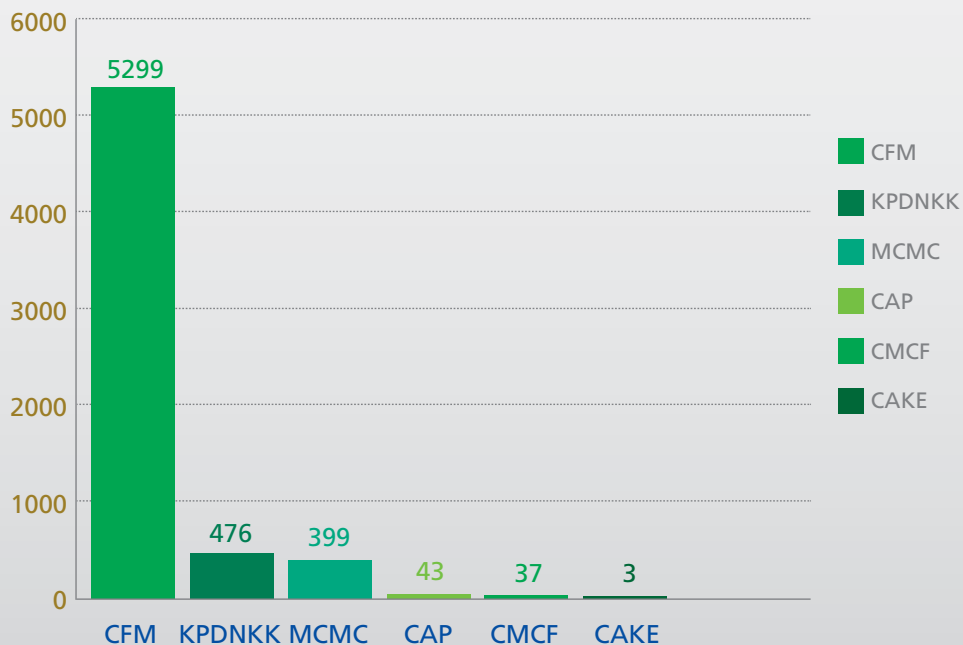
CFM aims to add value through business intelligence by providing useful data and analysis to the regulator, community and industry through a research project on complaints data in the telecommunication and multimedia industry.

snapshot of complaints received in 2013

COMPLAINTS RECEIVED BY QUARTER



COMPLAINTS SOURCE

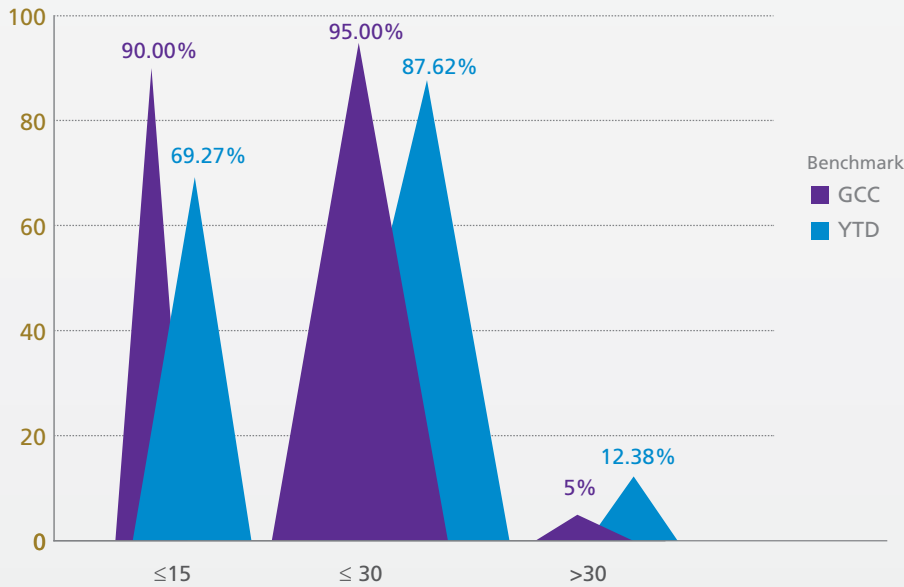


CFM
Communications and Multimedia Consumer Forum of Malaysia
KPDNKK
Kementerian Perdagangan dalam Negeri, Koperasi dan Kepenggunaan
MCMC
Malaysian Communications and Multimedia Commission

