

# KELAB GOLF MIRI

## BALANCE SHEET AS AT 31 DECEMBER 2010

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	Note	2010 RM	2009 RM
<b><u>CAPITAL AND LIABILITIES</u></b>			
Capital and accumulated fund:			
At 1 January		4,472,080	4,979,682
Add: Deficit for the year		(491,590)	(507,602)
At 31 December		3,980,490	4,472,080
Special caddies fund		11,161	11,161
Charity fund		2,511	2,224
Junior golf fund		79,481	86,309
Tournament fund		63,857	62,991
Liabilities:			
Members' deposits		809,900	813,900
Other payables	2	247,385	168,014
Provision for tax	7	-	4,484
		<u>5,194,785</u>	<u>5,621,163</u>
<b><u>ASSETS</u></b>			
Cash and bank balances:			
Cash on hand		1,741	507
Cash at bank		452,931	368,433
Fixed deposits	3	2,029,807	2,168,421
Other assets:			
Property, plant and equipment	4	2,466,919	2,860,216
Amount due from members	5	218,545	209,154
Other receivables	6	19,317	14,432
Tax recoverable	7	5,525	-
		<u>5,194,785</u>	<u>5,621,163</u>

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**TAN SRI DATUK LAU HIENG WUI**  
Captain

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**MICHAEL TANG TUNG SENG**  
Honorary Treasurer

Date:

Date:

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

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## KELAB GOLF MIRI

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2010

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	2010 RM	2009 RM
<b><u>RECEIPTS</u></b>		
Balance brought forward:		
Cash on hand	507	700
Cash at bank	368,433	571,924
Fixed deposits	2,168,421	2,244,797
	<u>2,537,361</u>	<u>2,817,421</u>
Bar, restaurant and pro-shop rental income	37,400	33,582
Conversion fees	24,500	-
Corporate membership fees	7,917	10,000
Entrance fees	8,000	10,500
Green fees	243,478	199,366
Interest income	48,047	50,323
Membership transfer fees	107,500	135,500
Other income	31,687	42,871
Subscriptions	1,104,300	1,096,020
Decrease/(Increase) in receivables	(14,726)	47,643
Increase/(Decrease) in charity fund	287	(14,226)
Increase/(Decrease) in tournament fund	866	(27,166)
(Decrease)/Increase in junior golf fund	(6,828)	24,169
Increase/(Decrease) in payables	75,371	(177,601)
	<u>4,205,610</u>	<u>4,248,402</u>
<b><u>PAYMENTS</u></b>		
Advertisement	2,000	3,290
Audit fee	4,000	4,000
Bank interest and charges	555	1,165
Captain jacket	800	-
Clubhouse maintenance	56,213	100,246
Clubhouse expenses	87,760	28,426
Committee expenses	19,020	25,582
Competitions (net)	66,244	48,649
Driving range expenses	30,370	31,594
Golf course maintenance	702,017	666,657
Insurance	8,110	8,135
Ladies' section	23,433	22,623
Land rent and survey fees	29,725	29,725
Legal and professional fees	1,089	806

**KELAB GOLF MIRI****CASH FLOW STATEMENT (Continued)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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	<b>2010</b>	<b>2009</b>
	<b>RM</b>	<b>RM</b>
<b><u>PAYMENTS</u></b>		
Medical expenses	2,803	3,256
National Handicap System	7,841	19,070
New members night	1,020	1,124
Printing, postage and stationery	41,188	39,707
Rates	15,490	15,490
Salaries and wages	443,239	454,343
Seniors' section	24,726	9,141
Social activities	8,766	20,393
Staff training	2,738	373
Telephone	7,663	6,431
Travelling expenses	777	-
Utilities	73,075	76,472
Purchase of property, plant and equipment	41,122	93,571
Tax paid	19,347	772
Balance carried forward:		
Cash on hand	1,741	507
Cash at bank	452,931	368,433
Fixed deposits	2,029,807	2,168,421
	<u>4,205,610</u>	<u>4,248,402</u>

