

KELAB GOLF MIRI**BALANCE SHEET
AS AT 31 DECEMBER 2016**

	Note	2016 RM	2015 RM
<u>CAPITAL AND LIABILITIES</u>			
Capital and accumulated fund:			
At 1 January		4,711,736	4,424,452
Add: Surplus for the year		91,888	287,284
At 31 December		4,803,624	4,711,736
Special caddies fund		6,098	5,352
Charity fund		26,247	25,210
Junior golf fund		33,099	12,688
Tournament fund		161,854	140,802
Fund from government		20,000	20,000
Liabilities:			
Members' deposits		830,100	826,950
Other payables	2	231,669	225,567
		<u>6,112,691</u>	<u>5,968,305</u>
<u>ASSETS</u>			
Cash and bank balances:			
Cash on hand		1,551	9
Cash at bank		407,705	528,087
Fixed deposits	3	2,746,264	2,699,798
Other assets:			
Property, plant and equipment	4	2,399,381	2,241,315
Amount due from members	5	515,882	427,409
Other receivables	6	40,495	60,142
Tax recoverable	7	1,413	11,545
		<u>6,112,691</u>	<u>5,968,305</u>



PUI KIEN NYAP
Captain



MICHAEL TANG TUNG SENG
Honorary Treasurer

Date: 28 February 2017

Date: 28 February 2017

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

KELAB GOLF MIRI**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016	2015
	RM	RM
<u>RECEIPTS</u>		
Balance brought forward:		
Cash on hand	9	736
Cash at bank	528,087	485,194
Fixed deposits	2,699,798	2,610,005
	<u>3,227,894</u>	<u>3,095,935</u>
Bar, restaurant and pro-shop rental income	42,000	44,400
Buggy rental	351,260	261,410
Corporate membership fees	1,667	7,082
Entrance fees	20,000	1,000
Green fees	196,375	250,812
Interest income	76,182	100,263
Membership transfer fees	197,000	173,500
Sponsorship	-	13,019
Term membership fees	38,500	35,000
Other income	16,109	35,149
Subscriptions	1,208,350	1,209,520
Proceeds from disposal of property, plant and equipment	4,500	-
(Increase)/Decrease in receivables	(92,882)	6,323
Increase/(Decrease) in special caddies fund	746	(3,942)
Increase in charity fund	1,037	2,215
Increase/(Decrease) in junior golf fund	20,411	(53,517)
Increase in tournament fund	21,052	33,620
Increase in payables	9,252	48,856
	<u>5,339,453</u>	<u>5,260,645</u>
<u>PAYMENTS</u>		
Advertisement	377	2,295
Audit fee	4,000	4,000
Bank interest and charges	971	1,978
Clubhouse maintenance	148,839	128,792
Clubhouse expenses	35,501	30,103
Committee expenses	13,093	15,327
Competitions (net)	104,678	89,611
Driving range expenses	53,734	45,319
Golf course maintenance	624,271	582,681
Insurance	8,152	8,252
IT maintenance	24,133	43,050

KELAB GOLF MIRI**CASH FLOW STATEMENT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2016**

	2016 RM	2015 RM
<u>PAYMENTS</u>		
Ladies' section	25,432	25,719
Land rent and survey fees	30,016	29,506
Legal and professional fees	3,569	1,900
Medical expenses	1,752	2,642
MGA, SGA fees and contribution	4,600	15,050
New members night	1,311	540
Printing, postage and stationery	25,455	27,070
Rates	20,104	19,501
Salaries and wages	385,422	363,928
Seniors' section	27,242	22,190
Social activities	13,045	15,585
Staff training	2,440	2,454
Sundry expenses	8,563	6,450
Telephone	14,852	13,070
Travelling expenses	524	-
Utilities	63,748	57,428
Purchase of property, plant and equipment	543,107	467,334
Income tax paid	11,963	10,976
Income tax refunded	(16,961)	-
Balance carried forward:		
Cash on hand	1,551	9
Cash at bank	407,705	528,087
Fixed deposits	2,746,264	2,699,798
	<u>5,339,453</u>	<u>5,260,645</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 2016**

	Note	2016 RM	2015 RM
INCOME			
Bar, restaurant and pro-shop rental income		42,000	44,400
Buggy rental		351,260	261,410
Corporate membership fees		1,667	7,082
Entrance fees		20,000	1,000
Green fees		196,375	250,812
Interest income		76,182	100,263
Membership transfer fees		197,000	173,500
Sponsorship		-	13,019
Term membership fee		38,500	35,000
Other income		16,109	35,149
Subscriptions		1,208,350	1,209,520
		<u>2,147,443</u>	<u>2,131,155</u>
EXPENDITURE			
Advertisement		377	2,295
Audit fee		4,000	4,000
Bad debt written off		24,056	11,309
Bank interest and charges		971	1,978
Clubhouse maintenance		148,839	128,792
Clubhouse expenses		35,501	30,103
Committee expenses		13,093	15,327
Competitions (net)	8	104,678	89,611
Depreciation		379,651	263,182
Driving range expenses		53,734	45,319
Golf course maintenance		624,271	582,681
Insurance		8,152	8,252
IT maintenance		24,133	43,050
Ladies' section		25,432	25,719
Land rent and survey fees		30,016	29,506
Legal and professional fees		3,569	1,900
Loss on disposal of property, plant and equipment		890	-
Medical expenses		1,752	2,642
MGA, SGA fee and contribution		4,600	15,050
New members night		1,311	540
Printing, postage and stationery		25,455	27,070
Provision for doubtful debt		-	1,026
Rates		20,104	19,501
Salaries and wages		385,422	363,928
Seniors' section		27,242	22,190
Social activities		13,045	15,585
Staff training		2,440	2,454

