



2017 ANNUAL REPORT

CONTENTS

1. THE GENERAL COMMITTEE 2017 / 2018

2. PRESIDENT'S MESSAGE

3. GENERAL ADMINISTRATION

- Governance Statement
- Membership
- Staff

4. FINANCE

- Finance Report
- Financial Performance (Appendix 1)

5. ACTIVITIES - REPORT BY COMMITTEE

- Polo
- Stable & Fodder
- Equestrian
- Planning & Development
- Grounds
- House & Bar

PATRON



**Duli Yang Maha Mulia Sultan Sharafuddin Idris Shah Alhaj
Ibni Almarhum Sultan Salahuddin Abdul Aziz Shah Alhaj**

D.K.,D.M.N.,D.K.(Terengganu), D.K.(Kelantan), D.K.(Perak), D.K.(Perlis), D.K.(Negeri Sembilan),
D.K.(Kedah), S.P.M.S.,S.S.I.S.,S.P.M.J.

Sultan dan Yang Di-Pertuan Negeri Selangor Darul Ehsan Serta Segala Daerah Takluknya

1. GENERAL COMMITTEE 2017 / 2018

PRESIDENT

Y.Bhg. Dato’ Hj. Mohamed Moiz Bin Jabir Mohamed Ali Moiz

VICE-PRESIDENT

Y.Bhg. Dato’ Hj. Md. Roshdi Bin Dato’ Ahmad Nordin

HONORARY SECRETARY

Y.Bhg. Dato’ Manuel David Morais

HONORARY TREASURER

Y.Bhg. Dato’ Hj. Md. Roshdi Bin Dato’ Ahmad Nordin

MEMBERS

- Mr. Shaik Reismann Mohamed Ismail – Polo Captain
- Mr. Hennie Coenraad – Stable & Fodder
- Ms. Lorraine Marianna Heydle De Bottreau – Equestrian
- Y.Bhg. Datuk Abdul Ghani Abdullah – Planning & Development
- Mr. Johan Indot – Grounds
- Mr. Stanley Sabastien Sinnappen – House & Bar
- Ms. Lisette Aline Scheers – Communications

EXTERNAL AUDITORS - K.S. Lam & Co

HONORARY MEMBERS

DYMM Sultan Pahang
DYMM Sultan Terengganu
KDYMM Pemangku Raja Pahang, Tengku Mahkota Tengku
Abdullah ibni Sultan Haji Ahmad Shah
YAM Tengku Puteri Seri Lela Manja Pahang Tengku Dato’
Hajjah Nong
Tun Dr. Mahathir Mohamad
Tun Daim Zainuddin
Mr. H.E. Blake
Y.Bhg. Tan Sri Dato Seri Dr. M. Mahadevan
Y.Bhg. Dato Mohamad Hata Ali
Y.Bhg. Dato Kamaruddin Abdul Ghani
Y.Bhg. Datin Patricia Indot
Y.Bhg. Dato Zainal Abidin Ariffin
YTM Prince Abdul Mateen Bolkiah
YTM Princess Azemah Ni’matul Bolkiah
DYTM Prince Jefri Bolkiah
YAM Prince Bahar

HONORARY MEMBERS (Ambassadors)

H.E. Maria Bassols – Spain
H.E. Holger Wilfried Michael – Germany
H.E. Janet Odekadeffong – Nigeria
H.E. Manuel Balagner Salas – Argentina
H.E. Daniyar Sarekenov – Kazakhstan
H.E. Maen Moh’d Sodki Salem Masadeh – Jordan
H.E. Dag Anders Matts Juhlin-Dannfelt – Sweden
H.E. Khalid Ghanim Mohammad Alghaith Almarri – UAE
H.E. Manuel Anthonio Guzman Hernandez – Venezuela

2. PRESIDENT'S MESSAGE

On behalf of the committee I would once again like to welcome all of you to our 2017/2018 annual general meeting. My sincere thanks to all my fellow committee members who have served with me during the 2017/2018 term and whose passion for our club made working with them a real pleasure. As always my gratitude to our Hon Sec Dato David Morais, our general manager Siraj, our admin team comprising Liza, Carol, Ismail and Veronica, and our grounds member Johan Indot and his grounds team led by our grounds supervisor Sundara Maran. Thank you all for your hard work, commitment and patience. I know it can be a tough job sometimes, but rest assured in the knowledge that we would not have achieved all we have achieved, over the years, without your hard work and support.

My sincere thanks also goes out to all our syces and trainers who work hard at looking after our horses so that we can all enjoy this sport that we so love.

I would like to especially congratulate our Vice President and Hon treasurer Dato Roshdi for once again, after a gap of a few years, achieving a net profit for our club and a substantial positive net cashflow for the YE2017. Dato Roshdi has been ably supported in his efforts by our hard working club administrative team, led by Siraj and Liza. Having said this, we still need to redouble our efforts to overcome that elusive hurdle towards realising a net operational profit. I am hopeful that with the dedication of the incoming committee, the hardwork of our admin staff and the support from our members, we will be able to achieve this.