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

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**KELAB GOLF MIRI****INCOME AND EXPENDITURE STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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	Note	2010 RM	2009 RM
<b>INCOME</b>			
Bar, restaurant and pro-shop rental income		37,400	33,582
Conversion fees		24,500	-
Corporate membership fees		7,917	10,000
Entrance fees		8,000	10,500
Green fees		243,478	199,366
Interest income		48,047	50,323
Membership transfer fees		107,500	135,500
Other income		31,687	42,871
Subscriptions		1,104,300	1,096,020
		<u>1,612,829</u>	<u>1,578,162</u>
<b>EXPENDITURE</b>			
Advertisement		2,000	3,290
Audit fee		4,000	4,000
Bad debts written off		-	4,342
Bank interest and charges		555	1,165
Captain jacket		800	-
Clubhouse maintenance		56,213	100,246
Clubhouse expenses		87,760	28,426
Committee expenses		19,020	25,582
Competitions (net)	8	66,244	48,649
Depreciation		434,419	460,788
Driving range expenses		30,370	31,594
Golf course maintenance		702,017	666,657
Insurance		8,110	8,135
Ladies' section		23,433	22,623
Land rent and survey fees		29,725	29,725
Legal and professional fees		1,089	806
Medical expenses		2,803	3,256
National Handicap System		7,841	19,070
New members night		1,020	1,124
Printing, postage and stationery		41,188	39,707
Rates		15,490	15,490
Salaries and wages		443,239	454,343
Seniors' section		24,726	9,141
Social activities		8,766	20,393

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**KELAB GOLF MIRI**

**INCOME AND EXPENDITURE STATEMENT (Continued)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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	Note	2010 RM	2009 RM
<b>EXPENDITURE (Continued)</b>			
Staff training		2,738	373
Telephone		7,663	6,431
Travelling expense		777	-
Utilities		73,075	76,472
		<u>2,095,081</u>	<u>2,081,828</u>
Deficit before taxation		(482,252)	(503,666)
Taxation	9	(9,338)	(3,936)
Deficit for the year		<u>(491,590)</u>	<u>(507,602)</u>

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

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1. **SIGNIFICANT ACCOUNTING POLICIES**

a) **Basis of Accounting**

The financial statements have been prepared under the historical cost convention.

b) **Property, Plant and Equipment and Depreciation**

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

The costs of property, plant and equipment are depreciated by equal annual instalments over their estimated economic lives. The principal annual rates used for this purpose are as follows:

Short term leasehold land is amortised over the remaining term of the lease.

Clubhouse, staff quarters and other facilities	-	5% - 33 <sup>1</sup> / <sub>3</sub> %
Furniture and equipment	-	10% - 20%
Motor vehicles	-	20%

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

Upon the disposal of an item of property, plant or equipment, the difference between the net disposal proceeds and the net carrying amount is recognised in the income statement.

c) **Cash and Cash Equivalents**

For the purposes of the Cash Flow Statement, cash and cash equivalents include fixed deposits, cash on hand and at bank.

d) **Employee Benefits**

*Short Term 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 Club.

*Defined Contribution Plans*

As required by law, the Club makes contributions to the Employees Provident Fund (“EPF”). Such contributions are recognised as an expense in the income statement as incurred.

**KELAB GOLF MIRI****NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010****2. OTHER PAYABLES**

	<b>2010</b>	<b>2009</b>
	<b>RM</b>	<b>RM</b>
Accruals	202,294	102,917
Deposits	6,000	6,000
Sundry payables	39,091	59,097
	<u>247,385</u>	<u>168,014</u>

**3. FIXED DEPOSITS**

Fixed deposits with licensed banks	<u>2,029,807</u>	<u>2,168,421</u>
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The effective interest rates and the maturities of deposits as at the balance sheet date were as follows:

	<b>Interest Rates</b>		<b>Maturity</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
	%	%	Days	Days
Licensed banks	2.75 - 3.30	1.80 - 2.50	30 - 365	90 - 365