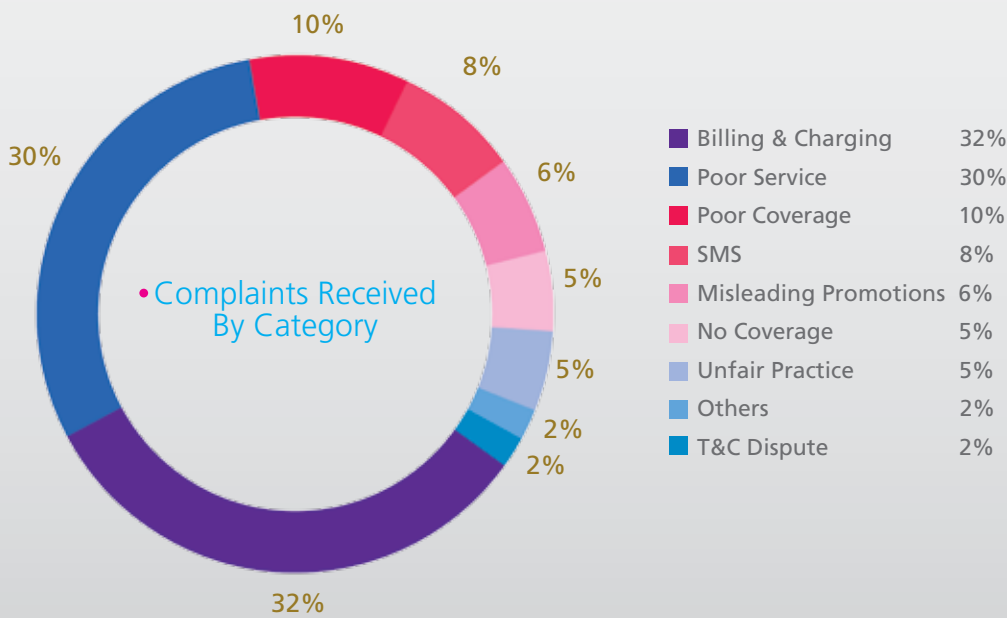
CAP
Consumer Association of Penang
CMCF
Communications and Multimedia Content Forum of Malaysia
CAKE
Consumer Association of Kedah

complaints performance

RESOLUTION TIME CYCLE PERFORMANCE



PERFORMANCE BY NUMBERS



cdmdcommittee report

The Corporate and Codes Drafting Department (CDMD) consists of one (1) Manager, two (2) Executives and one (1) Administrative Assistant.

The department has both corporate and operational responsibilities covering human resources, administration, finance, management of Council Meetings and Annual General Meetings, codes drafting activities and general affairs and maintenance of the forum's office.

THE WORKING COMMITTEE AND CDMD FUNCTIONS

The Corporate and Codes Drafting Working Committee is chaired by Puan Mahfuzah Azahari from Maxis and comprises of equal members from both supply and demand. In 2013, the committee continued to focus on the GCC review exercise that has been ongoing since 2011 and the establishment of the ADR mechanism in CFM.

TALENT

For year ending 2013, the Secretariat has a total workforce of thirteen (13) secretariat members comprising of one (1) director, three (3) managers, eight (8) executives and one (1) administrative assistant.

PROFESSIONAL DEVELOPMENT PLAN

In 2013, CFM focused on training and development that reflected our organisation priorities and give employees the skills they need to advance.

We are committed to continuous learning and development for our staff. In 2014, CFM will continue to invest in staff training and development, with a focus on talent development.

ACTIVITIES & ACHIEVEMENTS IN 2013 GCC REVIEW

Activities of the GCC Review Working Committee in 2013 continued to progress from 2012's completion of the GCC review exercise that was submitted to MCMC.

MCMC's request for a restart of the review in mid-2013 in conjunction with the set-up of the new Policy and Planning Division was with the intention to further streamline and incorporate new terms into the existing documentation. This is to effectively manage new consumer issues and monitor the latest developments of the industry.

CFM continues to work closely with MCMC as the GCC review progresses further with the aim to finalize the document by the end of 2014. The Committee hopes to see through the completion of the registration of the revised GCC, after which work on the Sub Codes will follow.

ALTERNATIVE DISPUTE RESOLUTION (ADR)

Meanwhile, the establishment of the Alternative Dispute Resolution (ADR) centre, the first of its kind in the country, continues to take shape as the project gradually progresses from development to implementation stage.

