

KELAB GOLF MIRI

**Report and
Audited Financial Statements**

31 December 2013

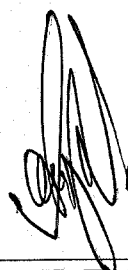
KELAB GOLF MIRI

**BALANCE SHEET
AS AT 31 DECEMBER 2013**

	Note	2013 RM	2012 RM
<u>CAPITAL AND LIABILITIES</u>			
Capital and accumulated fund:			
At 1 January		3,898,314	3,931,645
Add: Surplus/(Deficit) for the year		263,625	(33,331)
At 31 December		4,161,939	3,898,314
Special caddies fund		7,594	10,544
Charity fund		20,511	11,478
Junior golf fund		58,090	59,144
Tournament fund		103,041	94,724
Fund from government		20,000	20,000
Liabilities:			
Members' deposits		816,250	808,200
Other payables	2	188,640	196,494
		<u>5,376,065</u>	<u>5,098,898</u>
<u>ASSETS</u>			
Cash and bank balances:			
Cash on hand		496	303
Cash at bank		542,219	402,529
Fixed deposits	3	2,331,940	2,260,544
Other assets:			
Property, plant and equipment	4	2,028,836	2,072,773
Amount due from members	5	450,972	342,352
Other receivables	6	6,192	6,192
Tax recoverable	7	15,410	14,205
		<u>5,376,065</u>	<u>5,098,898</u>


DR. PHILIP RAJA
Captain

Date: 14/3/2014


MICHAEL TANG TUNG SENG
Honorary Treasurer

Date: 14/3/2014

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

KELAB GOLF MIRI**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	RM	RM
<u>RECEIPTS</u>		
Balance brought forward:		
Cash on hand	303	1,039
Cash at bank	402,529	420,041
Fixed deposits	2,260,544	2,188,350
	<u>2,663,376</u>	<u>2,609,430</u>
Bar, restaurant and pro-shop rental income	38,890	36,000
Corporate membership fees	10,000	14,583
Entrance fees	21,719	-
Green fees	219,976	151,180
Interest income	71,438	72,202
Membership transfer fees	108,500	147,000
Term membership fees	24,500	28,000
Other income	179,708	88,993
Subscriptions	1,202,280	1,198,840
(Increase)/Decrease in receivables	(108,620)	65,721
Decrease in special caddies fund	(2,950)	(617)
Increase/(Decrease) in charity fund	9,033	(2,943)
Increase/(Decrease) in tournament fund	8,317	(3,828)
Decrease in junior golf fund	(1,054)	(30,479)
Increase/(Decrease) in payables	196	(46,090)
	<u>4,445,309</u>	<u>4,327,992</u>
<u>PAYMENTS</u>		
Advertisement	2,138	1,422
Audit fee	4,000	4,000
Bank interest and charges	1,427	611
Clubhouse maintenance	92,613	85,764
Clubhouse expenses	28,891	26,663
Committee expenses	18,570	19,615
Competitions (net)	79,784	36,180
Conversion fee	-	3,500
Driving range expenses	40,432	57,251
Golf course maintenance	431,507	640,369
Insurance	8,566	8,106
IT maintenance	13,467	20,020

KELAB GOLF MIRI**CASH FLOW STATEMENT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2013**

	2013	2012
	RM	RM
<u>PAYMENTS</u>		
Ladies' section	25,191	22,391
Land rent and survey fees	29,750	29,725
Legal and professional fees	1,686	1,614
Medical expenses	2,002	1,765
New members night	1,000	1,055
Printing, postage and stationery	23,747	25,392
Rates	15,490	15,490
Salaries and wages	342,528	315,508
Seniors' section	23,361	23,987
Social activities	6,708	10,629
Staff training	782	228
Telephone	11,568	11,734
Travelling expenses	131	-
Utilities	71,380	75,633
VIP visits and official expenses	-	450
Purchase of property, plant and equipment	285,625	210,259
Income tax paid	8,310	15,255
Balance carried forward:		
Cash on hand	496	303
Cash at bank	542,219	402,529
Fixed deposits	2,331,940	2,260,544
	<u>4,445,309</u>	<u>4,327,992</u>

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

KELAB GOLF MIRI**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 RM	2012 RM
INCOME			
Bar, restaurant and pro-shop rental income		38,890	36,000
Corporate membership fees		10,000	14,583
Entrance fees		21,719	-
Green fees		219,976	151,180
Interest income		71,438	72,202
Membership transfer fees		108,500	147,000
Term membership fee		24,500	28,000
Other income		179,708	88,993
Subscriptions		1,202,280	1,198,840
		<u>1,877,011</u>	<u>1,736,798</u>
EXPENDITURE			
Advertisement		2,138	1,422
Audit fee		4,000	4,000
Bank interest and charges		1,427	611
Clubhouse maintenance		92,613	85,764
Clubhouse expenses		28,891	26,663
Committee expenses		18,570	19,615
Competitions (net)	8	79,784	36,180
Conversion fee		-	3,500
Depreciation		329,562	318,564
Driving range expenses		40,432	57,251
Golf course maintenance		431,507	640,369
Insurance		8,566	8,106
IT maintenance		13,467	20,020
Ladies' section		25,191	22,391
Land rent and survey fees		29,750	29,725
Legal and professional fees		1,686	1,614
Medical expenses		2,002	1,765
New members night		1,000	1,055
Printing, postage and stationery		23,747	25,392
Property, plant and equipment written off		-	4,200
Rates		15,490	15,490
Salaries and wages		342,528	315,508
Seniors' section		23,361	23,987
Social activities		6,708	10,629
Staff training		782	228
Telephone		11,568	11,734
Travelling expense		131	-

