

KELAB GOLF MIRI

BALANCE SHEET AS AT 31 DECEMBER 2012

	Note	2012 RM	2011 RM
<u>CAPITAL AND LIABILITIES</u>			
Capital and accumulated fund:			
At 1 January		3,931,645	3,980,490
Add: Deficit for the year		(33,331)	(48,845)
At 31 December		<u>3,898,314</u>	<u>3,931,645</u>
Special caddies fund		10,544	11,161
Charity fund		11,478	14,421
Junior golf fund		59,144	89,623
Tournament fund		94,724	98,552
Fund from government		20,000	20,000
Liabilities:			
Members' deposits		808,200	803,200
Other payables	2	196,494	247,584
		<u>5,098,898</u>	<u>5,216,186</u>
<u>ASSETS</u>			
Cash and bank balances:			
Cash on hand		303	1,039
Cash at bank		402,529	420,041
Fixed deposits	3	2,260,544	2,188,350
Other assets:			
Property, plant and equipment	4	2,072,773	2,185,278
Amount due from members	5	342,352	408,073
Other receivables	6	6,192	6,192
Tax recoverable	7	14,205	7,213
		<u>5,098,898</u>	<u>5,216,186</u>

DR. PHILIP RAJA
Captain

MICHAEL TANG TUNG SENG
Honorary Treasurer

Date:

Date:

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

KELAB GOLF MIRI

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2012

	2012	2011
	RM	RM
<u>RECEIPTS</u>		
Balance brought forward:		
Cash on hand	1,039	1,741
Cash at bank	420,041	452,931
Fixed deposits	2,188,350	2,029,807
	<u>2,609,430</u>	<u>2,484,479</u>
Bar, restaurant and pro-shop rental income	36,000	37,200
Conversion fees	-	62,500
Corporate membership fees	14,583	12,083
Entrance fees	-	31,000
Green fees	151,180	167,225
Interest income	72,202	60,287
Membership transfer fees	147,000	108,500
Term membership fees	28,000	-
Other income	88,993	24,594
Subscriptions	1,198,840	1,181,184
Decrease/(Increase) in receivables	65,721	(176,403)
Decrease in caddies fund	(617)	-
(Decrease)/Increase in charity fund	(2,943)	11,910
(Decrease)/Increase in tournament fund	(3,828)	34,695
(Decrease)/Increase in junior golf fund	(30,479)	10,142
Increase in fund from government	-	20,000
Decrease in payables	(46,090)	(6,501)
	<u>4,327,992</u>	<u>4,062,895</u>
<u>PAYMENTS</u>		
Advertisement	1,422	1,030
Audit fee	4,000	4,000
Bank interest and charges	611	1,856
Captain ticket	-	500
Clubhouse maintenance	85,764	57,085
Clubhouse expenses	26,663	35,163
Committee expenses	19,615	9,970
Competitions (net)	36,180	63,980
Contribution fee	-	4,500
Conversion fee	3,500	-
Driving range expenses	57,251	43,469

KELAB GOLF MIRI**CASH FLOW STATEMENT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

	2012	2011
	RM	RM
<u>PAYMENTS</u>		
Golf course maintenance	640,369	514,069
Insurance	8,106	8,222
IT maintenance	20,020	19,859
Ladies' section	22,391	23,529
Land rent and survey fees	29,725	29,725
Legal and professional fees	1,614	823
Medical expenses	1,765	2,418
National Handicap System	-	1,750
New members night	1,055	350
Printing, postage and stationery	25,392	25,362
Rates	15,490	15,100
Salaries and wages	315,508	393,233
Seniors' section	23,987	23,045
Social activities	10,629	3,603
Staff training	228	36
Telephone	11,734	11,396
Travelling expenses	-	1,065
Utilities	75,633	65,484
VIP visits and official expenses	450	-
Purchase of property, plant and equipment	210,259	92,843
Tax paid	15,255	-
Balance carried forward:		
Cash on hand	303	1,039
Cash at bank	402,529	420,041
Fixed deposits	2,260,544	2,188,350
	<u>4,327,992</u>	<u>4,062,895</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 2012