KELAB GOLF MIRI**INCOME AND EXPENDITURE STATEMENT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2016**

	Note	2016 RM	2015 RM
EXPENDITURE (Continued)			
Sundry expenses		8,563	6,450
Telephone		14,852	13,070
Travelling expenses		524	-
Utilities		63,748	57,428
		<u>2,050,421</u>	<u>1,829,958</u>
Surplus before taxation		97,022	301,197
Less: Taxation	9	<u>(5,134)</u>	<u>(13,913)</u>
Surplus after taxation		<u><u>91,888</u></u>	<u><u>287,284</u></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	-	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 2016

2. OTHER PAYABLES

	2016	2015
	RM	RM
Accruals	96,750	96,580
Deposits	7,436	7,436
Sundry payables	127,483	121,551
	<u>231,669</u>	<u>225,567</u>

3. FIXED DEPOSITS

Fixed deposits with licensed banks	<u>2,746,264</u>	<u>2,699,798</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	
	2016	2015	2016	2015
	%	%	Days	Days
Licensed banks	2.95% - 4.20%	3.15 – 3.75	30 - 365	30 - 365

4. PROPERTY, PLANT AND EQUIPMENT

	Short Term Leasehold Land, Clubhouse, Staff Quarters and Other Facilities RM	Furniture and Equipment RM	Motor Vehicles RM	Total RM
Cost				
At 1 January 2016	7,550,602	2,793,470	564,249	10,908,321
Additions	19,000	524,107	-	543,107
Disposal	-	(9,800)	-	(9,800)
At 31 December 2016	<u>7,569,602</u>	<u>3,307,777</u>	<u>564,249</u>	<u>11,441,628</u>

4. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Short Term Leasehold Land, Clubhouse, Staff Quarters and Other Facilities RM	Furniture and Equipment RM	Motor Vehicles RM	Total RM
Accumulated Depreciation				
At 1 January 2016	6,147,547	2,120,251	399,208	8,667,006
Charge for the year	65,156	255,535	58,960	379,651
Disposal	-	(4,410)	-	(4,410)
At 31 December 2016	<u>6,212,703</u>	<u>2,371,376</u>	<u>458,168</u>	<u>9,042,247</u>
Net Book Value				
At 31 December 2016	<u>1,356,899</u>	<u>936,401</u>	<u>106,081</u>	<u>2,399,381</u>
At 31 December 2015	<u>1,403,055</u>	<u>673,219</u>	<u>165,041</u>	<u>2,241,315</u>
Depreciation charge for 2015	<u>62,039</u>	<u>154,650</u>	<u>46,493</u>	<u>263,182</u>

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

	2016 RM	2015 RM
Short term leasehold land	1,758,198	1,758,198
Clubhouse and staff quarters	4,535,163	4,535,163
Other facilities	1,076,241	1,057,241
Apartment	200,000	200,000
	<u>7,569,602</u>	<u>7,550,602</u>

5. AMOUNT DUE FROM MEMBERS

Amount due from members	515,882	428,435
Less: Provision for doubtful debt	-	(1,026)
	<u>515,882</u>	<u>427,409</u>

KELAB GOLF MIRI**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2016**

6. OTHER RECEIVABLES

	2016 RM	2015 RM
Deposits	6,192	6,192
Other receivables	34,303	53,950
	<u>40,495</u>	<u>60,142</u>

7. TAX RECOVERABLE

At 1 January	(11,545)	(14,482)
Based on interest income for the year	7,084	13,913
Paid during the year	(11,963)	(10,976)
Refunded during the year	16,961	-
Overprovision in previous year	(1,950)	-
At 31 December	<u>(1,413)</u>	<u>(11,545)</u>

8. COMPETITIONS

Prizes, medals and sundry expenses	209,650	186,666
Less: Fees collected and sponsorship	(104,972)	(97,055)
	<u>104,678</u>	<u>89,611</u>

9. TAXATION

Based on interest income for the year	7,084	13,913
Overprovision in previous year	(1,950)	-
	<u>5,134</u>	<u>13,913</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.



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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 2016, 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.



Report of the Auditors to the Members of Kelab Golf Miri (Continued)

Opinion

In our opinion, the statements present fairly, in all material respects, the financial position of the Club as at 31 December 2016 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
28 February 2017