KELAB GOLF MIRI**INCOME AND EXPENDITURE STATEMENT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2013**

	Note	2013 RM	2012 RM
EXPENDITURE (Continued)			
Utilities		71,380	75,633
VIP visits and official expenses		-	450
		<u>1,606,281</u>	<u>1,761,866</u>
Surplus/(Deficit) before taxation		270,730	(25,068)
Less: Taxation	9	(7,105)	(8,263)
Surplus/(Deficit) after taxation		<u>263,625</u>	<u>(33,331)</u>

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

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 ¹ / ₃ %
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 with licensed banks, 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 2013

2. OTHER PAYABLES

	2013	2012
	RM	RM
Accruals	108,499	149,447
Deposits	8,155	4,840
Sundry payables	71,986	42,207
	<u>188,640</u>	<u>196,494</u>

3. FIXED DEPOSITS

Fixed deposits with licensed banks	<u>2,331,940</u>	<u>2,260,544</u>
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The effective interest rates and the maturities of deposits as at the balance sheet date were as follows:

	Interest Rates		Maturity	
	2013	2012	2013	2012
	%	%	Days	Days
Licensed banks	3.00 – 3.15	3.00 - 3.30	30 - 365	30 - 365

4. PROPERTY, PLANT AND EQUIPMENT

	Short Term Leasehold Land, Clubhouse, Staff Quarters Other Facilities RM	Furniture and Equipment RM	Motor Vehicles RM	Total RM
Cost				
At 1 January 2013	7,550,602	1,970,128	401,042	9,921,772
Additions	-	190,425	95,200	285,625
At 31 December 2013	<u>7,550,602</u>	<u>2,160,553</u>	<u>496,242</u>	<u>10,207,397</u>

4. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Short Term Leasehold Land, Clubhouse, Staff Quarters Other Facilities RM	Furniture and Equipment RM	Motor Vehicles RM	Total RM
Accumulated Depreciation				
At 1 January 2013	5,803,449	1,764,515	281,035	7,848,999
Charge for the year	220,003	73,719	35,840	329,562
At 31 December 2013	<u>6,023,452</u>	<u>1,838,234</u>	<u>316,875</u>	<u>8,178,561</u>
Net Book Value				
At 31 December 2013	<u>1,527,150</u>	<u>322,319</u>	<u>179,367</u>	<u>2,028,836</u>
At 31 December 2012	<u>1,747,153</u>	<u>205,613</u>	<u>120,007</u>	<u>2,027,773</u>
Depreciation charge for 2012	<u>259,043</u>	<u>50,278</u>	<u>9,243</u>	<u>318,564</u>

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

	2013 RM	2012 RM
Short term leasehold land	1,758,198	1,758,198
Clubhouse and staff quarters	4,535,163	4,535,163
Other facilities	1,057,241	1,057,241
Apartment	200,000	200,000
	<u>7,550,602</u>	<u>7,550,602</u>

5. AMOUNT DUE FROM MEMBERS

Amount due from members	<u>450,972</u>	<u>342,352</u>
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KELAB GOLF MIRI**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2013**

6. OTHER RECEIVABLES

	2013	2012
	RM	RM
Deposits	6,192	6,192

7. TAX RECOVERABLE

At 1 January	(14,205)	(7,213)
Based on interest income for the year	6,995	7,543
Underprovision in previous years	110	720
Payment during the year	(8,310)	(15,255)
At 31 December	(15,410)	(14,205)

8. COMPETITIONS

Prizes, medals and sundry expenses	171,458	141,037
Less: Fees collected and sponsorship	(91,674)	(104,857)
	79,784	36,180

9. TAXATION

Based on interest income for the year	6,995	7,543
Underprovision in previous years	110	720
	7,105	8,263

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.



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Report of the Auditors to the Members of Kelab Golf Miri

Report on the financial statements

We have audited the financial statements of Kelab Golf Miri (the Club) which comprise the balance sheet as at 31 December 2013, and the cash flow statement and statement of income and expenditure for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 1 to 9.

Management Committee's responsibility for the statement

The management committee is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting policies of the Club, and for such internal control as the management committee determine are necessary to enable the preparation of the financial statements that is free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on the statement 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 statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the statement, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the overall presentation of the statement.

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



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Report of the Auditors to the Members of Kelab Golf Miri

Opinion

In our opinion, the statements present fairly, in all material respects, the financial position of the Club as at 31 December 2013 and of its cash flows and financial performance for the year then ended, in accordance with the Club's accounting policies.

Other matter - restriction on use and distribution

Our report is intended solely for Kelab Golf Miri and should not be distributed to or used by parties other than Kelab Golf Miri.

Ernst & Young
AF: 0039
Chartered Accountants

Miri, Malaysia
Date: 14 MAR 2014