

JURONG COUNTRY CLUB
FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2017

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Chartered Accountants of Singapore

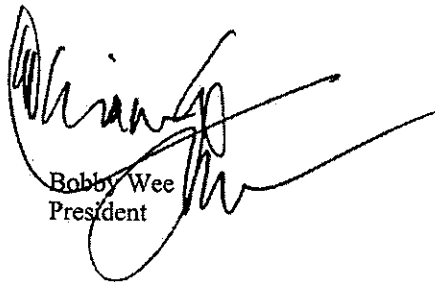
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JURONG COUNTRY CLUB

STATEMENT BY THE GENERAL COMMITTEE

On behalf of the General Committee, we do hereby state that in our opinion, the financial statements of Jurong Country Club (the "Club") as set out on pages 5 to 20 are properly drawn up in accordance with the Societies Act, Chapter 311 and Financial Reporting Standards in Singapore so as to give a true and fair view of the financial position of the Club as at 31 December 2017, and of its financial performance, changes in funds and cash flows of the Club for the financial year ended on that date.

On behalf of the General Committee,



Bobby Wee
President



Chuah Yak Ngi
Treasurer

14 MAR 2018



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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JURONG COUNTRY CLUB

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Jurong Country Club (the "Club") as set out on pages 5 to 20, which comprise the statement of financial position as at 31 December 2017, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the Societies Act, Chapter 311 (the "Societies Act") and Financial Reporting Standards in Singapore ("FRSs") so as to present fairly, in all material respects, the financial position of the Club as at 31 December 2017 and of the financial performance, changes in equity and cash flows of the Club for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Club in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(a) in the financial statements, which discloses that the Club ceased its operations. In view of this, the financial statements were prepared on a non-going concern basis. All material assets in the statement of financial position were stated at lower of carrying amount and fair value less costs to sell. Our opinion is not modified in respect of this matter.

Other Information

The General Committee is responsible for the other information. The other information comprises the information included in the Statement by the General Committee as set out on page 1, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
JURONG COUNTRY CLUB (cont'd)**

Report on the Audit of the Financial Statements (cont'd)

Responsibilities of the General Committee and Those Charged with Governance for the Financial Statements

The General Committee is responsible for the preparation and fair presentation of these financial statements in accordance with the Societies Act and FRSs, and for such internal control as the General Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, General Committee is responsible for assessing the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Club or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Club's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Club's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by General Committee.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
JURONG COUNTRY CLUB (cont'd)**

Report on the Audit of the Financial Statements (cont'd)

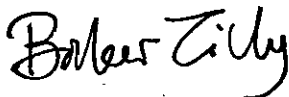
Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Conclude on the appropriateness of General Committee's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Societies Regulations enacted under the Societies Act to be kept by the Club have been properly kept in accordance with those regulations.



Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

14 March 2018

JURONG COUNTRY CLUB

STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2017

	Note	Accumulated fund \$	Restricted fund \$	2017 \$	2016 \$
Operating revenue					
Golfing income		–	–	–	3,974,665
Jackpot collections net of tax and claims	3	–	–	–	529,321
Members' subscriptions		–	–	–	3,619,969
Rental income		–	–	–	957,286
Miscellaneous income	4	256,988	–	256,988	941,959
		256,988	–	256,988	10,023,200
Less operating expenses					
Maintenance of golf course		–	–	–	641,551
Maintenance of clubhouse		46,879	–	46,879	686,231
Maintenance of equipment		5,650	–	5,650	263,524
Staff costs		204,694	–	204,694	4,283,175
CPF contributions		55,586	–	55,586	465,499
Water, gas and electricity		101,017	–	101,017	541,634
Property tax		60,100	–	60,100	721,200
Miscellaneous expenses	5	851,403	–	851,403	1,282,802
		1,325,329	–	1,325,329	8,885,616
(Loss)/gain from operations		(1,068,341)	–	(1,068,341)	1,137,584
Other revenue					
Entrance fees		–	–	–	336,310
Transfer fees		–	–	–	9,000
Other membership fees		–	–	–	50,226
Compensation from SLA	16	–	89,800,000	89,800,000	–
Interest income		–	321,766	321,766	98
		–	90,121,766	90,121,766	395,634
Less other expenses					
Expenditure relating to land acquisition	6	797,027	–	797,027	2,593,066
Loss on property, plant and equipment written/disposed off		42,297,902	–	42,297,902	520,080
		43,094,929	–	43,094,929	3,113,146
(Loss)/surplus before tax		(44,163,270)	90,121,766	45,958,496	(1,579,928)
Tax expense	7	(672)	–	(672)	(159,297)
Net (loss)/income for the year, and total comprehensive (loss)/income for the financial year		(44,163,942)	90,121,766	45,957,824	(1,739,225)