My thanks also to our committee for making the tough decisions necessary to restructure our financial models for the different income and expense centers at the club. Only with these restructuring efforts to our monthly fodder charges, stable rental charges, F&B charges and continually managing our expenses have we been able to achieve our YE results and hopefully continue to achieve positive results going forward.

Most importantly my thanks to our members for their support in these efforts. On behalf of our committee and club staff I would like to apologise for any glitches in the implementation of our new systems and would like to assure our members that we are working to plug all the weaknesses in the implementation process. Thank you for your patience.

My special thanks goes out to Datuk Abdul Ghani and his subcommittee, comprising Hennie, Shaik and Siraj, for completing the time consuming task of reviewing our bye-laws and our rules. All the amendments have been given to the main committee members for their comments which in turn have been compiled and will be tabled for final approval by the new incoming committee. In the case of the amendments to the club rules, we will then have to call for an EGM for final approval before the new rules can be adopted.

Datuk Ghani has decided that he will not be able to serve on the committee for the 2018/2019 term and as such has not offered himself for nomination at our AGM. I would like to take this opportunity, on behalf of the committee and our members, to thank Datuk Ghani for his hard work, support, generosity and ideas over these past 2 years; In particular for his assistance in undertaking to revamp our bye-laws and rules and in helping us in our land application matters.

I would also like to take this opportunity to congratulate our Malaysian National polo team, led by our polo captain Shaik Reismann and comprising amongst others our junior club member Rashid Hasnan, for winning the gold medal at the recent SEA games held in Malaysia.

I would also like to thank our polo captain and his “out of the box” thinking sub committee for the exciting additions to our polo calendar.

My thanks also to our grounds member Johan Indot and his grounds team for doing their great work so that we can play fun polo on a good field. With regards to our polo field, I would like to note that despite getting the requisite approvals to upgrade our polo field and track, we are still in the process of finalising the most efficient and cost effective process to adopt. With the approvals obtained we have been able to start work on hiring consultants etc and hope that we will be able to nail this down towards the end of 2018.

Your committee realises that the issue of the lease extension for our club is of major concern to all our members. With the recent change of government, we have to relook at our approach to this which will result in some delays. However, we are still confident that we will be able to get the requisite extensions. Please rest assured that we are diligently working on this and will be making formal submissions to the relevant authorities as soon as possible.

Our riding section has fallen short of our targets, but I believe that the latest proposals submitted to and approved by the outgoing committee will turn the riding section around. I am hopeful that the incoming committee will implement these proposals as soon as possible. Thank you, Lorraine and your team, for pushing the envelope and thinking out of the box in coming up with the new proposals.

On a personal note, on behalf of the committee and members I would like to extend our heartfelt condolences to Lorraine and her family on the recent demise of her beloved husband Max. He will be very much missed by all. May he rest in peace.

My thanks once again to our stable member Hennie Coenraad and his team, for their handling of the stables and fodder. Hennie thank you for your patience, diplomacy and hard work. We have not as yet fully started work on all the necessary stable repair and upgrading works required but I would like to assure our members that these works will be completed by the end of this year.

We realise that there have been instances of sawdust shortages at our club. Despite our best efforts we have not been able to overcome some of these shortages due to markets factors. As a result we have undertaken steps to identify alternate bedding materials. We are now in the final stages of our financial review and operational trial run on the usage of compressed shavings. We are hopeful that this will give us some positive options.

On behalf of all our members I would like to say a special thanks to our house member Stanley Sinnappen and his sub committee for the great work that they have done in sprucing up our bar, bringing in a new chef (to work with Jalil) and giving us an exciting menu selection, and in bringing back an exciting social calendar to our club with fun Saturday night parties. Great work Stanley!!!

To my fellow ordinary members present here today, thank you for taking time out of your busy schedules to attend our AGM. Thank you for your support and encouragement. I would like to record my gratitude to the outgoing committee for their services and wish the best of luck to the incoming committee.

**DATO' HJ. MOHAMED MOIZ BIN JABIR MOHAMED ALI MOIZ
PRESIDENT**

3. GENERAL ADMINISTRATION

GOVERNANCE STATEMENT

1. STATEMENT

The General Committee (GC) supports the Malaysian Code of Corporate Governance and recognizes the need to adopt consistent and good governance practices to safeguard the interest of the members of the Royal Selangor Polo Club.

The GC is committed to ensuring that the highest level of Club governance is practiced throughout the Club and efforts have been, and are being taken to improve the systems of law, regulations, policies, and practices, which will enhance the Royal Selangor Polo Club as the premier polo and equestrian club.

Transparency, accountability and fairness have been and will continue to be the key elements of managing the affairs of the Club.

