

GURDWARA SAHIB KAJANG

**FINANCIAL STATEMENTS FOR THE YEAR
ENDED 31 DECEMBER 2011**

GURDWARA SAHIB KAJANG

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GURDWARA SAHIB KAJANG

CORPORATE INFORMATION

ESTABLISHED	VIDE FMS GOVERNMENT GAZETTE NO. 5064 DATED 4.11.1921
REGISTERES	With the Registrar of Societies vide Registration No. 4775/90 dated 17.08.1990
MEMBER BY	The Gurdwara Council, Malaysia, Kuala Lumpur
COMMITTEE MEMBERS	Ranjit Singh - President Iqbal Singh – Vice President Ram Manmohan Singh – Honorary Secretary Taram Singh – Honorary Treasurer Sarmukh Singh – Honorary Assistant Secretary Beljit Singh – Honorary Assistant Treasurer Daljit Singh Gardel Singh Gurbachan Singh Janail Singh Jura Singh Kajan Singh Nirmal Singh
HONORARY AUDITORS	Dr. Gurdev Singh Gill Manjit Singh s/o Harbajan Singh
TRUSTEES	Gurmith Singh s/o Dalip Singh Sarjit Singh s/o Kesar Singh Ranjit Singh s/o Taram Singh
REGISTERED PLACE OF BUSINESS	Allotment 5, Section 13, Jalan Raja Hishamuddin (Jalan Sungei Chua) 43000, Kajang, Selangor Darul Ehsan Tel No: +(603) 87368606
SECRETARIAT OFFICE	No. 21A, Level 1, Jalan Raja Haroun 43000 Kajang, Selangor Darul Ehsan Tel/Fax No: +(603) 87321348
BANKERS	Hong Leong Bank Berhad: Kajang Branch Malayan Banking Berhad: Kajang Branch

GURDWARA SAHIB KAJANG

STATEMENT BY THE COMMITTEE MEMBERS

We, **RANJIT SINGH S/O TARAM SINGH** and **IQBAL SINGH S/O ARJAN SINGH** being two of the Committee Members of the **GURDWARA SAHIB KAJANG**, do hereby state, in the opinion of the Committee Members, the financial statements set out on pages 5 to 12, are drawn up so as give a true and fair view of the financial position of the Gurdwara as at 31 December 2011 and of the results of the operations, changes in total fund and cashflows of the Gurdwara for the financial year ended on that date in accordance with the applicable Accounting Standards in Malaysia.

Signed on behalf of the Committee Members of the Gurdwara in accordance with a resolution of the Committee Members:

.....
RANJIT SINGH S/O TARAM SINGH
Honorary President

.....
IQBAL SINGH S/O ARJAN SINGH
Honorary Vice President

Kajang, Selangor Darul Ehsan
 29 January 2012

STATUTORY DECLARATION

I, **TARAM SINGH S/O MAGGA SINGH** I/C No. 390818-08-5335, the Committee Member primarily responsible for the financial management of the **GURDWARA SAHIB KAJANG**, do solemnly and sincerely declare that the financial statements set out on pages 5 to 12 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)

TARAM SINGH S/O MAGGA SINGH)

I/C No: 390818-08-5335)

At Kajang, Selangor Darul Ehsan)

)

On 29 January 2012)

TARAM SINGH S/O MAGGA SINGH

Before me:

Commissioner for Oaths

HONORARY AUDITORS REPORT TO THE MEMBERS OF GURDWARA SAHIB KAJANG

Report on the Financial Statements

We have audited the accompanying financial statements of GURDWARA SAHIB KAJANG, which comprise the balance sheet as at 31 December 2011, and the income statement, statement of changes in fund and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information as set out on pages 5 to 12.

Committee Members' Responsibility for the Financial Statements

The Committee Members of the Gurdwara are responsible for the preparation and fair presentation of these financial statements in accordance with applicable accounting standards; this includes the design, implementation and maintenance of 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.

Honorary Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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 the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Committee Members, 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.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with applicable accounting standards in Malaysia so as to give a true and fair view of the financial position of the Gurdwara as at 31 December 2011, and of its financial performance and its cash flows for the year then ended.

Dr. Gurdev Singh Gill
(Honorary Auditor)

Manjit Singh s/o Harbajan Singh
(Honorary Auditor)

Kajang
Date: 29 January 2012

GURDWARA SAHIB KAJANG (GSK)

BALANCE SHEET AS AT 31 DECEMBER 2011

	Note	2011 RM	2010 RM
PROPERTY, PLANT AND EQUIPMENT	3	952,132	966,621
CURRENT ASSETS			
Other receivables		3,000	3,000
Deposits		5,645	5,645
Cash and cash equivalents	4	420,178	320,673
		428,823	329,318
CURRENT LIABILITIES			
Other payables		1,558	1,558
		1,558	1,558
NET CURRENT ASSETS		427,265	327,760
		1,379,397	1,294,381
REPRESENTED BY:-			
ACCUMULATED FUND		1,379,397	1,294,381

The above balance sheet is to be read in conjunction with the notes to the financial statements set out on pages 8 to 12.

GURDWARA SAHIB KAJANG

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	2011 RM	2010 RM
Income			
Donation – Gurdwara activities		161,350	187,959
Donation – Development activities		8,160	6,634
Punjabi Education Centre activities		37,816	51,905
Interest		8,804	5,707
		216,130	252,205
Expenditure			
Administration and general expenses		32,586	44,492
Allowances		59,015	53,141
Utilities		19,014	20,363
Depreciation	3	20,499	19,683
		131,114	137,679
Surplus for the year		85,016	114,526

**STATEMENT OF CHANGES IN TOTAL FUND FOR THE YEAR ENDED
31 DECEMBER 2011**

	Accumulated Fund	
	2011 RM	2010 RM
Balance at 1 January	1,294,381	1,179,855
Surplus for the year	85,016	114,526
Balance at 31 December	1,379,397	1,294,381

The above income statement and statement of changes in total funds are to be read in conjunction with the notes to the financial statements set out on pages 8 to 12.