MCMC's request for a review in mid-2013 of all documentation and research submitted for the set-up of the new Policy and Planning Division in MCMC was with the intention to work more closely with CFM to ensure the successful implementation of Malaysia's first ADR.

GUIDELINES FOR MOBILE AGENTS & DEALERS

The idea for the development of the Guidelines for Mobile Agents & Dealers was first initiated at the CFM Retreat in 2011 following a suggestion from MCMC. Upon review of the rising number of complaints from consumers on misrepresentation by agents, the guidelines were deemed necessary to ensure service providers conduct themselves in a professional manner when carrying out duties.

The idea was later approved by the council and work officially began in Q2 of 2012. The guidelines will serve as an industry standard for agents and dealers in the industry.

Throughout the year 2013, working committee meetings have been held involving representatives from both the supply and demand side. The first stage of the drafting process has been completed and the draft is currently in the process of finalisation.

For 2014, work will continue to progress with the aim to finalise the guidelines and to be submitted to MCMC by end of 2014.

Once these guidelines are registered, it will serve to ensure that service providers are responsible for enforcing the compliance of their agents and dealers with the *Guidelines for Mobile Agents and Dealers*. Service providers will be taken to task for any non-compliance of the guidelines resulting in a breach of the code.

cprdccommittee report

THE WORKING COMMITTEE AND CPRD FUNCTIONS

The Communications and Public Relation Department (CPRD) is a compilation of multiple facets. The department is responsible for a broad portfolio that includes media relations, publications, events, speaking engagements, membership, government relations as well as exhibitions. In short, it provides both internal and external communications support and strategy for CFM.

CFM Annual General Meeting 2013 elected a new line-up of Councillors, and CPRD Working Committee (CPRWC) is now led by a new group of committee members. CPRWC is chaired by Encik Megat Ishak from Tune Talk and comprises of Forum members from supply (Media Prima) and demand (Pertubuhan Pembimbing Kewangan Pengguna & Keluarga Malaysia and Persatuan Pengguna Kedah).

ACTIVITIES & ACHIEVEMENTS IN 2013

Two English issues of the SHOUT! Newsletter was published in Q1 and Q4 of 2013. Its Q3 & Q4 edition was published bilingual (English and Malay) to reach more rural area consumers. CFM also published an industry handbook called '*Deciding What's Good For You!*' and this book was later translated into Bahasa Malaysia. Also, we have reprinted GCC in both English and Bahasa Malaysia.

In 2013, CPRD has conducted 7 interviews and issued 6 press releases. Throughout the media engagement, CFM has appeared in the newspapers, TV and Radio a total of 35 times, as compared to 24 times in 2012 - the media coverage has increased 45.8%. In conjunction with its 12th anniversary, CFM also organized a *Creative Pledge Contest* on Facebook.

This is one of the initiatives to enhance CFM's visibility. CPRD was also involved in various events and exhibition engagements. One of the notable events is the *Consumerinfo Portal* and *Consumer Guide Book* launch. The launch was a milestone for CFM as this was the first media launch organised by CFM. With the presence of YB Dato' Sri Ahmad Shabery Cheek, Minister of Communications and Multimedia, Dato' Azemi Haron from KKMM and Dato' Mohamed Shahril Mohamed Tarmizi, Chairman of MCMC, the event was even more meaningful and significant. There were approximately 100 guests and media representatives who witnessed the launching.

Year 2013 saw our involvement in over 31 varied events across the nation. In total, CFM participated as exhibitors (20 events), guest speakers (6 events) and participants at workshops and talks (3 events). Apart from that, CFM hosted 2 seminars and was invited by MCMC to participate in various events including '*Karnival Jalur Lebar*' and '*Klik Dengan Bijak*'.

CFM also participated in telecommunications and ICT based events such as the Sarawak ICT Carnival in November and in the events focusing on consumerism, such as '*Karnival SSM Bersama Rakyat*' in Taiping, Perak, and '*Majlis Kemuncak Sambutan Bulan Pengguna Kebangsaan (BPK)*' in Pantai Batu Buruk, Terengganu. These events provided a great platform for us to communicate with consumers about issues regarding their consumer rights and create awareness among the general public.

Our speaking engagements were also encouraging in 2013, where we were invited

to give presentations and talks on consumer rights with regards to telecommunications and multimedia services. We also worked very closely with one of our member's, Persatuan Keselamatan Pengguna Kuala Lumpur (PKP) and attended several of their events as one of the key guest speakers.