2. THE GENERAL COMMITTEE (GC)

The GC is committed to conduct its affairs through regular meetings. Recommendations and improvements are made through various processes and systems to achieve a more efficient and effective Club.

i. Composition of the GC

GC comprises of nine (9) elected members and one (1) co-opted member

- 1 President
- 1 Vice President / Hon Treasurer
- 1 Hon Secretary
- 6 Committee Members
- 1 Co-Opted Member

ii. GC and Management Responsibilities

The GC retains full responsibility and effective control of the Club by determining the Club's overall strategic direction, as well as development and control of the Club.

iii. Governance Statement for RSPC

The GC has established Sub-committees to assist in the execution of its responsibilities. Each of these Sub-committees has their terms of reference and authority limits determined by the GC.

iv. Meetings

The GC conducts regular meetings averaging once a month and details of meetings by GC members during the year are as follows:

The GC met on seven (7) occasions as of 24th July 2017. The figures in bracket indicate the attendance rate at meetings by the respective members of the General Committee.

| | | |
|-----------------------------------|---|-------|
| President | Y.Bhg. Dato'Hj. Mohamed Moiz J.M.Ali Moiz | (7/7) |
| Vice-President & Hon-Treasurer | Y.Bhg.Dato'Hj. Md Roshdi Dato' Ahmad Nordin | (7/7) |
| Hon-Secretary | Y.Bhg. Dato' Manuel David Morais | (2/7) |
| Polo Captain | Mr. Shaik Reismann Mohd. Ismail | (5/7) |
| Stable & Fodder Member | Mr. Hennie Coenraad | (6/7) |
| Equestrian Member | Ms. Lorraine Marianna Heydl De Botreau | (6/7) |
| Planning & Dev. Member | Y.Bhg.Datuk Abdul Ghani Abdullah | (2/7) |
| Grounds Member | Mr.Johan Indot | (5/7) |
| House & Bar Member | Mr. Stanley Sabastien Sinnappen | (7/7) |
| Communication Member | Ms. Lisette Aline Scheers | (1/7) |

In addition to the monthly meetings of the GC, all GC members were also involved in various Sub-committees and meet at least 2 – 3 times a month for these activities. We also encourage members of the GC to attend Club functions and tournaments and to generally be accessible to members and guests and to maintain high visibility.

Communications are open through Club Newsletters, Emails and General Notices posted on the Notice Board as well as a Suggestions Book available in the Club house.

Notices of AGM are accompanied by Audited Accounts and Annual Reports at these meetings.

ACCOUNTABILITY AND AUDIT

i. Financial Reporting

The Finance Sub-committee supports the Treasurer and GC in its responsibility to oversee the financial reporting, budgeting and the effectiveness of the internal controls of the Club.

The GC is satisfied that for the financial year ended 31st December 2017, the financial statements presented give a true and fair view of the state of affairs of the Club, the operating results and its cash flows.

The GC aims to present a balanced and fair assessment of the Club's position, budget and prospects through the annual financial statements. The GC is also responsible for ensuring that the accounting records of the Club are properly kept and that systems are in place to ensure financial disciplines are adhered to always.

The GC has also discussed, and reviewed recommendations proposed by the external auditors and internal finance audit committee of the Club and will implement all recommendations where appropriate.

ii. Relationship with the Auditors

GC has maintained a formal and transparent relationship with its External Auditors and Tax Consultants, K.S.Lam & Co in seeking professional advice and ensuring compliance with relevant accounting standards and the taxation requirements in Malaysia.

MEMBERSHIP

The current membership statistics are as follows:

| | |
|----------------------------------|-----|
| <u>Voting Members</u> | |
| Ordinary Members | 80 |
| Absent Ordinary Members | 12 |
| <u>Non-Voting Members</u> | |
| Honorary Members | 28 |
| Subscribing Members | 139 |
| Annual Members | 28 |
| Absent Members | 60 |

STAFF

The management team is headed by Mr. Mohamed Siraj Abdul Wahab, the General Manager providing backup and recommendations to the Committee for the formulation of SOP, policies and programs. He is responsible for the organizational structure, control and staff welfare to increase productivity, enhance efficiency, reduce staff costs and ensure improvement in the quality of service towards members.

| Category/Year | 2016 | 2017 |
|-----------------|-----------|-----------|
| Administration | 2 | 2 |
| Accounts | 3 | 2 |
| Bar | 2 | 3 |
| Security | - | - |
| General Workers | 21 | 17 |
| Supervisor | 1 | 1 |
| Riding School | 6 | 9 |
| Polo | - | - |
| Total | 35 | 34 |

The staff strength as at 31stDecember 2017 stood at 34. The emphasis is on continuous improvements in the overall management and staff efficiency with appropriate training and costs containment efforts.

DATO' MANUEL DAVID MORAIS
HON. SECRETARY

4. FINANCE REPORT

The Club's financials for the year ended 31st Dec 2017 period continued to be very challenging due to escalating operational costs against limited revenue growths in most sections. In an effort to pare down our deficits in the Budget we have had to resort to some equitably innovative actions during the year.

