

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

**REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED
31ST DECEMBER 2014**

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Reg. No.
DBKL MC 153/2008

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

STATEMENT BY COUNCIL MEMBERS

In the opinion of the Council Members, the financial statements set out on pages 4 to 13 are properly drawn up in accordance with Private Entities Reporting Standards in Malaysia so as to give a true and fair view of the state of affairs of the financial position of **Perbadanan Pengurusan Vista Komanwel B** as at **31st December 2014** and of the results of its operations and cash flows for the financial year ended on that date.

Signed on behalf of the Council Members:



CHOW YUE WING
Chairman



YEW KOK ONN, JOHNY
Treasurer

Date : **12 JUN 2015**

Kuala Lumpur

INDEPENDENT AUDITORS' REPORT TO THE COUNCIL MEMBERS OF

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

31ST DECEMBER 2014

Report on the Financial Statements

We have audited the financial statements of **Perbadanan Pengurusan Vista Komanwel B** which comprises the balance sheet as at **31st December 2014**, and the income statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 4 to 13.

Council Members' Responsibility for the Financial Statements

The Council Members of the of Perbadanan Pengurusan Vista Komanwel B are responsible for the preparation and fair presentation of these financial statements in accordance with Private Entity Reporting Standards in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 whether the financial statements are 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 Perbadanan Pengurusan Vista Komanwel B 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 of Perbadanan Pengurusan Vista Komanwel B internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as 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.

(cont'd)

INDEPENDENT AUDITORS' REPORT TO THE COUNCIL MEMBERS OF

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

31ST DECEMBER 2014


Opinion


We were unable to perform proper test and procedures as well as obtaining a written confirmation on the debt claimed by Perbadanan Pengurusan Vista Komanwel B (during the period managed by Vistajati Holdings Sdn. Bhd.) amounting to RM 336,599.58 as at 31st December 2014 which is included under other receivables, deposits, and prepayments of RM 400,412.

In our opinion, except for the effects of such adjustments, if any as might have been determined to be necessary had we able to satisfy ourselves by conducting a proper test and procedures as well as obtaining a written confirmation on the debt claimed by Perbadanan Pengurusan Vista Komanwel B (during the period managed by Vistajati Holdings Sdn. Bhd.) amounting to RM 336,599.58, the financial statements for the year ended 31st December 2014 have been properly drawn up in accordance with the accounting policies therein.

Other Matters

This report is made solely to the Council Members of the **Perbadanan Pengurusan Vista Komanwel B** and for no other purpose. We do not assume responsibility towards any other person for the content of this report.


DOUGLAS LOH & ASSOCIATES
Firm Number: AF-0919
Chartered Accountants


LOH/YOON MING
Approval Number: 1425/10/15(J)
Chartered Accountants

Kuala Lumpur

Date: **12 JUN 2015**

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

BALANCE SHEET AS AT 31ST DECEMBER 2014

	NOTE	2014 RM	2013 RM
Property, plant and equipment	4	435,045	546,612
Current assets			
Amount due from owners	5	65,577	165,935
Other receivables, deposits and prepayments		400,412	379,399
Fixed deposits with licensed bank	6	757,701	50,000
Cash and bank balances	7	383,345	1,144,284
		<hr/>	<hr/>
		1,607,035	1,739,618
		<hr/>	<hr/>
Current liabilities			
Trade payables	8	117,086	114,055
Other payables and accruals		1,161,539	1,527,953
		<hr/>	<hr/>
		1,278,625	1,642,008
		<hr/>	<hr/>
Net current assets		328,410	97,610
		<hr/>	<hr/>
Net assets		763,455	644,222
		<hr/>	<hr/>
Financed by:			
Accumulated surplus		645,091	697,302
Sinking fund	9	118,364	(53,080)
		<hr/>	<hr/>
		763,455	644,222
		<hr/>	<hr/>

(The accompanying notes form an integral part of the financial statements.)

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

STATEMENT OF INCOME AND EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2014

	2014	2013
	RM	RM
Income		
Service charges	1,721,758	1,464,594
Water recoverable	316,403	290,205
Insurance	76,577	60,077
Interest on late payment	395	10,178
Interest on fixed deposit	7,701	15,409
Rental income	30,767	36,266
Quit rent recoverable	7,949	8,358
Other income	24,170	116,677
	<hr/>	<hr/>
	2,185,720	2,001,764
Expenditures	<hr/>	<hr/>
	(2,237,931)	(2,107,746)
Net deficit for the financial year	<hr/>	<hr/>
	(52,211)	(105,982)
Accumulated surplus brought forward	<hr/>	<hr/>
	697,302	803,284
Accumulated surplus carried forward	<hr/>	<hr/>
	645,091	697,302

(The accompanying notes form an integral part of the financial statements.)