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

JURONG COUNTRY CLUB

STATEMENT OF FINANCIAL POSITION

At 31 December 2017

	Note	2017 \$	2016 \$
Current assets			
Property, plant and equipment	8	–	42,330,189
Amounts owing by members	9	–	667,884
Other receivables	10	2,300	674,028
Cash and cash equivalents	11	2,772,060	38,048,425
		2,774,360	81,720,526
Current liabilities			
Trade payables		10,454	581,351
Other payables	12	211,938	3,676,274
Amount due to members - LA	13	–	31,210,009
Compensation earmarked for contingency expenditure	14	–	5,000,000
Provision for compensation	15	400,000	–
Tax payable	7	–	161,870
		622,392	40,629,504
Net assets		2,151,968	41,091,022
Funds			
Accumulated fund		(553,920)	41,091,022
Restricted fund - Members	16	2,705,888	–
		2,151,968	41,091,022

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

JURONG COUNTRY CLUB

STATEMENT OF CHANGES IN ACCUMULATED FUND For the financial year ended 31 December 2017

	Accumulated Fund \$	Restricted Fund \$	Total \$
Balance at 1.1.2016	42,830,247	–	42,830,247
Total comprehensive loss for the financial year	(1,739,225)	–	(1,739,225)
Balance at 31.12.2016	41,091,022	–	41,091,022
Total comprehensive (loss)/income for the financial year	(44,163,942)	90,121,766	45,957,824
Compensation paid out to members	–	(84,896,878)	(84,896,878)
Transfer of fund (Note 16)	2,519,000	(2,519,000)	–
Balance at 31.12.2017	(553,920)	2,705,888	2,151,968

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

JURONG COUNTRY CLUB

STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2017

	2017 \$	2016 \$
Cash flows from operating activities		
Surplus/(loss) before tax	45,958,496	(1,579,928)
Adjustments for:		
Interest income	–	(98)
Loss on property, plant and equipment written/disposed off	42,297,902	520,080
Net operating surplus/(deficit) before changes in working capital	88,256,398	(1,059,946)
Change in amounts owing by members	667,884	528,685
Change in other receivables	671,728	(214,711)
Change in trade payables	(570,897)	97,183
Change in other payables	(3,464,336)	442,192
Change in provision for compensation	400,000	–
Cash generated from/(used in) operations	85,960,777	(206,597)
Tax paid	(162,542)	(205,052)
Net cash generated from/(used in) operating activities	85,798,235	(411,649)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	32,287	567,273
Interest received	–	98
Net cash generated from investing activities	32,287	567,371
Cash flows from financing activities		
Amount due to members	(36,210,009)	36,210,009
Compensation paid out	(84,896,878)	–
Net cash (used in)/generated from financing activities	(121,106,887)	36,210,009
Net (decrease)/increase in cash and cash equivalents	(35,276,365)	36,365,731
Cash and cash equivalents at beginning of financial year	38,048,425	1,682,694
Cash and cash equivalents at end of financial year	2,772,060	38,048,425

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

JURONG COUNTRY CLUB

NOTES TO THE FINANCIAL STATEMENTS For the financial year ended 31 December 2017

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General

The Club is registered in the Republic of Singapore under the Singapore Societies Act. The address of the Club's registered office is at 333 North Bridge Road, #08-00, KH KEA Building, Singapore 188721.