We are pleased to report that the result of the steps taken together with strict control of expenses, the Club achieved a Net Surplus After Tax & Depreciation of RM27,507 in the black (FYE16: **Deficit RM216,312**) the last being for FYE2013. When adding back Depreciation charge for the year, the Net Surplus achieved was a record RM471,575 (FYE16: RM151,776).

Total Operating Income exceeded budget by RM59,199 or 5.3% while Total Operating Expenses was below budget by RM94,456 or 6.8% hence giving a much lower Operating **Deficit of RM133,569** (FYE16: **Deficit RM413,715**) which was better than Budget by some RM153,655.

Highlighted below is a summary of the Club's past 3 years key financial statistics including the Audited FYE 2017 Revenue & Expenditure figures shown against the Budget for the year:

| | 2015 Actual | 2016 Actual | 2017 Actual | 2017 Budget | Variance (+/-) |
|--|------------------|------------------|------------------|------------------|-------------------|
| Balance Sheet (RM) | | | | | |
| Property, Plant & Equipment/Horses | 1,846,147 | 1,589,903 | 1,584,389 | N/A | N/A |
| Current Assets | 4,219,852 | 4,039,059 | 4,214,560 | N/A | N/A |
| Total Assets | 6,065,999 | 5,628,962 | 5,798,949 | N/A | N/A |
| Current & Total Liabilities | 1,307,365 | 1,032,419 | 1,085,899 | N/A | N/A |
| Accumulated Fund | 4,758,634 | 4,596,543 | 4,713,050 | N/A | N/A |
| Income / Expenditure | | | | | |
| Total Operating Incomes | 1,003,187 | 906,600 | 1,158,825 | 1,099,626 | 59,199 |
| Total Operating Expenditures | 1,294,717 | 1,320,315 | 1,292,394 | 1,386,850 | (94,456) |
| Operating Surplus/(Deficit) | (291,530) | (413,715) | (133,569) | (287,224) | 153,655 |
| Non-Operating Income | 116,459 | 200,930 | 210,500 | 88,239 | 122,261 |
| Taxation | 45,085 | 48,527 | 49,424 | 45,509 | 3,915 |
| Net Surplus/(Deficit) after tax & depreciation | (220,156) | (261,312) | 27,507 | (244,494) | 272,001 |
| Add : Depreciation | 429,325 | 413,088 | 444,068 | 415,042 | 29,026 |
| Net after tax Surplus/(Deficit) before depreciation | 209,169 | 151,776 | 471,575 | 170,548 | 301,027 |

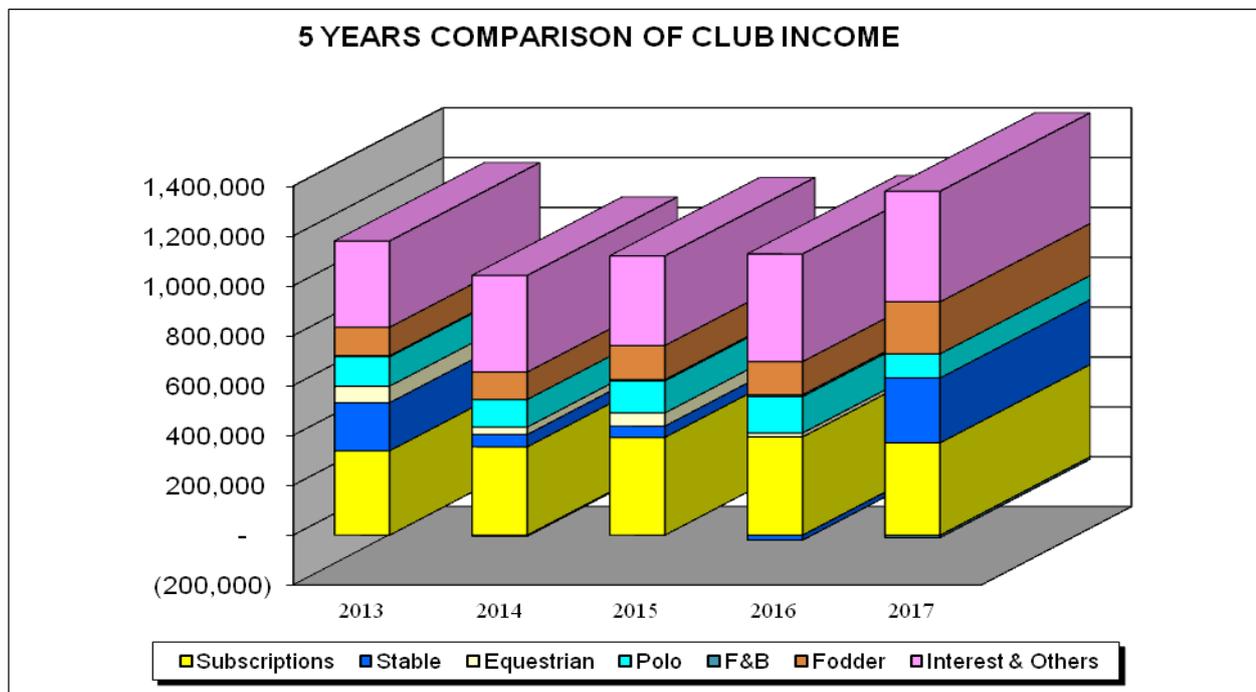
BALANCE SHEET

As part of our ongoing plan to improve and upgrade old stables, grounds and other existing facilities some of which had been approved at the last AGM, a total of RM438,423 was spent during the year on Capex and some of the major items completed during the year were as follows:

| | <u>RM</u> |
|---|-----------|
| 1. Club House deck replacements | 176,274 |
| 2. Semi-permanent stables (21 units) | 166,632 |
| 3. Equestrian Jumping sets | 48,910 |
| 4. Additional Gang mower units | 11,225 |
| 5. Replacement Electrical Distribution Board for Club House | 12,920 |

REVENUES AND EXPENDITURES

A 5-year Revenue and Expenditure charts are appended below showing the Club's comparative performance over the years:



Total Revenue at RM1.158m (FYE16: RM0.906) achieved was the highest in 5 years and ahead of Budget. Total Operating Expenses on the other hand at RM1.292m (FYE16:RM1.320m) was kept within Budget hence out-turning an excess of RM153,000 in Budget of the Operating Deficit for the year.

Apart from nominal increases in chukker fees and stable rental rates, a minimum spent on Fodder purchases of RM500 per stable per month was introduced that came into effect in the middle of the year which attributed to the increased in Revenue.

We have however taken careful steps in implementing this new system to all stable owners to be as fair as possible. The results of these actions have proven to be encouraging and sustainable for the time being.

The major income/surpluses were from polo, fodder, stables and rental for telco tower sites. However, there was a 5% decrease of subscription income in 2017 compared to 2016 and 2015.

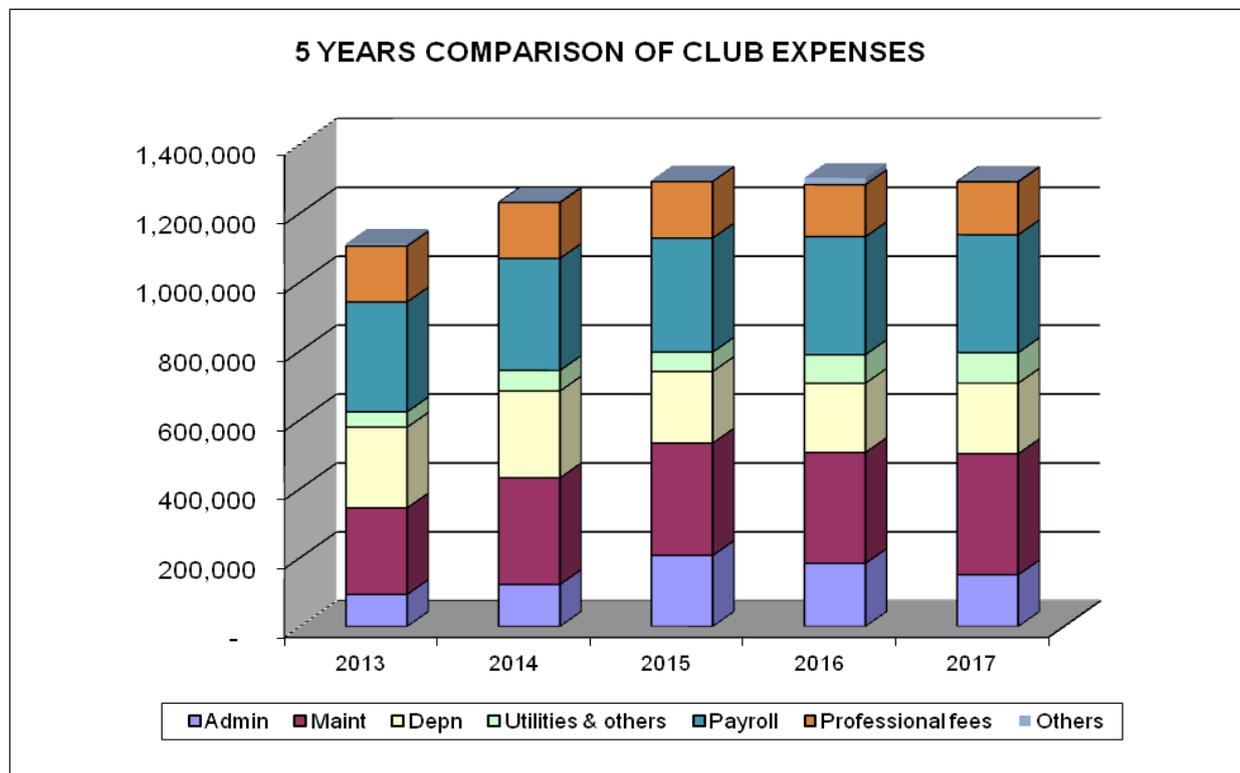
Riding school's surplus for the year was badly affected which dropped to mere breakeven resultant from its rising operational costs especially its fodder expenses.