	Note	2012 RM	2011 RM
INCOME			
Bar, restaurant and pro-shop rental income		36,000	37,200
Conversion fees		-	62,500
Corporate membership fees		14,583	12,083
Entrance fees		-	31,000
Green fees		151,180	167,225
Interest income		72,202	60,287
Membership transfer fees		147,000	108,500
Term membership fee		28,000	-
Other income		88,993	24,594
Subscriptions		1,198,840	1,181,184
		<u>1,736,798</u>	<u>1,684,573</u>
EXPENDITURE			
Advertisement		1,422	1,030
Audit fee		4,000	4,000
Bank interest and charges		611	1,856
Captain ticket		-	500
Clubhouse maintenance		85,764	57,085
Clubhouse expenses		26,663	35,163
Committee expenses		19,615	9,970
Competitions (net)	8	36,180	63,980
Contribution Fee		-	4,500
Conversion fee		3,500	-
Depreciation		318,564	374,484
Driving range expenses		57,251	43,469
Golf course maintenance		640,369	514,069
Insurance		8,106	8,222
IT maintenance		20,020	19,859
Ladies' section		22,391	23,529
Land rent and survey fees		29,725	29,725
Legal and professional fees		1,614	823
Medical expenses		1,765	2,418
National Handicap System		-	1,750
New members night		1,055	350
Printing, postage and stationery		25,392	25,362
Property, plant and equipment written off		4,200	-
Rates		15,490	15,100
Salaries and wages		315,508	393,233
Seniors' section		23,987	23,045

KELAB GOLF MIRI**INCOME AND EXPENDITURE STATEMENT (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 RM	2011 RM
EXPENDITURE (Continued)			
Social activities		10,629	3,603
Staff training		228	36
Telephone		11,734	11,396
Travelling expense		-	1,065
Utilities		75,633	65,484
VIP visits and official expenses		450	-
		<u>1,761,866</u>	<u>1,735,106</u>
Deficit before taxation		(25,068)	(50,533)
Taxation	9	(8,263)	1,688
Deficit for the year		<u>(33,331)</u>	<u>(48,845)</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, 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 2012****2. OTHER PAYABLES**

	2012	2011
	RM	RM
Accruals	149,447	150,655
Deposits	4,840	3,400
Sundry payables	42,207	93,529
	<u>196,494</u>	<u>247,584</u>

3. FIXED DEPOSITS

Fixed deposits with licensed banks	<u>2,260,544</u>	<u>2,188,350</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	
	2012	2011	2012	2011
	%	%	Days	Days
Licensed banks	3.00 - 3.30	3.00 - 3.40	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 2012	7,569,456	2,252,010	348,042	10,169,508
Additions	-	125,659	84,600	210,259
Written off	(18,854)	(407,541)	(31,600)	(457,995)
At 31 December 2012	<u>7,550,602</u>	<u>1,970,128</u>	<u>401,042</u>	<u>9,921,772</u>

KELAB GOLF MIRI**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2012****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 2012	5,563,260	2,117,578	303,392	7,984,230
Charge for the year	259,043	50,278	9,243	318,564
Written off	(18,854)	(403,341)	(31,600)	(453,795)
At 31 December 2012	<u>5,803,449</u>	<u>1,764,515</u>	<u>281,035</u>	<u>7,848,999</u>
Net Book Value				
At 31 December 2012	<u>1,747,153</u>	<u>205,613</u>	<u>120,007</u>	<u>2,072,773</u>
At 31 December 2011	<u>2,006,196</u>	<u>134,432</u>	<u>44,650</u>	<u>2,185,278</u>
Depreciation charge for 2011	<u>284,349</u>	<u>87,785</u>	<u>2,350</u>	<u>374,484</u>

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

	2012 RM	2011 RM
Short term leasehold land	1,758,198	1,758,198
Club house and staff quarters	4,535,163	4,554,017
Other facilities	1,057,241	1,057,241
Apartment	200,000	200,000
	<u>7,550,602</u>	<u>7,569,456</u>

5. AMOUNT DUE FROM MEMBERS

Amount due from members	<u>342,352</u>	<u>408,073</u>
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KELAB GOLF MIRI**NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2012**

6. OTHER RECEIVABLES

	2012	2011
	RM	RM
Deposits	6,192	6,192

7. TAX RECOVERABLE

At 1 January	(7,213)	(5,525)
Based on interest income for the year	7,543	4,559
Under/(Over)provision in prior years	720	(6,247)
Payment during the year	(15,255)	-
At 31 December	(14,205)	(7,213)

8. COMPETITIONS

Prizes, medals and sundry expenses	141,037	184,504
Less: Fees collected and sponsorship	(104,857)	(120,524)
	36,180	63,980

9. TAXATION

Based on interest income for the year	7,543	4,559
Under/(Over)provision in prior years	720	(6,247)
	8,263	(1,688)

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

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 2012, 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

Opinion

In our opinion, the statements present fairly, in all material respects, the financial position of the Club as at 31 December 2012 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:

KELAB GOLF MIRI

Report and Financial Statements

31 December 2012