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**KELAB DARUL EHSAN TRUST FUND**  
(Established under the Trust Deed dated 13 May 1993)

**FINANCIAL STATEMENTS AND REPORTS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**  
(In Ringgit Malaysia)

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**MEA & CO.** (AF 0744)  
Chartered Accountants



A member firm of the Malaysian Institute of Accountants

**KELAB DARUL EHSAN TRUST FUND**  
(Established under the Trust Deed dated 13 May 1993)

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## **KELAB DARUL EHSAN TRUST FUND**

(Established under the Trust Deed dated 13 May 1993)

### **CORPORATE INFORMATION**

- Operator** : KDE Recreation Berhad  
Taman Tun Abdul Razak,  
Jalan Kerja Air Lama,  
68000 Ampang Jaya,  
Selangor Darul Ehsan
- Trustee** : Pacific Trustees Berhad  
Unit A-11-8, 11th Floor, Megan Avenue 1,  
189 Jalan Tun Razak,  
50400 Kuala Lumpur
- Auditors** : Mea & Co.  
208 Block C, Phileo Damansara 1,  
9, Jalan 16/11,  
Off Jalan Damansara,  
46350 Petaling Jaya,  
Selangor Darul Ehsan

**KELAB DARUL EHSAN TRUST FUND**  
(Established under the Trust Deed dated 13 May 1993)

**REPORT BY THE OPERATOR AND TRUSTEE**

The Operator and Trustee of the Kelab Darul Ehsan Trust Fund have pleasure in submitting their report and the audited financial statements of the Trust for the financial year ended 30 June 2022.

**THE TRUST FUND, OPERATOR AND TRUSTEE**

The Trust Fund was constituted pursuant to the execution of a Trust Deed dated 13 May 1993 by the Operator, KDE Recreation Berhad and the former Trustee, Maybank Trustees Berhad and the persons who have acquired Memberships in Kelab Darul Ehsan (KDE).

Pacific Trustees Berhad has been appointed as the new Trustee for the Trust Fund established pursuant to the execution of the Third Supplemental Trust Deed dated 10 December 2008.

The Trustee shall hold on trust all purchase price received from application for membership of "KDE" until the expiry of the cooling-off period, and all contributions by the Operator to the Sinking Fund Account set up for the purposes of defraying costs of major repairs and replacements of the facilities in accordance with the terms of the Trust Deed.

**TRUST ACCOUNT AND SINKING FUND**

The Trust Deed requires a Trust Account established under Clause 11 and a Sinking Fund Account to be established under Clause 12 of the Trust Deed.

On behalf of the Operator,

On behalf of the Trustee,

  
**HEW CHIT KONG**  
Director  
KDE Recreation Berhad

  
**NORDIANA BINTI MANSOR**  
Manager, Corporate Trust  
Pacific Trustees Berhad

Kuala Lumpur  
9 September 2022

**KELAB DARUL EHSAN TRUST FUND**  
(Established under the Trust Deed dated 13 May 1993)

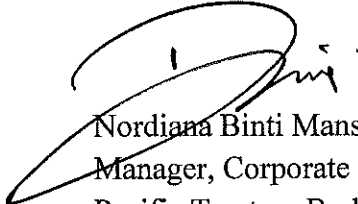
**STATEMENT BY THE OPERATOR AND TRUSTEE**

In the opinion of the Operator and Trustee, the accompanying the financial statements set out on pages 4 to 8 are drawn up in accordance with Fund's significant accounting policies so as to give a true and fair view of the statement of assets and liabilities of Kelab Darul Ehsan Trust Fund as at 30 June 2022 and the statement of income and expenditure and statement of cash flows for the financial year ended on that date.

On behalf of the Operator,

  
Hew Chit Kong  
Director  
KDE Recreation Berhad

On behalf of the Trustee,

  
Nordiana Binti Mansor  
Manager, Corporate Trust  
Pacific Trustees Berhad

Kuala Lumpur  
9 September 2022

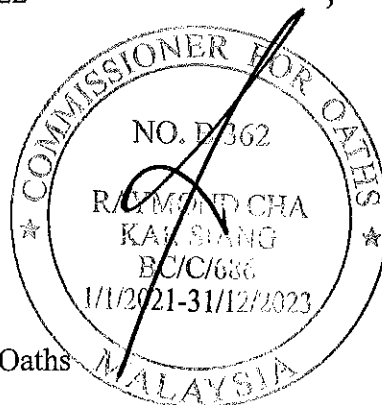
**STATUTORY DECLARATION**

I, Nordiana Binti Mansor, the Officer of the Trustee primarily responsible for the financial management of Kelab Darul Ehsan Trust Fund, do solemnly and sincerely declare that the accompanying financial statements set out on pages 4 to 8 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by  
the abovenamed Nordiana Binti Mansor  
at Petaling Jaya in the state of Selangor  
on 9 September 2022