Polo surplus in 2017 was reduced to RM96,824.14 owing to SEA Games preparation expenses of RM54,509 incurred in anticipation of some games to be held at the Club which was aborted.

Bar incurred a deficit due to lower sales and higher maintenance expenses and salary cost.

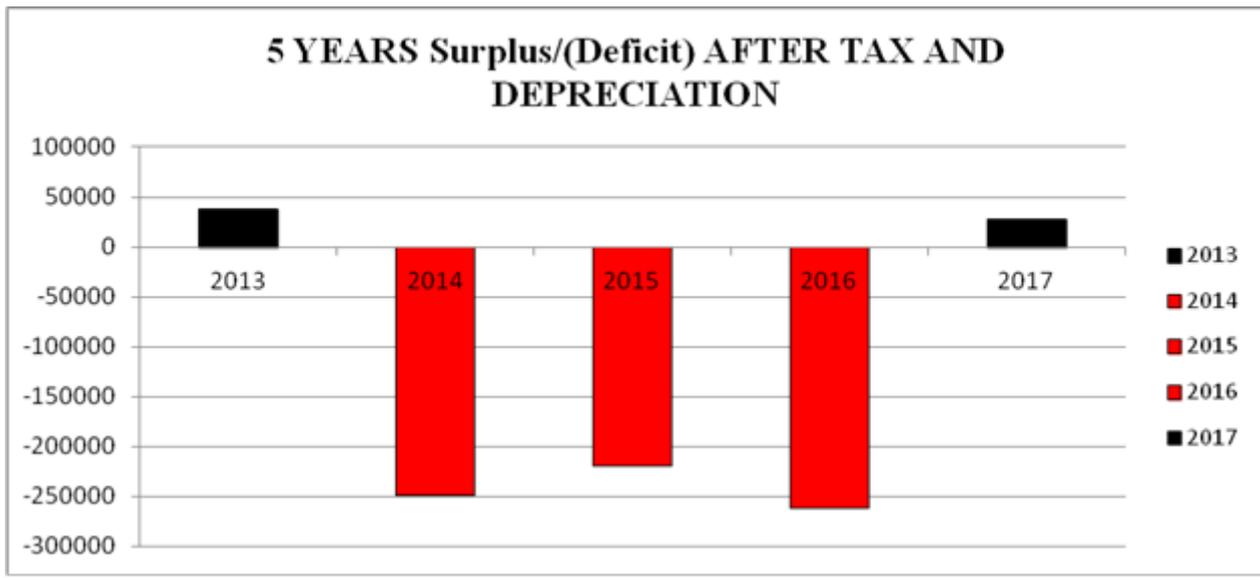
Surplus in Fodder sales amounting to RM208,607 included additional income of RM67,886 from the minimum spent for fodder charged to member.

Stable surplus of RM259,913 for the year was the highest compared to 2016 and 2015 because of the revised stable rental rate to RM330 per month. A further contributing factor was due to a decrease in electricity cost as a result of TNB's estimated billing system.



The Club's Total Operating Expenditures for the last three years was around RM1.3m per year and last year's figure at RM1.292m (FYE16: RM1.320m) was the lowest compare to 2016 and 2015. During the year we managed to obtain a reduction in the Quit rent charge from Land Office Kuala Lumpur which contributed to lower expense.

However, Upkeep of Grounds for the year at RM321,369 (FYE16:RM 282,777) was the highest in the last three years. The biggest expense item however remained in the Salaries and Wages at RM341,945(FYE16: RM342,165) while Security Services stood at RM140,160. (FYE16: RM140,544).



CURRENT VIEW & 2018 BUDGET

As a financial road map for the Club, we have the latest view of the Club's performance as per Management Account as at 31st March 2018 against the Budget and also against same period i.e March 2017 as appended below.

| | ACTUAL 2018 MARCH | ACTUAL 2017 MARCH |
|------------------------------------|------------------------------|------------------------------|
| <u>Balance Sheet (RM)</u> | | |
| Property, Plant & Equipment/Horses | 1,520,624 | 1,502,931 |
| Current Assets | 4,301,958 | 4,135,789 |
| Total Assets | 5,822,582 | 5,638,720 |
| Current & Total Liabilities | 1,071,064 | 1,004,210 |
| Accumulated Fund | 4,751,518 | 4,634,510 |

Several Capex items due to commence work this year which had been approved at the last AGM were stables upgrading/refurbishment and polo field upgrading project which was still being evaluated and reviewed due to the very high cost implications. Bar and kitchen upgrading works were completed in March 2018.

