



Kelab Taman Perdana DiRaja Kuala Lumpur
(Royal Lake Club)

Private & Confidential

Report of the General Committee 2017/2018

Strictly for Members of
Kelab Taman Perdana DiRaja Kuala Lumpur



Report of the General Committee 2017/2018

The General Committee has great pleasure in submitting this Annual Report and the Audited Financial Statements of the Club for the Financial Year ended 30 June 2018 together with the Report of the Auditors.

The General Committee was elected at the Annual General Meeting held on 10 December 2017. Up to the date of this Report, the General Committee held 15 meetings and the attendance of its members are as follows:

President

Patrick Chiam Tow Loon 15/15

Vice-President

Lt. Col. (R) Johan Van Geyzel Bin Abdullah 13/15

General Committee Members

Dato' Nik Gee Siew Yee	5/5 (on leave of absence from June 2018)
Prithviraj Singh Sachdev	11/15
Pansy Lee Mew Kwan	15/15
Daniel Thuraiappah	14/15
Lim Beng Jin	15/15
Dr Surindar Singh Jeswant Singh	12/15
Loke Wai Mun	15/15
Tommy Chin Kean Neap	13/15
Hildah Lee Hung Fong	14/15
Sailendra Kanagasundram	13/15
Amuthambigai Tharmarajah	12/15

Finance

At the last Annual General Meeting, the Audited Financial Statements of the Club for the Financial Year ended 30 June 2017 together with the Report of the Auditors were not ready to be presented to the members. As such, the first task of this General Committee was to work with the Auditors to complete the Audited Accounts as soon as possible. This was accomplished by 28 February 2018 and an Adjourned Annual General Meeting was held on 25 March 2018 to pass the Audited Financial Statements of the Club for the Financial Year ended 30 June 2017 together with the Report of the Auditors.

After 4 years of Qualified Opinion of the Auditors and 1 year of Disclaimed Opinion of the Auditors, we are happy to report that the Auditors Report for 30 June 2018 is without any qualification, and the results of the operations have shown a vast improvement:

	2018	2017
	RM	RM
Operating Income	10,651,474	10,250,924
Other Income	1,062,685	671,669
	<hr/>	<hr/>
	11,714,159	10,922,593
Operating Expenditure without Depreciation	(11,917,812)	(14,475,840)
	<hr/>	<hr/>
Deficit before Depreciation & Taxation	(200,653)	(3,553,247)
Taxation	(288,197)	(203,160)
	<hr/>	<hr/>
Deficit after Taxation	<u>(488,850)</u>	<u>(3,756,407)</u>

The above deficit includes the provision made for the Gaming Tax of RM259,645 (2017 : RM372,644) which is under appeal to the Ministry of Finance and excludes Depreciation of RM1,672,875 (2017 : RM1,838,691) which is a non-cash expenditure.



Report of the General Committee 2017/2018 (continued)

When this General Committee took Office in Mid-December 2017, the Monthly Accounts were 6 months behind time. Therefore the next task was to bring the Monthly Accounts up-to date which we succeeded by May 2018. With the Accounts up-to-date, we now have a clearer picture of our financial standing and where we are heading.

Furthermore, last year's Audit Committee's Report stated that based on the last few years' losses, the Club's funds can only sustain the operations for another 2 to 3 years. As such, this year's General Committee had no choice but to implement very strict monitoring and control, and prioritize the expenditures to reduce the losses and to refill our coffers for future operations. In respect of this, we not only did not withdraw any money from the Fixed Deposit Accounts but we placed an additional sum of RM1,300,000 into Fixed Deposit.

Slot Machine Room

The Slot Machine Room's operations have improved resulting in a profit of RM282,843 (2017 : RM113,657). However, after providing for the additional Gaming Tax levied on the Club starting from last year, for which we have appealed to both the Ministry of Finance and the Finance Minister, the results only show a profit of RM23,198 (2017 : Deficit of RM258,987).