The Club is established principally to provide facilities for golf and other social activities for its members. The Club has ceased operations during the financial year.

2. Summary of significant accounting policies

a) Going concern

In 2015, the Club was notified that its land would be acquired by Singapore Land Authority ("SLA") for the construction of High Speed Rail terminus project and the Club needs to hand over the land by 1 February 2017. The Club ceased its operations on 31 December 2016. In view of this, the financial statements of the Club were prepared on a non-going concern basis. All material assets in the statement of financial position were stated at lower of carrying values and fair value less costs to sell.

b) Basis of preparation

The financial statements presented in Singapore dollar (\$), which is the Club's functional currency, are prepared in accordance with the Societies Act, Chapter 311 and Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared on non-going concern basis.

The preparation of financial statements in conformity with FRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. There were no significant judgments and estimates made during the financial year.

The carrying amounts of cash and cash equivalents, amounts owing by members, other receivables and trade and other payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

New and revised standards

In the current financial year, the Club has adopted all the new and revised FRSs and Interpretations of FRSs ("INT FRSs") that are relevant to its operations and effective for the current financial year. The adoption of these new/revised FRSs and INT FRSs did not have any material effect on the financial statements.

2. Summary of significant accounting policies (cont'd)

b) Basis of preparation (cont'd)

New and revised standards (cont'd)

New standards, amendments to standards and interpretations that have been issued at the reporting date but are not yet effective for the financial year ended 31 December 2017 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Club.

c) Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services, net of goods and services tax, rebates and discounts. Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the entity, and the amount of revenue and related cost can be reliably measured.

Revenue from golfing and other social and recreational activities are recognised when the services are rendered.

Revenue from fruit machines are recognised upon collection of cash less claims paid and duties payable.

Subscriptions from Club members are recognised when fees billed are due for payments.

Rental income from operating lease are recognised on an accrual basis over the term of tenancy.

Entrance fees and conversion fees from Club members are recognised upon the effective date of the membership or conversion of membership, respectively. However, where an instalment plan for payment of fees is taken up by the Club member, the fees are recognised to the extent that such instalments become payable.

Interest income is recognised on a time proportion basis using the effective interest method.

d) Property, plant and equipment

Property, plant and equipment were stated at cost or amount less accumulated depreciation and any impairment in value.

Depreciation was calculated on a straight line basis to allocate the depreciable amount of property, plant and equipment over their expected useful lives.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each reporting date. The effects of any revision are recognised in profit or loss when the changes arise.

On disposal of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

2. Summary of significant accounting policies (cont'd)

d) Property, plant and equipment (cont'd)

Capital project work-in-progress are carried at cost, less any recognised impairment loss until construction or development is completed. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Club's accounting policies. Depreciation of these assets, commences when the assets are ready for their intended use.

e) Impairment of non-financial assets

Non-financial assets are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in profit or loss.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recorded in income. However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for that asset in prior years.

f) Operating leases

Leases where the Club is lessor and retains substantially all the risks and rewards incidental to ownership of the asset are classified as operating leases. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

g) Taxation

The Club's revenue from its principal activities is exempt from income tax under Section 11(1) of the Income Tax Act because more than half of its gross revenue is received from members.

Current tax is the expected tax payable on the Club's rental income, car park income, sundry income and interest income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or recoverable in respect of previous years. Income tax is recognised in profit or loss except to the extent that it relates to items recognised directly to other comprehensive income, in which case it is recognised in other comprehensive income.

h) Financial assets

The Club's only financial assets are loans and receivables which comprise of amounts owing by members, other receivables (excluding prepayments) and cash and cash equivalents on the statement of financial position.

Loans and receivables are stated at subsequently realised values, if known, otherwise, they are stated at estimated realisable value.

i) Cash and cash equivalents

Cash and bank balances comprise cash on hand and demand deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and exclude deposit held in trust.