**4. PROPERTY, PLANT AND EQUIPMENT**

	<b>Short term leasehold land, clubhouse, staff quarters other facilities RM</b>	<b>Furniture and equipment RM</b>	<b>Motor vehicles RM</b>	<b>Total RM</b>
<b>Cost</b>				
At 1 January 2010	7,569,456	2,165,045	301,042	10,035,543
Additions	-	41,122	-	41,122
At 31 December 2010	<u>7,569,456</u>	<u>2,206,167</u>	<u>301,042</u>	<u>10,076,665</u>
<b>Accumulated Depreciation</b>				
At 1 January 2010	4,989,425	1,884,860	301,042	7,175,327
Charge for the year	289,486	144,933	-	434,419
At 31 December 2010	<u>5,278,911</u>	<u>2,029,793</u>	<u>301,042</u>	<u>7,609,746</u>

**KELAB GOLF MIRI****NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010**

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**4. PROPERTY, PLANT AND EQUIPMENT (Continued)**

	<b>Short term leasehold land, clubhouse, staff quarters other facilities RM</b>	<b>Furniture and equipment RM</b>	<b>Motor vehicles RM</b>	<b>Total RM</b>
<b>Net Book Value</b>				
At 31 December 2010	<u>2,290,545</u>	<u>176,374</u>	<u>-</u>	<u>2,466,919</u>
At 31 December 2009	<u>2,580,031</u>	<u>280,185</u>	<u>-</u>	<u>2,860,216</u>
Depreciation charge for 2009	<u>307,172</u>	<u>153,616</u>	<u>-</u>	<u>460,788</u>

Cost of short term leasehold land, clubhouse, staff quarters and other facilities comprises:

	<b>2010 RM</b>	<b>2009 RM</b>
Short term leasehold land	1,758,198	1,758,198
Club house and staff quarters	4,554,017	4,554,017
Other facilities	1,057,241	1,057,241
Apartment	200,000	200,000
	<u>7,569,456</u>	<u>7,569,456</u>

**5. AMOUNT DUE FROM MEMBERS**

Amount due from members	<u>218,545</u>	<u>209,154</u>
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**6. OTHER RECEIVABLES**

Sundry receivables	13,125	1,600
Deposits	6,192	6,192
Interest receivables	-	6,640
	<u>19,317</u>	<u>14,432</u>

**KELAB GOLF MIRI****NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2010**

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**7. PROVISION FOR TAX/TAX RECOVERABLE**

	<b>2010</b>	<b>2009</b>
	<b>RM</b>	<b>RM</b>
At 1 January	4,484	1,320
Based on interest income for the year	9,338	4,011
Overprovision in prior years	-	(75)
Payment during the year	(19,347)	(772)
At 31 December	<u>(5,525)</u>	<u>4,484</u>

**8. COMPETITIONS**

Prizes, medals and sundry expenses	173,527	164,746
Less: Fees collected and sponsorship	(107,283)	(116,097)
	<u>66,244</u>	<u>48,649</u>

**9. TAXATION**

Based on interest income for the year	9,338	4,011
Overprovision in prior years	-	(75)
	<u>9,338</u>	<u>3,936</u>

The amount of tax payable was provided on interest income of the Club which was liable for tax as a separate source. All other receipts of the Club are not taxable.

Report of the Auditors to the Members of  
Kelab Golf Miri

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We have examined and audited the financial statements of Kelab Golf Miri (the Club) set out on pages 1 to 9. The financial statements are the responsibility of the Management Committee. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with applicable 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 Management Committee, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements have been prepared under the historical cost convention, so as to give a true and fair view of the financial position of the Club at 31 December 2010 and of the statement of income and expenditure and cash flow statement for the year ended on that date.

Ernst & Young  
AF: 0039  
Chartered Accountants

Miri, Malaysia  
Date:

**KELAB GOLF MIRI**

Report and Financial Statements

31 December 2010