Apart from that, CFM members (En. Abdul Rahman and Pn. Normazalila) organised two (2) seminars in Terengganu to talk about consumer issues and broaden consumers' knowledge in the communications and multimedia industry.

In 2013, CPRD managed to recruit additional three (3) organisations to join CFM in order to improve the industry. They are Persatuan Kebajikan Pengguna Melaka, Altel Communications Sdn. Bhd. and RedONE Mobile Sdn Bhd (previously known as REDtone Mobile Sdn Bhd).

All in all, 2013 was a great success in terms of enhancing CFM's name and branding, while maintaining our public presence and awareness.

MOVING FORWARD

In 2014, CPRD aims to:

- Increase our reach both online and offline
- Increase our visibility through strategic networking, increasing membership, fostering strategic partnership to increase network reach through network partners
- Increase our CFM campaigns and events with strategic partners and members
- Provide value added information to the consumer through various channels
- Increase the distribution and readership of quarterly newsletter (SHOUT).

Consumer Info Portal & Consumer Guide Book Launch (10 Dec 2013)



Klik Dengan Bijak, Kuala Penyu, Sabah (11-12 Jan 2013)



Bulan Pengguna Kebangsaan – KPDKKK, Terengganu (30 May 2013)



2013 UMNO General Assembly, PWTC (2-7 Dec 2013)





we're **refocused**
on solutions

With years of experience and knowledge behind us, we are determined in providing best possible solutions and advise to consumers. Our approach towards finding the right solution is the key factor towards finding the right resolution.



reports and financial statements

(31 December 2013)

FORUM PENGGUNA KOMUNIKASI DAN MULTIMEDIA MALAYSIA (Incorporated in Malaysia)

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councilmembers' report

FORUM PENGGUNA KOMUNIKASI DAN MULTIMEDIA MALAYSIA (Incorporated in Malaysia)

COUNCIL MEMBERS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2013

The council members present their report and the audited financial statements of the Society for the year ended 31 December 2013.

PRINCIPAL ACTIVITY

The principal activity of the Society is to promote the national policy objectives for the communication and multimedia industry as enshrined in the Communications and Multimedia Act 1998. There has been no significant change in the nature of this activity during the year.

RESULTS	RM
Deficit of income over expenditure, after taxation	(440,937)
Accumulated funds brought forward	1,231,239
Accumulated funds carried forward	790,302

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Society were made out, the council members took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and are satisfied that there were no bad and doubtful debts.

At the date of this report, the council members are not aware of any circumstances that would render it necessary to write off bad debts or to provide for doubtful debts in the financial statements of the Society.

CURRENT ASSETS

Before the financial statements of the Society were made out, the council members took reasonable steps to ascertain whether any current assets, other than debts, which were unlikely to realise in the ordinary course of business their value as shown in the accounting records of the Society and to the extent so ascertained were written down to an amount that they might be expected so to realise.

At the date of this report, the council members are not aware of any circumstances that would render the values attributed to current assets in the financial statements of the Society misleading.

VALUATION METHODS

At the date of this report, the council members are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities in the financial statements of the Society misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

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

- (i) any charge on the assets of the Society that 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 Society that has arisen since the end of the financial year.

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

councilmembers' report

CHANGE OF CIRCUMSTANCES

At the date of this report, the council members are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Society, that would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Society for the financial year were not, in the opinion of the council members substantially affected by any item, transaction or event of a material and unusual nature.

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, in the opinion of the council members, to affect substantially the results of the operations of the Society for the financial year in which this report is made.

COUNCIL MEMBERS

The Council Members who served since the date of the last report are:-

1. Dr. Elistina Abu Bakar	- Chairman
2. Megat Ishak Maamunor Rashid	- Deputy Chairman
3. Abdul Rahman Samad	- Treasurer
4. Mediha Mahmood	- Secretary
5. Jamaludin Abdullah	- Councillor
6. Roslan Rosli	- Councillor
7. Laili Hanim Mahmood	- Councillor
8. Ravinder Singh Mall Singh	- Councillor
9. Mahfuzah Azahari	- Councillor
10. Mohd Mustaffa Hamzah	- Councillor
11. Kiranjut Kaur	- Councillor
12. Mohamad Yusrizal Dato' Yusoff	- Councillor
13. Lok Yim Pheng	- Councillor


COUNCIL MEMBERS' BENEFITS

Since the end of the previous financial year, no council member has received or become entitled to receive any benefit by reason of a contract made by the Society with the council member or with a firm of which the council member is a member, or with a company in which the council member has a substantial financial interest.