2. Summary of significant accounting policies (cont'd)

j) Financial liabilities

Financial liabilities include trade and other payables. Financial liabilities are recognised on the statement of financial position when, and only when, the Club becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

k) Provisions for other liabilities

Provisions are recognised when the Club has a present legal or constructive obligation as a result of past event, and it is probable that an outflow of economic resources will be required to settle that obligation and the amount can be estimated reliably. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the reporting date. Where the effect of the time value of money is material, the amount of the provision shall be discounted to present value using a pre-tax discount rate that reflects the current market assessment of the time value of money and risks specific to the obligation.

When discounting is used, the increase in the provision due to passage of time is recognised as a finance cost in profit or loss.

l) Employees' benefits

Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Club pays fixed contributions into separate entities such as the Central Provident Fund, and will have no legal or constructive obligation to pay further contributions once the contributions have been paid. Contributions to defined contribution plans are recognised as an expense in the period in which the related service is performed.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange of these benefits. The Club recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees accordingly to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

m) Funds

Income and expenditure relating to the funds specifically set up are taken directly to these funds. All other income and expenditure are reflected in profit or loss in Accumulated Fund.

3. Jackpot collections net of tax and claims

Jackpot collections are recognised upon collecting of cash less claims paid and duties payable.

No profits were accrued to any individual person from the operation of the fruit machines except by way of payouts to winners, and there was no payment of commission either in money or money's-worth including by way of free tickets or chances in respect of the sales of tickets or chances.

4. Miscellaneous income

	2017	2016
	\$	\$
Activities' income	–	106,108
Advertisement and sponsorship income	–	7,900
Car park income	–	136,215
Government grants	115,337	243,198
Late payment charges	–	8,700
Minimum spending levy	–	4,044
Social and recreational facilities charges	–	56,602
Sundry income	141,651	252,195
Tuition fees	–	126,997
	256,988	941,959

5. Miscellaneous expenses

	2017	2016
	\$	\$
Activities' expenses	–	344,682
Accounting Fees	14,400	–
Advertisement and promotion	1,156	22,907
Affiliation and subscription fees	817	23,544
Allowance for doubtful receivables (Note 9)	–	78
Audit fees (Internal and External)	10,240	46,960
Bank charges	9,882	–
Credit card/Nets commission	1,294	33,786
Entertainment	–	4,006
Fixed asset expensed off	–	511
Instructors' fees	–	104,677
Insurance	50,869	55,002
Licenses	3,881	32,475
Accrual for contingent liability	400,000	–
Printing and stationery	30,768	67,872
Professional fees	207,057	97,643
Postage and despatch expenses	3,688	30,461
Receptions and refreshments	39,125	50,140
Rental of office space/equipments	20,097	–
Security services	22,559	149,112
Sundry expenses	23,210	74,989
Tax fees	–	5,000
Telecommunication charges	11,133	65,383
Transport	1,227	20,847
Toiletries & laundry	–	52,727
	851,403	1,282,802

6. Expenditure relating to land acquisition

	2017	2016
	\$	\$
Professional fees	169,328	615,986
Retrenchment benefits	561,352	1,974,344
Others	66,347	2,736
	797,027	2,593,066

7. Tax expense

	2017	2016
	\$	\$
Current income tax	–	161,870
Under/(over) provision in prior year	672	(2,573)
	672	159,297

The provision for tax is made for rental income, carpark income, sundry income and interest income. The Club's revenue from its principal activities is exempt from income tax under Section 11(1) of the Income Tax Act.

Reconciliation between tax expense and taxable income:

	2017	2016
	\$	\$
Assessable income	–	1,104,676
Tax at tax rate of 17%	–	187,795
Partial tax exemption	–	(25,925)
Under/(over) provision in prior year	672	(2,573)
	672	159,297

Movements in tax payable:

	2017	2016
	\$	\$
Balance at beginning of year	161,870	207,625
Income tax paid	(162,542)	(205,052)
Provision made during the year	–	161,870
Under/(over) provision in prior year	672	(2,573)
Balance at end of year	–	161,870