  
NORDIANA BINTI MANSOR

Before me,



Commissioner for Oaths

Suite 607, 6th Floor,  
Block E, Phileo Damansara 13  
9, Jalan 16/11,  
Off Jalan Damansara,  
46350 Petaling Jaya, Selangor

**KELAB DARUL EHSAN TRUST FUND**  
 (Established under the Trust Deed dated 13 May 1993)

**STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT 30 JUNE 2022**

	Note	2022 RM	2021 RM
<b>CURRENT ASSETS</b>			
Fixed deposits with a licensed bank	4	2,094,934	3,956,452
Cash at bank		<u>102,136</u>	<u>129,023</u>
		<u>2,197,070</u>	<u>4,085,475</u>
<b>CURRENT LIABILITY</b>			
Amount due to manager		<u>200</u>	<u>200</u>
		<u>200</u>	<u>200</u>
<b>Net Current Assets</b>		2,196,870	4,085,275
		<u>2,196,870</u>	<u>4,085,275</u>
<b>REPRESENTED BY:</b>			
<b>FUNDS</b>			
Trust Fund	5	78	78
Sinking Fund	6	<u>2,196,792</u>	<u>4,085,197</u>
		<u>2,196,870</u>	<u>4,085,275</u>

See accompanying Notes to the financial statements

**KELAB DARUL EHSAN TRUST FUND**  
(Established under the Trust Deed dated 13 May 1993)

**STATEMENT OF INCOME AND EXPENDITURE**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

	<b>2022</b>	<b>2021</b>
	<b>RM</b>	<b>RM</b>
<b>INCOME</b>		
Fixed deposits interest	<u>46,870</u>	<u>67,534</u>
	<u>46,870</u>	<u>67,534</u>
Less: <b>EXPENDITURE</b>		
Bank charges	<u>15</u>	<u>50</u>
	<u>15</u>	<u>50</u>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>	<u><u>46,855</u></u>	<u><u>67,484</u></u>

See accompanying Notes to the financial statements

**KELAB DARUL EHSAN TRUST FUND**  
 (Established under the Trust Deed dated 13 May 1993)

**STATEMENT OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

	<b>2022</b>	<b>2021</b>
	<b>RM</b>	<b>RM</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Interest income	46,870	67,534
Contributions received from members	309,700	491,048
Payment of repairs and replacements	(2,244,960)	(380,340)
Payment of bank charges	(15)	(50)
	<u>(1,888,405)</u>	<u>178,192</u>
<b>NET (DECREASE) / INCREASE</b>		
<b>IN CASH AND CASH EQUIVALENTS</b>	<b>(1,888,405)</b>	<b>178,192</b>
Cash and cash equivalents at beginning of financial year	<u>4,085,475</u>	<u>3,907,283</u>
Cash and cash equivalents at end of financial year	<u><u>2,197,070</u></u>	<u><u>4,085,475</u></u>
<b>CASH AND CASH EQUIVALENTS CONSIST OF:</b>		
Fixed deposits with a licensed bank	2,094,934	3,956,452
Cash at bank	102,136	129,023
	<u><u>2,197,070</u></u>	<u><u>4,085,475</u></u>

See accompanying Notes to the financial statements



**KELAB DARUL EHSAN TRUST FUND**  
(Established under the Trust Deed dated 13 May 1993)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 30 JUNE 2022**

**1. GENERAL INFORMATION**

The Trust Fund was constituted pursuant to the execution of a Trust Deed dated 13 May 1993 by the Operator, KDE Recreation Berhad and the former Trustee, Maybank Trustees Berhad and the persons who have acquired Memberships in Kelab Darul Ehsan.

Pacific Trustees Berhad has been appointed as the new Trustee for the Trust Fund established pursuant to the execution of the Third Supplemental Trust Deed dated 10 December 2008.

The Trust Deed requires a Trust Account established under Clause 11 and a Sinking Fund Account to be established under Clause 12 of the Trust Deed.

The Trustee shall hold on trust all purchase price received from application for membership of the timeshare intervals until the expiry of the cooling-off period, and all contributions by the Operator to the Sinking Fund Account set up for the purposes of defraying costs of major repairs and replacements of the facilities in accordance with the terms of the Trust Deed.

**2. BASIS OF PREPARATION**

The financial statements of the Trust Fund have been prepared under the historical cost convention and comply with the Fund's significant accounting policies.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**Cash and Cash Equivalents**

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand and at banks and deposits at call and short term highly liquid investments which have an insignificant risk of changes in value.