AUDITORS

The auditors, Messrs Shanker & Co., have indicated their willingness to continue in office.

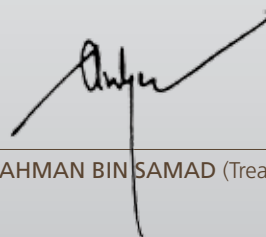
On behalf of the Council Members



DR. ELISTINA BINTI ABU BAKAR (Chairman)

Kuala Lumpur

Dated: 01 October 2014



ABDUL RAHMAN BIN SAMAD (Treasurer)

reports of the auditors

FORUM PENGGUNA KOMUNIKASI DAN MULTIMEDIA MALAYSIA (Incorporated in Malaysia)

FINANCIAL STATEMENTS - 31 DECEMBER 2013

REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the financial statements of Forum Pengguna Komunikasi dan Multimedia Malaysia as set out on pages 6 to 16. These financial statements are the responsibility of the council members. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you and for no other purpose. We do not assume responsibility towards any other person for the content of this report.

We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the council members, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:-

- a) The financial statements have been properly drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Society as at 31 December 2013 and of the income and expenditure account and statement of receipts and payments of the Society for the year then ended; and
- b) The accounting and other records have been properly kept in accordance with the rules and regulations of the Society.



SHANKER & CO
AF: 1881
Chartered Accountants



JAYASHANKER S/O RAJAGOPAL
No: 2778/12/14 (J)
Partner

Dated: 01 October 2014

statement of assets and liabilities

(as at 31 December 2013)

FORUM PENGGUNA KOMUNIKASI DAN MULTIMEDIA MALAYSIA (Incorporated in Malaysia)

		2013	2012
PROPERTY, PLANT AND EQUIPMENT	Note 6	RM94,141	RM118,105
CURRENT ASSETS			
Other receivables, deposits and prepayments		80,222	31,717
Cash and bank balances		666,300	1,195,702
		746,522	1,227,419
Less :			
CURRENT LIABILITIES			
Sundry payables and accruals		50,361	114,285
		50,361	114,285
NET CURRENT ASSETS		696,161	1,113,134
		790,302	1,231,239
FINANCED BY :-			
ACCUMULATED FUNDS		1,231,239	1,421,584
DEFICIT ON INCOME - CURRENT YEAR		(440,937)	(190,345)
		790,302	1,231,239

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

statement of income and expenditure

(for the year ended 31 December 2013)

	Note	2013 RM	2012 RM
INCOME			
Grant from Suruhanjaya Komunikasi dan Multimedia Malaysia		1,000,000	2,000,000
Annual subscription fees		52,970	40,640
Hibah received		35	307
		1,053,005	2,040,947
EXPENDITURE			
Accounting and secretarial fees		12,500	30,000
Advertisement and promotion expenses:-			
- Recruitments		-	3,117
- Communications and Public Relations:-			
• Web portal retainer services		1,404	74,566
• Broadcast and airtime charges		239,301	756,674
• Event and seminar expenses		91,997	191,132
• Others		-	218,856
ALLOWANCES:-			
- Councillors		6,812	13,980
- Staff		22,012	9,970
Auditors' remuneration		3,000	3,000
Bank charges		615	327
CFM retreat expenses		58,705	40,233
Cleaning service charges		4,000	3,000
Courier and postage charges		1,605	19,016
Depreciation of property, plant and equipment		38,981	31,731
Entertainment		268	-
EPF contributions		74,524	49,339
Festivity gathering expenses		5,331	10,195
Gifts and donation		200	-
Grant expenses		-	10,000
Insurance premiums		10,822	3,794
Loss on disposal of property, plant and equipment		4,496	-
Maintenance of office		20,940	16,833
Medical expenses		2,636	1,614
MEETING EXPENSES:-			
- AGM expenses		6,161	13,702
- Council meetings		4,456	4,422
BALANCE CARRIED FORWARD		610,766	1,505,501

statement of income and expenditure

(for the year ended 31 December 2013)