GURDWARA SAHIB KAJANG

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES		
Surplus of income over expenditure	85,016	114,526
Adjustments for:		
Depreciation	20,499	19,683
	105,515	134,209
Changes in working capital		
Deposits	-	300
	105,515	134,509
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of equipment	(6,010)	(85,314)
	(6,010)	(85,314)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loan	-	-
	-	-
Net increase/(decrease)in cash and cash equivalents	99,505	49,195
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	320,673	271,478
CASH AND CASH EQUIVALENTS CARRIED FORWARD	420,178	320,673

The above cash flow statement is to be read in conjunction with the notes to the financial statements set out on pages 8 to 12.

GURDWARA SAHIB KAJANG

NOTES TO THE FINANCIAL STATEMENTS – 31 DECEMBER 2011

1. PRINCIPAL ACTIVITIES AND GENERAL INFORMATION

The aims and objects of Gurdwara Sahib Kajang remained unchanged during the year and consist of the following:

- To propagate the Sikh religion amongst non-Muslims;
- To organise religious and social functions;
- To create affection, concord and friendship amongst members of the Sikh Community and the general public;
- To protect the religious rights of members of the society and Sikhs in general;
- To develop and maintain the Gurdwara and any other property used for the purpose of worship and fellowship;
- To co-operate and assist any other society or group with similar objectives;
- To own, develop and dispose immovable property as provided under rule 15 of the Gurdwara's rules.

The Gurdwara was registered on 17 August 1990 as a non-for-profit organisation.

The principal place of activities of Gurdwara is located at Allotment 5, Section 13, Jalan Raja Hishamuddin (Jalan Sungei Chua), 43000, Kajang, Selangor Darul Ehsan.

The financial statements are presented in Ringgit Malaysia.

The financial statements were authorised for issue by the Committee Members of the Gurdwara in accordance with a resolution of the Committee Members dated 29 January 2012.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Gurdwara have been prepared under the historical cost convention unless otherwise indicated. The financial statements comply with applicable approved accounting standards in Malaysia.

(b) Property, plant and equipment

Property 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 2 (f).

Freehold land is not depreciated as it has an infinite life. The straight-line method is used to write off the cost of the following assets over the term of their residual values over their estimated useful lives at the following principal annual rates:

Buildings	10%
Equipment	20%
Furniture and fittings	20%

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in the income statement.

(c) Cash and cash equivalents

For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, bank balances, demand deposits and other short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(d) Other receivables and deposits

Other receivables and deposits are stated at cost less allowances for doubtful debts.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Payables

Other payables are stated at cost which is the fair value of the consideration to be paid in the future for goods and services.

(f) Impairment

At each balance sheet date, the carrying values of assets, other than financial assets and deferred tax assets, are reviewed for impairment to determine whether there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount is the higher of an asset's net selling price and its value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash-generating unit.

An impairment loss is charged to the income statement immediately.

Subsequent increase in the recoverable amount of an asset is treated as reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have determined (net of depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately.

(g) Financial Instruments

Financial instruments are recognised in the balance sheet when the Gurdwara has become a party to the contractual provisions of the instruments. The particular recognition methods adopted are disclosed in the individual accounting policy statements associated of each item.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to a financial instrument classified as liability are reported as expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity. Financial instruments are offset when the Gurdwara has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(h) Recognition of income

Subscription and other income derived are recognised in the income statement on a cash basis.

Interest income is recognised on the effective yield basis.

3. PROPERTY, PLANT AND EQUIPMENT

<i>Cost</i>	Freehold land RM	Building RM	Equipment RM	Furniture and fittings RM	Total RM
At 1 January 2011	843,000	122,019	34,223	19,903	1,019,145
Additions	-	3,850	2,160	-	6,010
At 31 December 2011	843,000	125,869	36,383	19,903	1,025,155
<i>Accumulated depreciation</i>					
At 1 January 2011	-	21,535	19,666	11,323	52,524
Charge for the year	-	12,587	5,319	2,593	20,499
At 31 December 2011	-	34,122	24,985	13,916	73,023
<i>Net book value</i>					
At 31 December 2011	843,000	91,747	11,398	5,987	952,132
At 31 December 2010	843,000	100,484	14,557	8,580	966,621
Depreciation charge for the year ended 31 December 2010		12,202	4,888	2,593	19,683

The freehold land refers to the vacant land held under HS(D) 75209 P.T No. 51266, in the Town of Kajang, District of Ulu Langat, State of Selangor with area measuring approximately 3,490.008 square metres.

The existing buildings of the Gurdwara which include the present Darbar Sahib and its auxiliary buildings were constructed in 1970 and the further enhancements were made between the years 1970 to 2002 including the building of the toilets and the fixing of air conditioners in the Darbar Sahib.

The costs relating to these buildings and equipment incurred up to the year 2002 have not been capitalised above as the books of Gurdwara were maintained on a cash basis until the year 2002 and such expenditure was charged out in the year it was incurred.

4. CASH AND CASH EQUIVALENTS

	2011	2010
	RM	RM
Cash and bank balances	63,762	18,270
Fixed deposits with licensed bank	356,416	302,403
	<u>420,178</u>	<u>320,673</u>
	<u>=====</u>	<u>=====</u>

The range of interest rates of deposits that was effective during the financial year was 2.90% to 3.10% (2010 – 2.00% to 2.50%) per annum. Bank balances are deposits held at call with banks.