Income & Expenditure Statement

| | Actual as at 31.03.2018 | Budget as at 31.03.2018 | % Diff Actual vs Budget | Actual as at 31.03.2017 |
|--|------------------------------------|------------------------------------|--|------------------------------------|
| Management Income | 182,230.99 | 182,250.00 | 0% | 184,479.45 |
| Bar Surplus/(Deficit) | 19,413.38 | 5,513.00 | 252% | (5,965.89) |
| Stables Surplus | 33,843.95 | 25,722.00 | 32% | 47,970.71 |
| Polo Surplus | 41,754.86 | 23,940.00 | 74% | 26,533.97 |
| Fodder Surplus | 62,939.08 | 63,660.00 | (1%) | 27,355.78 |
| Riding School Surplus | 3,020.15 | 9,275.00 | (67%) | 17,026.07 |
| Expenses for Grounds | (80,648.88) | (83,109.00) | (3%) | (65,343.56) |
| Net Operating Income | 262,553.53 | 227,251.00 | 16% | 232,056.53 |
| Less : Operating Exp. | 277,714.77 | 254,198.00 | 9% | 223,831.87 |
| Surplus / (Deficit) from Operations | (15,161.24) | (26,947.00) | (44%) | 8,224.66 |
| Add : Non Operating Income | 30,000.00 | - | - | 15,000.00 |
| Less : Taxation | (11,370.57) | (11,370.00) | - | (11,370.57) |
| Net Surplus/(Deficit) | 3,468.19 | (38,317.00) | (109%) | 11,854.09 |

For the 1st Quarter 2018, the Club's Operating performance was better than Budget by 44% with all Sections reporting surpluses against their respective Budgets. When adding the Non-Operating Income of RM30,000, the Club's showed a positive Net Surplus of RM3,468 albeit lower than the figure last year.

CONCLUSION

We are confident that the Club's operations remain sustainable as a going concern with acceptable performance in the various sections whilst providing satisfactory facilities at affordable rate to members generally. However, prudent cost control and good cash flow management remained crucial for it to be an effective and viable operation in the long term for members.

Finally, we wish to thank all members for their continued support and prompt payments of dues to the Club. To our loyal staff, workers and associates we are grateful for their invaluable contributions to the Club and look forward to better years ahead in the future.

DATO' HJ. MD. ROSHDI DATO' AHMAD NORDIN
VICE PRESIDENT / HON. TREASURER

APPENDIX 1

THE ROYAL SELANGOR POLO CLUB

**Summary of 2017 Audited Accounts against the Budget and compared
to Audited Accounts 2016**

| | Audited FYE 2017 | Budget FYE 2017 | % Diff Audited '17 vs Budget '17 | Audited FYE 2016 |
|---|------------------|------------------|---|------------------|
| OPERATING INCOME | | | | |
| Management | | | | |
| Subscriptions | 370,058 | 387,550 | -5% | 393,422 |
| Interest and Dividend | 12,897 | 9,000 | 43% | 8,965 |
| Rental | 200,391 | 200,416 | 0% | 200,232 |
| Others | 19,427 | 21,450 | -9% | 21,396 |
| Sub Total: Management Income | 602,772 | 618,416 | -3% | 624,014 |
| Bar | | | | |
| Revenue | 96,800 | 117,900 | -18% | 118,281 |
| Expenses | (106,249) | (110,039) | -3% | (111,239) |
| Surplus / (Deficit) from Bar | (9,449) | 7,861 | -220% | 7,042 |
| Stables | | | | |
| Revenue | 1,381,804 | 1,245,070 | 11% | 1,138,529 |
| Expenses | (1,121,891) | (1,137,971) | -1% | (1,158,193) |
| Surplus / (Deficit) from Stables | 259,913 | 107,099 | 143% | (19,663) |
| Polo | | | | |
| Revenue | 163,769 | 130,550 | 25% | 163,342 |
| Expenses | (66,945) | (8,880) | 654% | (17,326) |
| Surplus / (Deficit) from Polo | 96,824 | 121,670 | -20% | 146,016 |
| Grounds | | | | |
| Revenue | 0 | 0 | | 0 |
| Expenses | (321,369) | (319,894) | 0% | (282,778) |
| Deficit from Grounds | (321,369) | (319,894) | 0% | (282,778) |
| Fodder | | | | |
| Sales | 1,903,321 | 1,687,000 | 13% | 1,630,027 |
| Cost of good sold | (1,694,713) | (1,488,068) | 14% | (1,497,022) |
| Surplus / (Deficit) from Fodder | 208,608 | 198,932 | 5% | 133,005 |
| Riding School | | | | |
| Revenue | 473,995 | 489,200 | -3% | 460,665 |
| Expenses | (473,838) | (443,552) | 7% | (444,478) |
| Surplus / (Deficit) from Riding School | 157 | 45,648 | -100% | 16,187 |
| Net Operating Income | 837,456 | 779,732 | 7% | 623,822 |