		2013	2012
	Note	RM	RM
BALANCE BROUGHT FORWARD		610,766	1,505,501
Newsletters		21,670	69,130
Newspapers and periodicals		2,700	2,378
PENALTIES		82	288
Printing and stationery:-		-	61,586
- Annual report expenses			
- Communications and Public Relations:-		-	66,940
- General administration printing expenses		20,947	10,200
• Professional fees		26,204	6,609
• Registration and license fees		3,434	1,009
• Rental of office equipment		5,520	5,520
• Salaries, bonuses and ex gratia		637,873	385,768
Seminar expenses and staff training		24,471	22,423
Service tax charges		-	559
SOCSO contributions		6,607	4,885
Staff welfare expenses		4,965	2,766
Telephone and fax charges:-			
- Toll free charges		33,166	23,567
- Fixed line and broadband charges		33,082	17,019
- Call saving charges		-	1,500
Travelling expenses			
- Staff petrol, parking and toll		10,307	10,173
- Staff travelling and accommodation		30,339	22,729
- Councillors petrol, parking and toll		9,453	145
- Councillors travelling and accommodation		12,356	10,597
		1,493,942	2,231,292
DEFICIT OF INCOME OVER EXPENDITURE		(440,937)	(190,345)
LESS: TAXATION	7	-	-
DEFICIT OF INCOME OVER EXPENDITURE AFTER TAXATION		(440,937)	(190,345)

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

statement of receipts and payments

(for the year ended 31 December 2013)

	2013	2012
	RM	RM
RECEIPTS		
GRANT FROM SURUHANJAYA KOMUNIKASI DAN MULTIMEDIA MALAYSIA	1,000,000	2,000,000
Annual subscription fees	52,970	40,640
Proceeds from disposal of property, plant and equipment	750	-
Hibah received	35	307
	1,053,755	2,040,947
PAYMENTS		
Accounting and secretarial fees	22,500	25,000
Advance for event organizing	489	20,972
ADVERTISEMENT AND PROMOTION EXPENSES:-		
- Recruitments	-	3,117
- General administration printing expenses	20,947	10,200
COMMUNICATIONS AND PUBLIC RELATIONS:-		
• Web portal retainer services	59,968	70,300
• Broadcast and airtime charges	239,301	720,343
• Event and seminar expenses	116,298	187,445
• Others	-	192,392
ALLOWANCES:-		
- Councillors	9,192	11,100
- Staff	22,012	9,730
Auditors' remuneration	3,000	3,000
- Bank charges	615	327
- CFM retreat expenses	58,705	40,233
Cleaning service charges	4,000	3,000
Courier and postage charges	1,840	19,193
Entertainment	268	-
EPF contributions	74,524	53,769
Festivity gathering expenses	5,331	10,195
Gifts and donation	200	-
Grant expenses	-	10,000
Insurance premiums paid and prepaid	18,955	5,567
Maintenance of office	20,940	16,833
BALANCE CARRIED FORWARD	658,138	1,405,847

statement of receipts and payments

(for the year ended 31 December 2013)

	2013	2012
	RM	RM
BALANCE BROUGHT FORWARD	658,138	1,405,847
Medical expenses	2,636	1,629
Meeting expenses and office refreshment:-		
- AGM EXPENSES	6,161	13,702
- Council meetings	5,026	4,833
Newsletters	18,170	78,230
Newspapers and periodicals	2,859	2,365
Penalties	82	288
Printing and stationery:-		
- Annual report expenses	-	61,586
- Communications and Public Relations	-	62,250
- General administration printing expenses	32,010	6,180
Professional fees	28,204	5,209
Purchase of property, plant and equipment	20,513	101,781
Registration and license fees	3,434	1,509
Rental of office equipment	4,600	5,520
Salaries, bonuses and ex gratia	637,873	389,187
Seminar expenses and staff training	25,171	10,248
Service tax charges	-	559
SOCSO contributions	6,607	4,885
Staff welfare expenses	5,093	2,767
Taxation paid	-	136
Telephone and fax charges:-		
- Toll free charges	33,166	21,458
- Fixed line and broadband charges	32,980	14,621
- Call saving charges	-	1,500
Travelling expenses	60,434	54,240
	1,583,157	2,247,292

	2013	2012
	RM	RM
DEFICIT OF RECEIPTS OVER PAYMENTS	(529,402)	(206,345)
Cash and bank balances brought forward	1,195,702	1,402,047
Cash and bank balances carried forward	666,300	1,195,702

Note : CASH AND CASH EQUIVALENTS

Cash at bank	662,094	1,193,368
Cash in hand	4,206	2,334
	666,300	1,195,702

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

notes to the Financial statements

(31 December 2013)

FORUM PENGGUNA KOMUNIKASI DAN MULTIMEDIA MALAYSIA (Incorporated in Malaysia)

1. GENERAL INFORMATION

The Society is registered under the Societies Act, 1966.