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

SCHEDULE OF EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2014

	2014	2013
	RM	RM
Administration		
AGM expenses	3,312	1,750
Allowance	7,900	10,500
Audit fee	3,000	2,900
Bank charges	20,669	16,895
Car sticker	3,990	4,260
Consultation fee	-	12,190
Copier rental charges	3,271	2,432
Depreciation of property, plant and equipment	163,682	152,234
Legal fees	500	477
License fee	5,580	7,020
Management fee	96,000	96,000
Miscellaneous expenses	1,650	2,603
Postage and courier charges	2,833	3,492
Printing and stationery	6,572	8,627
Professional fee	3,000	-
Service tax	-	240
Staff salary	186,000	183,000
Staff welfare and refreshment	1,761	886
Travelling	44	382
	<hr/>	<hr/>
	509,764	505,888
	<hr/>	<hr/>
Utilities		
Electricity	301,848	286,789
Telephone and fax charges	2,774	3,963
Water charges	353,132	236,629
	<hr/>	<hr/>
	657,754	527,381
	<hr/>	<hr/>
Contractual services		
Cleaning and polishing	174,791	168,153
Electrical and mechanical	3,000	3,000
Fire fighting services	9,000	9,000
Landscape	22,800	21,600
Lift maintenance	100,200	108,444
Pest control	8,000	6,950
Security	407,364	376,996
Swimming pool maintenance	14,400	14,400
	<hr/>	<hr/>
	739,555	708,543
	<hr/>	<hr/>

(The accompanying notes form an integral part of the financial statements.)

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

SCHEDULE OF EXPENDITURE
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2014 (CONT'D)

	2014	2013
	RM	RM
Non-contractual services		
Fire preventive maintenance	8,295	13,480
General repair and maintenance	190,376	247,522
Intercom system	-	1,175
Leach bin	-	1,920
Purchase hardware tools	41,269	14,932
Refuse collection	3,100	2,000
Signage	580	5,440
	<hr/>	<hr/>
	243,620	286,469
	<hr/>	<hr/>
Fixed expenses		
Insurance	78,892	71,536
Quit rent	8,346	7,929
	<hr/>	<hr/>
	87,238	79,465
	<hr/>	<hr/>
Total expenditures	<u>2,237,931</u>	<u>2,107,746</u>

(The accompanying notes form an integral part of the financial statements.)

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 31ST DECEMBER 2014

	2014	2013
	RM	RM
Cash flows from operating activities		
Net deficit	(52,211)	(105,982)
Adjustments for:		
Depreciation of property, plant and equipment	163,682	152,234
	<hr/>	<hr/>
Operating surplus before changes in working capital	111,471	46,252
Sinking fund	171,444	(735,792)
Change in amount due from owners	100,358	5,502
Change in other receivables, deposits and prepayments	(21,013)	19,134
Change in other payables and accruals	(363,383)	328,607
	<hr/>	<hr/>
Net cash used in operating activities	(1,123)	(336,297)
	<hr/>	<hr/>
Cash flows from investing activity		
Acquisitions of plant and equipment	(52,115)	(151,137)
	<hr/>	<hr/>
Net cash used in investing activity	(52,115)	(151,137)
	<hr/>	<hr/>
Net decrease in cash and cash equivalents	(53,238)	(487,434)
Cash and cash equivalents as at 1st January	1,194,284	1,681,718
	<hr/>	<hr/>
Cash and cash equivalents as at 31st December	1,141,046	1,194,284
	<hr/> <hr/>	<hr/> <hr/>
CASH AND CASH EQUIVALENTS COMPRISE :		
Fixed deposit with financial institution	757,701	50,000
Cash and bank balances	383,345	1,144,284
	<hr/>	<hr/>
	1,141,046	1,194,284
	<hr/> <hr/>	<hr/> <hr/>

(The accompanying notes form an integral part of the financial statements.)

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER 2014

1. GENERAL INFORMATION

The Management Corporation was established in Malaysia under the Strata Titles Act, 1985 (Act 318) upon the opening of Strata Register Book on 15 April 2009.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Management Corporation have been prepared in accordance with the provision of the Strata Titles Act, 1985 (Act 318) and Approved Accounting Standards in Malaysia.

3. SIGNIFICANT ACCOUNTING POLICIES

i. Basis of Accounting

The financial statements of the Management Corporation are prepared under the historical cost convention.

ii. Property, Plant and Equipment , and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 3(g).

Depreciation of plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

	Rate %
Computer	20
Furniture and fittings	20
Office equipment	20
Computer equipment	20
Electrical and fitting	20
Gate and grill	20
Operating equipment	20
Building and hall	20

Upon the disposal of an item of property, plant or equipment, the difference between the net disposal proceeds and the net carrying amount is recognized in the income statement.

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER 2014

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

iii. Income recognition

- i) **Service charges**
Service charges are created pursuant to Section 45 of the Strata Titles Act, 1985 (Act 318) and accrued on a monthly basis.
- ii) **Interest income**
Interest income is recognized on an accrual basis

iv. Receivables

Receivables are stated at nominal value as reduced by the appropriate allowances for estimated irrecoverable amounts. Allowance for doubtful receivables is made based on estimates of possible losses which may arise from non-collection of certain receivable amounts.

v. Provisions

Provisions are made when there is a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made.

vi. Cash and Cash Equivalents

Cash equivalents include short-term highly liquid investments which are readily convertible to cash without significant risk of changes in value.

vii. Impairment of Assets

At each balance sheet date, the Management Corporation reviews the carrying amounts of its assets to determine whether there is any indication of impairment. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of net selling price and value in use, which is measured by reference to discounted future cash flows.