This dispute arose from the interpretation of "gross collection" which in the past so many years was interpreted as the net amount earned by the Club after deducting the amounts withdrawn and the winnings of the players. The new interpretation by the Ministry of Finance was that "gross collection" was the amount deposited into the machines without deducting the withdrawals and winnings. After our appeal the Ministry of Finance has agreed that we calculate the Gaming Tax after the withdrawals but not the winnings with effect from July 2018.

Very much now hinges on the success of our appeal to the Ministry of Finance. Otherwise, the Club will have great difficulty in earning profits from the Slot Machines.

Membership

During the year 238 members were admitted to the Club of whom 90 of them are still serving their temporary membership. The Club had also extended its hospitality to Head of Foreign Missions and welcomed the Ambassadors and High Commissioners from Brunei Darussalam, Bangladesh, India and the Republic of Egypt as well as the UN Resident Coordinator.

During this period, the Club had also established a new reciprocal arrangement with the MIG Cricket Club located in Mumbai, India.

Food & Beverage Operations

Other than Finance, the Food and Beverage Operations continue to be the biggest challenge to this General Committee. It is no longer easy to find and maintain good Operators for the Poolside Stalls and Caterers who are willing to abide by our Rules and our requirements on pricing which would be acceptable to the members, now that there are an abundance of opportunities for them to find a place to operate in the Klang Valley. When this General Committee took Office in Mid-December last year, a few Poolside stalls were without Operators. Nevertheless, we have managed to fill all the stalls including the Japanese Food Corner and shown an improved earnings from the Food & Beverages operations of RM3,800,521 (2017 : RM3,493,128).

House & Grounds

Maintenance and repairs of our buildings, machinery and equipment, most of which are about 30 or more years can be problematic because despite regular maintenance, they can still break down with age. However, the Sub-Committee and the staff have been able to overcome all the problems and we have had no issues with the Fire, Safety and Health Authorities during our tenure.



Report of the General Committee 2017/2018 (continued)

Human Resources

We have successfully concluded the Collective Agreement with the Club Employees Union of Peninsular Malaysia and the agreement would be signed soon.

Some of us have spent a lot of time sieving through the applicants and interviewing them for the various Managerial and Executive positions. We took a bit more time in this as we only wanted to employ those who have the correct knowledge and experience for the respective positions. To this end we have employed an Accounts Manager, Sports & Recreation Manager and a Senior Human Resources Executive. For the remaining positions, we have re-advertised and since our term is coming to an end, in a few weeks, we will leave it to the next General Committee to pick their choice candidates.

Library & Publications

The Main Library and the Children Library was run as in the past with lots of activities for the children in the Children Library on many Saturdays. The publication of the club's Bi-Monthly Newsletter was done in-house thus saving some money on the design cost. By using the website and electronic mail to disseminate the Newsletter whilst printing a small quantity for those who wanted a printed copy, there was savings in cost of printing, stationery and postages.

Information Technology

The Information Technology Sub-Committee worked closely with the other sections and departments to assist them and to keep members informed of the weekly events and promotions through the weekly blasts to members by email.

Sports & Recreation

The various sports and recreation activities have continued as in the past. During the Merdeka weekend we have revived the Merdeka Snooker Invitational Tournament and the Merdeka Darts Invitational Tournament which was well participated and successfully held. For this we must acknowledge the time and efforts put in by the various Chairmen, Convenors, Sub-Committee members and Organising Committee members of the various sports and recreation sections to see through the various events during the year.

Special Functions Sub-Committee

Since there is a House appointed Legal Committee handling the on-going litigation with a legal firm, this year the Special Functions Sub-Committee was tasked to concentrate on studying the various reports prepared in the past by the various consultants and the Audit Committee and make recommendations to the General Committee on the actions to be taken for the betterment of the club.

Thank you

On behalf of all the members of the General Committee 2017/2018, I would like to thank all the members, especially the members who have volunteered to serve on the various Sub-Committees, who have in one way or another given us your assistance, support and advice during our term.

There were more we could have done but the constraint of time and the lack of money have prevented us from carrying them out. Nevertheless, all sections of the Club are running well, though not perfect. We wish the members of the next General Committee all the best and look forward to them bringing the club to a higher level.

Chiam Tow Loon, Patrick
President, 2017/2018