The Society's principal place of activity is at 6-02, 6th Floor, Straits Trading Building, No. 2 Lebuhr Pasar Besar, 50050 Kuala Lumpur.

The financial statements are presented in Ringgit Malaysia.

2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Society's financial risk management policy seeks to ensure that adequate financial resources are available for the operation of the Society whilst managing its interest rate, foreign currency, liquidity and credit risks which are in the normal course of the Society's business.

The Society's overall strategies, tolerance of risks and general management philosophy are determined by the management and it operates within clearly defined guidelines that are approved by the Council in accordance with prevailing economic and operating conditions.

2.1 Foreign Currency Risk

The Society does not have any significant exposure to foreign currency risk as its transactions and balances are substantially denominated in Ringgit Malaysia.

The Society does not engage in derivative financial instruments.

2.2 Liquidity Risk

The liquidity risk of the Society is minimal as it maintains adequate working capital to meet its obligations as and when they fall due.

2.3 Interest Rate Risk

The interest rate risk of the Society is minimal as it does not have any interest bearing liabilities and maintains limited cash balance.

2.4 Credit Risk

The Society has no significant concentration of credit risk.

3. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Society have been approved by the council members for issuance on 01 October 2014.

The financial statements of the Society have been prepared in accordance with applicable approved accounting standards in Malaysia and the provisions of the Societies Act, 1966. This requires the council members to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Accounting Convention

The financial statements of the Society have been prepared under the historical cost convention and other measurement basis otherwise indicated in the respective accounting policies as set out below.

4.2 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is calculated to write off the cost of the property, plant and equipment on a straight line basis over the estimated useful lives of the assets concerned. The principal annual rates used for this purpose are as follows :-

Furniture and fittings	10%
Office equipment	10%
Computer and software	20%
Signage	10%
Website	20%

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

4.3 Income Recognition

Income of the Society is recognised on the following basis :-

- Grant from Suruhanjaya Komunikasi dan Multimedia Malaysia is recognised on a receipts basis.
- Membership subscriptions are recognised on a receivable basis.
- Interest income is recognised on a receipts basis.

4.4 Cash and Cash Equivalents

Cash and cash equivalents comprise cash and bank balances and highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

4.5 Impairment of Assets

The carrying amounts of the Society's assets other than financial assets are reviewed for impairment where there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts and the impairment loss is recognised whenever the recoverable amount is less than the carrying amount of the asset.

The impairment loss is charged to the income statement immediately except for the impairment on a revalued asset where the impairment loss is recognised directly against the revaluation surplus account to the extent of the surplus credited from the previous revaluation for the same assets with the excess of the impairment loss charged to the income statement. 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 assets that would have been determined had no impairment loss been recognised. The reversal is recognised in the income statement immediately except for the reversal of an impairment loss on a revalued asset where the reversal of the impairment loss is treated as a revaluation increase and credited to the revaluation surplus account of the same asset.

4.6 Provision for Liabilities

Provision for liabilities are recognised when the Society has present obligations 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 balance sheet 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.

4.7 Financial Instruments

4.7.1 Financial instruments recognised on the balance sheet

Financial instruments are recognised in the balance sheet when the Society has become a party to the contractual provisions of the instrument.

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

notes to the Financial statements

(31 December 2013)

4.7.2 Disclosure of fair values

The Society's financial instruments are accounted for under the historical cost convention. Fair value represents the amount at which an asset could be exchanged, or a liability settled, between willing parties in an arm's length transaction.

Methodologies

The methodologies and assumptions used in ascertaining fair values depend on the terms and risk characteristics of the instruments and are briefly set out below.

Financial assets and liabilities

The fair values of financial assets and liabilities maturing within 12 months are stated at approximate their carrying values as at the balance sheet date.

5. PRINCIPAL ACTIVITY

The principal activity of the Society is to promote the national policy objectives for the Communication and Multimedia industry as enshrined in the Communications and Multimedia Act 1998.