8. Property, plant and equipment

	Leasehold land and buildings, landscape and carpark \$	Plant, equipment, furniture and fittings \$	Total \$
2017			
Cost			
At 1.1.2017	57,127,263	6,698,728	63,825,991
Write off/Disposal	(57,127,263)	(6,698,728)	(63,825,991)
At 31.12.2017	–	–	–
Accumulated depreciation			
At 1.1.2017	16,056,757	5,439,045	21,495,802
Write off/Disposal	(16,056,757)	(5,439,045)	(21,495,802)
At 31.12.2017	–	–	–
Carrying amount			
At 31.12.2017	–	–	–
2016			
Cost			
At 1.1.2016	57,127,263	10,702,859	67,830,122
Write off/Disposal	–	(4,004,131)	(4,004,131)
At 31.12.2016	57,127,263	6,698,728	63,825,991
Accumulated depreciation			
At 1.1.2016	16,056,757	8,355,823	24,412,580
Write off/Disposal	–	(2,916,778)	(2,916,778)
At 31.12.2016	16,056,757	5,439,045	21,495,802
Carrying amount			
At 31.12.2016	41,070,506	1,259,683	42,330,189

8. Property, plant and equipment (cont'd)

In 2015, the Club was notified that its land will be acquired by Singapore Land Authority for the construction of High Speed Rail terminus project. The Club needs to hand over the land by 1 February 2017. In view of this, the Club has ceased depreciating its property, plant and equipment from May 2015 onwards in accordance with Financial Reporting Standard No. 105 Non-current Assets Held for Sale and Discontinued Operations. The Club was informed by Singapore Land Authority that it would be compensated an amount of \$89,800,000 under the Land Acquisition Act.

9. Amounts owing by members

	2017 \$	2016 \$
Amounts owing by members	2,080	541,330
Less: Allowance for doubtful debts		
At beginning of the year	4,248	7,659
Allowance made (Note 5)	–	78
Written off against allowance	(4,248)	(3,489)
At end of the year	–	4,248
Entrance/conversion fees receivables	–	537,082
	–	130,802
	–	667,884

10. Other receivables

	2017 \$	2016 \$
Receivables from golfing, banquet, advertising sales, disposal of property, plant and equipment and others	–	489,988
Deposits	300	153,054
Prepayments	2,000	30,986
	2,300	674,028

11. Cash and cash equivalents

	2017 \$	2016 \$
Fixed deposits	2,479,202	34,282,305
Bank and cash balances	292,858	3,766,120
	2,772,060	38,048,425

The average interest rates on the fixed deposits is 0.40% (2016: 0.40%) per annum and mature within 1 month (2016: 1 month) after the reporting date. In 2016, included in fixed deposits and bank balance are amount of \$36,210,009 received from SLA being partial payment for the acquisition of its land and fixed deposits income earned.

12. Other payables

	2017	2016
	\$	\$
Accrued operating expenses	97,965	177,053
Accrued staff costs	–	1,963,862
Accrued utilities charges	–	62,438
Accrued unutilised leave	–	47,003
CPF payable	–	66,184
Deposits from club members	21,074	947,600
Payable in respect of purchase of property, plant and equipment	38,520	38,520
Sundry payables	54,379	297,467
Tender deposits	–	1,000
Unearned revenue	–	75,147
	211,938	3,676,274

13. Amount due to members - LA

In 2016, the Club has received partial payment of \$35,920,000 from SLA of which \$5mil was set aside for payment of staff compensation and retention package and all other expenses of the Club. Interest earned relating to the receipt from SLA is recorded in this account. In 2017, upon ceasing of operations and handover of Club premises to SLA, this amount is realised into Statement of Comprehensive Income under restricted fund.

14. Compensation earmarked for contingency

In 2016, this represent \$5 million set aside from the partial compensation received from SLA. In 2017, upon ceasing of operations and handover of Club premises to SLA, this amount is realised into Statement of Comprehensive Income under restricted fund.

15. Provision for compensation

The Club was informed by Central Provident Fund (“CPF”) that an ex-independent contractor had lodged a complaint that the club did not contribute his CPF. The CPF Board has assessed the required contributions and late payment interest to be approximately \$400,000. The Club is vigorously contesting this case, and as at the date of the financial statements, the outcome of the case is not known.

