

KELAB GOLF MIRI

**BALANCE SHEET
AS AT 31 DECEMBER 2018**

	Note	2018 RM	2017 RM
<u>CAPITAL AND LIABILITIES</u>			
Capital and accumulated fund:			
At 1 January		5,010,470	4,803,624
Add: Surplus for the year		25,259	206,846
At 31 December		<u>5,035,729</u>	<u>5,010,470</u>
Special caddies fund		7,604	7,140
Charity fund		27,163	29,539
Junior golf fund		86,514	73,684
Tournament fund		186,501	171,978
Fund from government		20,000	20,000
Liabilities:			
Members' deposits		834,600	833,100
Other payables	2	209,686	432,890
Tax payable	7	905	3,270
		<u>6,408,702</u>	<u>6,582,071</u>
<u>ASSETS</u>			
Cash and bank balances:			
Cash on hand		1,351	1,831
Cash at bank		685,668	605,840
Fixed deposits	3	1,896,248	2,088,119
Other assets:			
Property, plant and equipment	4	3,268,421	3,376,704
Amount due from members	5	499,045	462,286
Other receivables	6	57,969	47,291
		<u>6,408,702</u>	<u>6,582,071</u>


PUI KIEN NYAP
Captain

Date: 27 February 2019.


MICHAEL TANG TUNG SENG
Honorary Treasurer

Date: 27 February 2019.

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

KELAB GOLF MIRI**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	RM	RM
<u>RECEIPTS</u>		
Balance brought forward:		
Cash on hand	1,831	1,551
Cash at bank	605,840	407,705
Fixed deposits	2,088,119	2,746,264
	<u>2,695,790</u>	<u>3,155,520</u>
Bar, restaurant and pro-shop rental income	29,716	41,300
Buggy rental	582,064	492,858
Entrance fees	1,000	-
Green fees	204,637	207,732
Interest income	67,788	114,020
Membership transfer fees	106,000	96,500
Sponsorship	-	5,822
Term membership fees	31,500	10,500
Other income	44,906	21,423
Subscriptions	1,197,999	1,299,958
(Increase)/Decrease in receivables	(52,087)	42,709
Increase in special caddies fund	464	1,042
(Decrease)/Increase in charity fund	(2,376)	3,292
Increase in junior golf fund	12,830	40,585
Increase in tournament fund	14,523	10,124
(Decrease)/Increase in payables	(221,704)	204,221
	<u>4,713,050</u>	<u>5,747,606</u>
<u>PAYMENTS</u>		
Advertisement	531	729
Audit fee	4,000	4,000
Bank interest and charges	2,262	1,569
Caption ticker	-	600
Clubhouse maintenance	144,269	101,493
Clubhouse expenses	30,568	38,429
Committee expenses	16,946	9,504
Competitions (net)	101,575	104,141
Driving range expenses	44,326	50,051
Golf course maintenance	606,571	621,948
Insurance	11,709	8,614

KELAB GOLF MIRI**CASH FLOW STATEMENT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

	2018	2017
	RM	RM
<u>PAYMENTS</u>		
IT maintenance	26,050	27,775
Ladies' section	26,934	29,945
Land rent and survey fees	29,725	29,725
Legal and professional fees	1,500	2,515
Medical expenses	3,854	1,433
MGA, SGA fees and contribution	1,500	5,000
New members night	444	400
Printing, postage and stationery	24,306	24,617
Rates	21,100	19,714
Salaries and wages	446,996	407,300
Seniors' section	22,728	23,159
Social activities	14,247	12,368
Staff training	2,475	4,728
Sundry expenses	-	11,891
Telephone	12,024	12,076
Travelling expenses	-	-
Utilities	57,786	68,299
Purchase of property, plant and equipment	468,371	1,419,817
Income tax paid	6,986	9,976
Balance carried forward:		
Cash on hand	1,351	1,831
Cash at bank	685,668	605,840
Fixed deposits	1,896,248	2,088,119
	<u>4,713,050</u>	<u>5,747,606</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 2018**

	Note	2018 RM	2017 RM
INCOME			
Bar, restaurant and pro-shop rental income		29,716	41,300
Buggy rental		582,064	492,858
Entrance fees		1,000	-
Green fees		204,637	207,732
Interest income		67,788	114,020
Membership transfer fees		106,000	96,500
Sponsorship		-	5,822
Term membership fee		31,500	10,500
Other income		44,906	21,423
Subscriptions		1,197,999	1,299,958
		<u>2,265,610</u>	<u>2,290,113</u>
EXPENDITURE			
Advertisement		531	729
Audit fee		4,000	4,000
Bad debt written off		4,650	4,091
Bank interest and charges		2,262	1,569
Captain jacket		-	600
Clubhouse maintenance		144,269	101,493
Clubhouse expenses		30,568	38,429
Committee expenses		16,946	9,504
Competitions (net)	8	101,575	104,141
Depreciation of property, plant and equipment		576,654	442,494
Driving range expenses		44,326	50,051
Golf course maintenance		606,571	621,948
Insurance		11,709	8,614
IT maintenance		26,050	27,775
Ladies' section		26,934	29,945
Land rent and survey fees		29,725	29,725
Legal and professional fees		1,500	2,515
Medical expenses		3,854	1,433
MGA, SGA fee and contribution		1,500	5,000
New members night		444	400
Printing, postage and stationery		24,306	24,617
Rates		21,100	19,714
Salaries and wages		446,996	407,300
Seniors' section		22,728	23,159

KELAB GOLF MIRI

**INCOME AND EXPENDITURE STATEMENT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Note	2018 RM	2017 RM
EXPENDITURE (Continued)			
Social activities		14,247	12,368
Staff training		2,475	4,728
Sundry expenses		-	11,891
Telephone		12,024	12,076
Utilities		57,786	68,299
		<u>2,235,730</u>	<u>2,068,608</u>
Surplus before taxation		29,880	221,505
Less: Taxation	9	(4,621)	(14,659)
Surplus after taxation		<u>25,259</u>	<u>206,846</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:

Leasehold land, clubhouse, staff quarters and other facilities	-	1.96% - 20%
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.