6. PROPERTY, PLANT AND EQUIPMENT

	Balance as at 1.1.13	Additions	(Disposals)	Balance as at 31.12.13
COST	RM	RM	RM	RM
Furniture and fittings	11,008	-	-	11,008
Office equipment	33,952	1,799	-	35,751
Computer and software	163,770	18,714	(5,996)	176,488
Signage	2,748	-	-	2,748
Website	19,500	-	-	19,500
	230,978	20,513	(5,996)	245,495

	Balance as at 1.1.13	Charge for the year	(Disposals)	Balance as at 31.12.13
ACCUMULATED DEPRECIATION	RM	RM	RM	RM
Furniture and fittings	4,423	1,101	-	5,524
Office equipment	21,249	3,530	-	24,779
Computer and software	64,955	34,350	(500)	98,805
Signage	2,747	-	-	2,747
Website	19,499	-	-	19,499
	112,873	38,981	(500)	151,354

	Net Book Value		Depreciation Charge	
	2013 RM	2012 RM	2013 RM	2012 RM
Furniture and fittings	5,484	6,585	1,101	1,101
Office equipment	10,972	12,703	3,530	3,386
Computer and software	77,683	98,815	34,350	25,745
Signage	1	1	-	-
Website	1	1	-	1,499
	94,141	118,105	38,981	31,731

7. TAXATION

a) Income that is exempt from income tax are as follows :-

- i) Grant from Suruhanjaya Komunikasi dan Multimedia Malaysia is exempted from income tax based on the Income Tax Order (Exemption) (No 22) 2006.
- ii) Statutory income derived from members' subscriptions are exempted from the payment of income tax based on the Income tax (Exemption) (No.19) Order 2005.

b) Hibah income received from funds deposited with financial institutions are subject to income tax as follows:-

	2013 RM	2012 RM
First RM5,000 (2012: First RM2,500)	-	-
Total income tax	-	-

8. FINANCIAL INSTRUMENTS

Credit Risk

As at 31 December 2013, the Society has no significant concentration of credit risk and places its cash with creditworthy financial institutions.

statement by council members

FORUM PENGGUNA KOMUNIKASI DAN MULTIMEDIA MALAYSIA (Incorporated in Malaysia)
FINANCIAL STATEMENTS - 31 DECEMBER 2013

STATEMENT BY COUNCIL MEMBERS

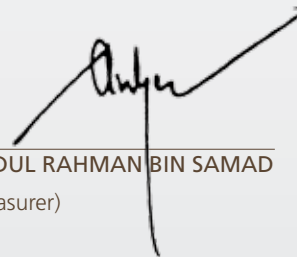
We, **DR. ELISTINA BINTI ABU BAKAR** and **ABDUL RAHMAN BIN SAMAD**, being two of the council members of **FORUM PENGGUNA KOMUNIKASI DAN MULTIMEDIA MALAYSIA**, do hereby state on behalf of the council members that, in our opinion the financial statements set out on pages 6 to 16 are drawn up in accordance with applicable approved accounting standards in Malaysia so as to give a true and fair view of the state of affairs of the Society as at 31ST DECEMBER 2013 and of the income and expenditure account and statement of receipts and payments of the Society for the year ended on that date.

Signed at Kuala Lumpur this 01 October 2014

On behalf of the Council



DR. ELISTINA BINTI ABU BAKAR
(Chairman)



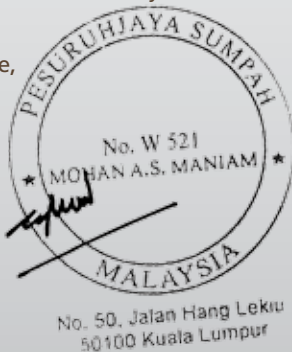
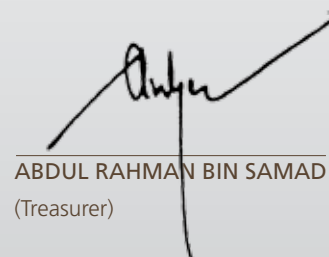
ABDUL RAHMAN BIN SAMAD
(Treasurer)

STATUTORY DECLARATION

I, **ABDUL RAHMAN BIN SAMAD**, being the council member primarily responsible for the accounting records and financial management of **FORUM PENGGUNA KOMUNIKASI DAN MULTIMEDIA MALAYSIA**, do solemnly and sincerely declare that the financial statements set out on pages 6 to 16 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 at Kuala Lumpur this

Before me,

ABDUL RAHMAN BIN SAMAD
(Treasurer)