16. Restricted fund - Members

This fund consist of compensation received from SLA and to be paid out to members of the Club. Included in the fund is \$5 million set aside for contingency expenditure as approved by the members in 2016. In 2017, \$2,519,000 has been drawn down from this contingency expenditure and this is recorded as a transfer from restricted fund to Accumulated Fund.

As at 31 December 2017, breakdown of \$2,705,888 is as follows:

	\$
Remaining balance for contingency expenditure	2,481,000
Compensation payable to members	216,009
Interest income	8,879
	2,705,888

17. Financial instruments

(a) Categories of financial instruments

The financial instruments at their carrying amounts at the reporting date are:

	2017	2016
	\$	\$
<i>Financial assets</i>		
Amount owing by members	–	667,884
Other receivables	300	643,042
Cash and cash equivalents	2,772,060	38,048,425
	2,772,360	39,359,351
<i>Financial liabilities</i>		
Trade payables	10,454	581,351
Other payables	211,938	34,764,133
Provision for compensation	400,000	–
	622,392	35,345,484

(b) Financial risk management

The Club is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include credit risks, liquidity risk and interest rate risk. The General Committee reviews and agrees policies and procedures for the management of these risks, which are executed by Finance Manager. It is, and has been throughout the current and previous financial year the Club's policy that no derivatives shall be undertaken except for the use as hedging instruments where appropriate and cost-efficient. The Club does not apply hedge accounting.

The following sections provide details regarding the Club's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

Credit risk

The Club's maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at 31 December 2017, in relation to each class of recognised financial assets, is the carrying amount of those assets as indicated in the statement of financial position, and is generally limited to the amounts, if any, by which the counterparty's obligations exceed the obligations of the Club.

Financial assets that are neither past due nor impaired

Cash and cash equivalents that are neither past due nor impaired are placed with reputable financial institutions with high credit ratings and no history of default.

Financial assets that are past due but not impaired

There is no other class of financial assets that is past due and/or impaired except for amounts owing by members.

17. Financial instruments (cont'd)

(b) Financial risk management (cont'd)

Credit risk (cont'd)

Financial assets that are past due but not impaired (cont'd)

The aged analysis of amounts owing by members past due but not impaired is as follows:

	2017 \$	2016 \$
Past due 0 - 30 days	-	2,480
Past due 31 - 60 days	-	696
Past due 61 - 90 days	-	471
Past due more than 91 days	-	4,011
	-	7,658

Financial assets that are past due and impaired

Amount owing by members that are past due and impaired amounted to \$nil (2016: \$4,248).

Liquidity risk

Liquidity risk is the risk that the Club will encounter difficulty in meeting financial obligations due to shortage of funds. The Club's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Club's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

Interest rate risk

Interest-bearing financial assets of the Club is fixed deposit. Any future variation in interest rates will not have a material impact on the results of the Club since interest on fixed deposit is not significant as disclosed in Note 11.

The Club does not have any interest-bearing financial liabilities.

(c) Offsetting financial assets and financial liabilities

The Club rents out its premise and receives rental income and this will be recorded as receivables in the Club's book. The member of the Club will spend at the restaurant and charge to their account and this will be recorded as a payable in the Club's books.

The Club's receivables and payables that are off-set are as followings:

	Gross carrying amounts \$	Gross amounts offset in the balance sheet \$	Net amounts in the balance sheet \$
31 December 2016			
Other receivables	690,486	(16,457)	674,029
Trade payables	(597,808)	16,457	(581,351)

17. Financial instruments (cont'd)

(d) Fair values

The carrying amounts of cash and cash equivalents, other receivables, amounts owing by members, trade and other payables approximate their fair values owing to the short term maturity of these financial instruments.

18. Fund management

The Club's objectives when managing its funds are to safeguard and to maintain adequate working capital to pay its debts as and when due (Note 2(a)).

19. Authorisation of financial statements

The financial statements of the Club for the financial year ended 31 December 2017 were authorised for issue by the General Committee at their meeting held on 14 March 2018.