An impairment loss is recognized as an expense in the income statement immediately, unless the asset is carried at a revalued amount.

viii. Sinking Fund

This represents contributions from owners which shall be utilized solely for the purpose of meeting actual or expected liabilities in respect of, inter alia, painting or repainting, acquisition of suitable assets and equipment, renewal or replacement of any fixtures or fittings, capital equipment, maintenance and improvement of the common property and any other expenditure with respect to any part of the **Vista Komanwel B** or the common property.

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER 2014

4. PROPERTY, PLANT AND EQUIPMENT

At cost	Balance at 1.1.2014 RM	Acquisitions RM	Written off/ Disposal RM	Balance at 31.12.2014 RM
Renovation	136,855	-	-	136,855
Building and hall	254,590	5,515	-	260,105
Furniture and fittings	63,566	40,175	-	103,741
Office equipment	303,703	650	-	304,353
Computer equipment	100,843	-	-	100,843
Gate and grill	16,860	3,350	-	20,210
Operating equipment	64,412	2,425	-	66,837
	<u>940,829</u>	<u>52,115</u>	<u>-</u>	<u>992,944</u>

Accumulated depreciation	Balance at 1.1.2014 RM	Charges RM	Written off/ Disposal RM	Balance at 31.12.2014 RM
Renovation	86,596	17,303	-	103,899
Building and hall	54,161	52,021	-	106,182
Furniture and fittings	22,446	17,466	-	39,912
Office equipment	91,655	59,183	-	150,838
Computer equipment	100,350	300	-	100,650
Gate and grill	6,907	4,042	-	10,949
Operating equipment	32,102	13,367	-	45,469
	<u>394,217</u>	<u>163,682</u>	<u>-</u>	<u>557,899</u>

	Carrying amount		Depreciation	
	2014 RM	2013 RM	2014 RM	2013 RM
Renovation	32,956	50,259	17,303	21,301
Building and hall	153,923	200,429	52,021	50,918
Furniture and fittings	63,829	41,120	17,466	3,613
Office equipment	153,515	212,048	59,183	58,825
Computer equipment	193	493	300	1,019
Gate and grill	9,261	9,953	4,042	3,372
Operating equipment	21,368	32,310	13,367	13,186
	<u>435,045</u>	<u>546,612</u>	<u>163,682</u>	<u>152,234</u>

PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER 2014

5. AMOUNT DUE FROM OWNERS

Amount due from owners represent service charges, quit rent, fire insurance premium and interest on late payment due from the condominium owners.

	2014	2013
	RM	RM
Amount due from owners	101,673	194,902
Less: Unknown deposits	(36,096)	(28,967)
	<hr/>	<hr/>
	65,577	165,935
	<hr/>	<hr/>

6. FIXED DEPOSITS WITH LICENSED BANK

	2014	2013
	RM	RM
As at 1 st January	50,000	1,100,000
Add: Placement during the year	700,000	-
Add: Interest earned during the year	7,701	15,409
Less: Withdrawn during the year	-	(1,065,409)
	<hr/>	<hr/>
As at 31 st December	757,701	50,000
	<hr/>	<hr/>

This account, which represents 10% of the total service charges paid by Owners during the financial year, is maintained for the purpose of setting up a sinking fund by the Perbadanan Pengurusan in respect of covering the costs for the periodic major repairs or replacements of the facilities of the Vista Komanwel B as provided in Strata Title Act 1985.

7. CASH AND CASH EQUIVALENTS

	2014	2013
	RM	RM
Cash in hand	1,973	1,973
Cash at bank	381,372	1,142,311
	<hr/>	<hr/>
As at 31 st December	383,345	1,144,284
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PERBADANAN PENGURUSAN VISTA KOMANWEL B
[Established in Malaysia under Strata Title Act 1985 (Act 318)]

NOTES TO THE FINANCIAL STATEMENTS
31ST DECEMBER 2014

8. OTHER PAYABLES AND ACCRUALS

Trade payables represent charges from service providers for the cleaning, security, and other maintenance services rendered to Vista Komanwel B.

The normal trade credit terms granted range is 30 days.

9. SINKING FUND

	2014	2013
	RM	RM
Balance brought forward	(53,080)	682,712
Add: Contribution by owners during financial year	171,444	145,723
Less: Utilization expenditure	-	(881,515)
	<hr/>	<hr/>
	118,364	(53,080)
	<hr/>	<hr/>

The sinking fund represents funds set aside to meet extraordinary and major expenditure required for the upkeep and maintenance of common property as set out in Section 46 of the Strata Titles Act, 1985 (Act 318). The sinking fund contribution by owners during the financial year is based on 10% of service charges.

10. TAXATION

The provision for taxation has not been provided in the financial statements of Perbadanan Pengurusan Vista Komanwel B as the Executive Committee is in the opinion that the entity would be exempted from taxation.

11. COMPARATIVE FIGURE

Certain comparative figures have been adjusted where necessary in order to conform to the presentation of the financial year.