**Provision for Liabilities**

Provision for liabilities are made when there has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be recognised to settle the obligation, and when a reliable estimate of the amount can be made. Provision are reviewed at each balance sheet and adjusted to reflect the current best estimate.

**Revenue**

Interest income is recognised on a time proportion basis that reflects the effective yield on the assets.

**KELAB DARUL EHSAN TRUST FUND**  
(Established under the Trust Deed dated 13 May 1993)

**3. SIGNIFICANT ACCOUNTING POLICIES (Contd.)**

**Income Tax**

For taxation purposes, income earned by the Trust Fund is deemed to be income of the Operator, hence no provision has been made.

**4. FIXED DEPOSITS WITH A LICENSED BANK**

The details of the fixed deposits are as follows:

<u>Year</u>	<u>Interest rate per annum %</u>	<u>Principal sum RM</u>	<u>Interest earned RM</u>	<u>Total RM</u>
2022	1.40 - 2.55	2,048,064	46,870	<u>2,094,934</u>
2021	1.40 - 2.35	3,888,918	67,534	<u>3,956,452</u>

**5. TRUST FUND**

	<b>2022 RM</b>	<b>2021 RM</b>
At beginning / end of the financial year	<u>78</u>	<u>78</u>

The Trust account is established for the purpose of holding in trust membership fees received by the Operator.

The Trustee shall release monies deposited in the Trust Account to the Operator upon expiry of the ten days cooling-off period and acceptance of the application for membership by the Operator. Where an application is withdrawn within the cooling-off period, monies are refunded to the applicant.

**6. SINKING FUND**

	<b>2022 RM</b>	<b>2021 RM</b>
At beginning of the financial year	4,085,197	3,907,005
Contributions from members	309,700	491,048
Payment for repairs and replacements	(2,244,960)	(380,340)
Excess of income over expenditure	<u>46,855</u>	<u>67,484</u>
At end of the financial year	<u>2,196,792</u>	<u>4,085,197</u>

The sinking fund comprises 10% of the total annual maintenance fee received by the Operator. The fund represents monies set aside to cover the cost of periodic major repairs or the replacement of the facilities in the club house.

# MEA & CO. (AF 0744)

## CHARTERED ACCOUNTANTS

208 Block C, Phileo Damansara I, 9 Jalan 16/11, Off Jalan Damansara, 46350 Petaling Jaya, Selangor. Tel: 03-76607390 / 7391 Fax: 03-76607391

### **INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF KELAB DARUL EHSAN TRUST FUND** (Established under the Trust Deed dated 13 May 1993)

#### **Report on the Audit of the Financial Statements**

##### **Opinion**

We have audited the financial statements of Kelab Darul Ehsan Trust Fund, which comprise the statement of assets and liabilities as at 30 June 2022, the statement of income and expenditure and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, as set out on pages 4 to 8.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Trust Fund as at 30 June 2022, and of its financial performance and its cash flows for the financial year then ended in accordance with Trust's significant accounting policies.

##### **Basis for Opinion**

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### *Independence and Other Ethical Responsibilities*

We are independent of the Trust Fund in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical Responsibilities in accordance with the By-Laws and the IESBA Code.

##### **Responsibilities of the Trustee for the Financial Statements**

The Trustee of the Trust is responsible for the preparation of financial statements of the Trust Fund that give a true and fair view in accordance with the Trust's significant accounting policies. The Trustee is also responsible for such internal control as Trustee determine is necessary to enable the preparation of financial statements of the Trust Fund that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Trust Fund, the Trustee is responsible for assessing the Trust Fund'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 the Trustee either intend to liquidate the Trust Fund or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF  
KELAB DARUL EHSAN TRUST FUND (Contd.)**  
(Established under the Trust Deed dated 13 May 1993)

**Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements of the Trust Fund as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards on Auditing 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 approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Trust, 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 Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustee.
- Conclude on the appropriateness of the Trustee's uses 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 Trust Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Trust Fund 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 auditors' report. However, future events or conditions may cause the Trust Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Trust, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustee 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.

**INDEPENDENT AUDITORS' REPORT TO THE TRUSTEE OF  
KELAB DARUL EHSAN TRUST FUND (Contd.)**  
(Established under the Trust Deed dated 13 May 1993)

**Other Matters**

This report is made solely to the Trustee of the Trust Fund and for no other purpose. We do not assume responsibility to any other person for the content of this report.



**MEA & CO.**  
AF 0744  
Chartered Accountants



**MEA FATT LEONG**  
1346/8/2023(J)  
Chartered Accountant

Petaling Jaya, Selangor  
9 September 2022