Capital work-in-progress is not depreciated until the property, plant and equipment is fully completed and brought into use.

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 2018

2. OTHER PAYABLES

	2018	2017
	RM	RM
Accruals	4,000	4,000
Deposits	3,600	7,700
Sundry payables	202,086	421,190
	<u>209,686</u>	<u>432,890</u>

3. FIXED DEPOSITS

Fixed deposits with licensed banks	<u>1,896,248</u>	<u>2,088,119</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	
	2018	2017	2018	2017
	%	%	Days	Days
Licensed banks	3.20 – 4.05	2.95 - 3.85	30 - 365	30 - 365

4. PROPERTY, PLANT AND EQUIPMENT

	Leasehold Land, Clubhouse, Staff Quarters and Other Facilities	Furniture and Equipment	Motor Vehicles	Capital Work-In- Progress	Total
Cost	RM	RM	RM	RM	RM
At 1 January 2018	7,635,470	3,508,462	1,255,049	462,464	12,861,445
Additions	423,947	32,424	-	12,000	468,371
Transfers	474,464	-	-	(474,464)	-
At 31 December 2018	<u>8,533,881</u>	<u>3,540,886</u>	<u>1,255,049</u>	<u>-</u>	<u>13,329,816</u>

KELAB GOLF MIRI

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2018

4. PROPERTY, PLANT AND EQUIPMENT (Continued)

	Leasehold Land, Clubhouse, Staff Quarters and Other Facilities RM	Furniture and Equipment RM	Motor Vehicles RM	Capital Work-In- Progress RM	Total RM
Accumulated Depreciation					
At 1 January 2018	6,280,822	2,674,310	529,609	-	9,484,741
Charge for the year	107,949	297,905	170,800	-	576,654
At 31 December 2018	<u>6,388,771</u>	<u>2,972,215</u>	<u>700,409</u>	-	<u>10,061,395</u>
Net Book Value					
At 31 December 2018	<u>2,145,110</u>	<u>568,671</u>	<u>554,640</u>	-	<u>3,268,421</u>
At 31 December 2017	<u>1,354,648</u>	<u>834,152</u>	<u>725,440</u>	<u>462,464</u>	<u>3,376,704</u>
Depreciation charge for 2017	<u>68,119</u>	<u>302,934</u>	<u>71,441</u>	-	<u>442,494</u>

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

	2018 RM	2017 RM
Leasehold land	1,758,198	1,758,198
Clubhouse and staff quarters	4,535,163	4,535,163
Other facilities	1,142,109	1,142,109
Apartment	200,000	200,000
Buggy Shed	898,411	-
	<u>8,533,881</u>	<u>7,635,470</u>

5. AMOUNT DUE FROM MEMBERS

Amount due from members	<u>499,045</u>	<u>462,286</u>
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KELAB GOLF MIRI**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2018****6. OTHER RECEIVABLES**

	2018 RM	2017 RM
Deposits	20,397	6,192
Other receivables	37,572	41,099
	<u>57,969</u>	<u>47,291</u>

7. TAX PAYABLE/(RECOVERABLE)

At 1 January	3,270	(1,413)
Based on interest income for the year	4,169	14,844
Paid during the year	(6,986)	(9,976)
Under/(Over)provision in previous year	452	(185)
At 31 December	<u>905</u>	<u>3,270</u>

8. COMPETITIONS

Prizes, medals and sundry expenses	202,486	206,385
Less: Fees collected and sponsorship	(100,911)	(102,244)
	<u>101,575</u>	<u>104,141</u>

9. TAXATION

Based on interest income for the year	4,169	14,844
Under/(Over)provision in previous year	452	(185)
	<u>4,621</u>	<u>14,659</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.

10. CAPITAL COMMITMENT

Capital expenditure as at the reporting date is as follows:

	2018 RM	2017 RM
Capital expenditure		
Approved and contracted for:		
Property, plant and equipment	-	292,341
	<u>-</u>	<u>292,341</u>



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Ernst & Young AF: 0039
SST ID: W10-1808-31043558
Chartered Accountants
4th Floor, Unit 4.1, Lot 698
Wisma Yong Lung
Pelita Commercial Centre
98000 Miri
Sarawak, Malaysia

Tel: +6085 423 881
Fax: +6085 413 921
ey.com

Mail address: P. O. Box 1209
98008 Miri, Sarawak, Malaysia

Report of the Auditors to the Members of Kelab Golf Miri

Report on the Audit of the Financial Statements

We have audited the financial statements of Kelab Golf Miri (the Club) which comprise the balance sheet as at 31 December 2018, 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 financial statements

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 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 is 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 judgment, including the assessment of 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 entity's preparation and fair presentation of the financial statements 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 financial statements.

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 (Continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Club as at 31 December 2018 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
27 February 2019