| | Audited FYE 2017 | Budget FYE 2017 | % Diff Audited 17 vs Budget 17 | Audited FYE 2016 |
|---|------------------|------------------|---|------------------|
| OPERATING EXPENSES | | | | |
| Administrative Expenses | 157,146 | 208,217 | -25% | 206,714 |
| Bank fees and Charges | 35,226 | 38,354 | -8% | 42,569 |
| Security Charges | 140,160 | 140,160 | 0% | 140,544 |
| Staff Cost | 347,347 | 394,541 | -12% | 366,147 |
| Utility Charges | 86,310 | 81,684 | 6% | 80,506 |
| Total Operating Expenses | 766,188 | 862,956 | -11% | 836,481 |
| Surplus / (Deficit) from Operating | 71,268 | (83,224) | -186% | (212,658) |
| NON OPERATING INCOME | | | | |
| Sale of stable | 0 | 0 | | 0 |
| Transfer fee | 125,000 | 0 | | 110,000 |
| Fixed Deposit Interest | 85,500 | 88,239 | -3% | 90,930 |
| | 210,500 | 88,239 | 139% | 200,930 |
| Net Surplus | 281,768 | 5,015 | 5518% | (11,728) |
| Less : | | | | |
| Depreciation | (204,836) | (204,000) | 0% | (201,056) |
| Taxation | (49,424) | (45,509) | 9% | (48,528) |
| Surplus / (Deficit) after tax & depreciation | 27,507 | (244,494) | -111% | (261,312) |

5. ACTIVITIES – REPORT BY THE COMMITTEE

POLO REPORT

Sub-Committee Members:

Shaik Reismann

Stanley Sinnappen

Peter Abisheganaden

Hew Kok Seng

Rashid Hasnan

2017 was an exciting year for polo in Malaysia as we were hosts of the 29th South East Asian Games. Our National Team being the defending champions, RSPC being the hub of polo in Malaysia was excited to be selected by MASOC to include as Grounds Hosts for the 2 matches leading up the Finals. Unfortunately, unforeseen weather conditions prevented this from happening and all the matches had to be played at the Official Grounds at Taman Equestrian Putrajaya. Nevertheless, we had the privilege of hosting the Brunei National Team at RSPC as their base for training and preparations leading up to the SEA Games.

RMPA National & Merdeka League -The RMPA National and Merdeka Leagues were suspended for the year 2017 as a lot of efforts and resources were channeled towards the preparation of the SEA Games.

Friendly Matches - In light of the up and coming 2017 SEA Games, RSPC hosted 2 test matches. The first was the Malaysia Cup in October 2016 played between Malaysia and Singapore. The second test match, the Tempawan Cup was in March 2017, played between Malaysia and Hong Kong. Congratulations to Team Malaysia for winning both these matches.

RMPA Masters - A fun tournament organised by RMPA with the Maserati being the main sponsor together with Royal Salute, Zack's Tack & Malaya. For a player to qualify to play this tournament, he or she has to be of a certain age. Besides the great food and party atmosphere, this tournament brought back a lot of nostalgic memories for the older members of the club. It was lovely to see Tan Sri Mahadevan, formerly a very active polo player at the club for many years. We also saw Stu Tomlinson who had relocated to the Philippines in 2016 coming back to take part in this tournament.

RMPA International League - As always, the highlight of the International League is the final leg of the league which is the RSPC Open. Teams that play this league have had a very long season that started in January at Thai Polo & Equestrian Club, Pattaya. Nevertheless, this didn't stop the teams from playing one of the most competitive tournaments in recent years. The Final was especially exciting for both players and spectators as Royal Pahang & Thai Polo took each other to the wire with even scores on the score board. Even after a nail biting supplementary chukka, scores were still even and both teams decided to share the victory that they both deserved.

Malaysia Open - The Malaysia Open is normally a tournament that is organized at Putrajaya Equestrian Park but as the dates for this tournament were too close to the SEA Games, the organizers of the tournament chose RSPC to be the venue for Malaysia Open 2017. As always, the Malaysia Open attracted a good number of teams. Credit has to be given to the organizers as the tournament was covered very well by the media. We at RSPC value the opportunity to collaborate with Putra Polo Club to make this event very successful.

Pink Polo - Despite the increasing popularity of ladies polo globally, we have had a drop in the number of ladies that play in Malaysia. We tried something different this year by making teams with one male professional. The male professional was not allowed to score inside the 30-yard line, and they were not allowed to challenge a lady player that was about to score. These slight change in rules made it more interesting for the ladies and gave the game a different dynamic. As always, the social side of the Pink Polo Tournament never fails to disappoint the spectators and members of the club. Finally, we would like to thank everyone at the club, mainly to all polo players who have showed their support and contribution towards our efforts and making 2017 a successful year for polo.

Last but not least all this would could not be achieved without the support and hard work of the office and ground staff.

SHAIK REISMANN MOHAMED ISMAIL
POLO CAPTAIN

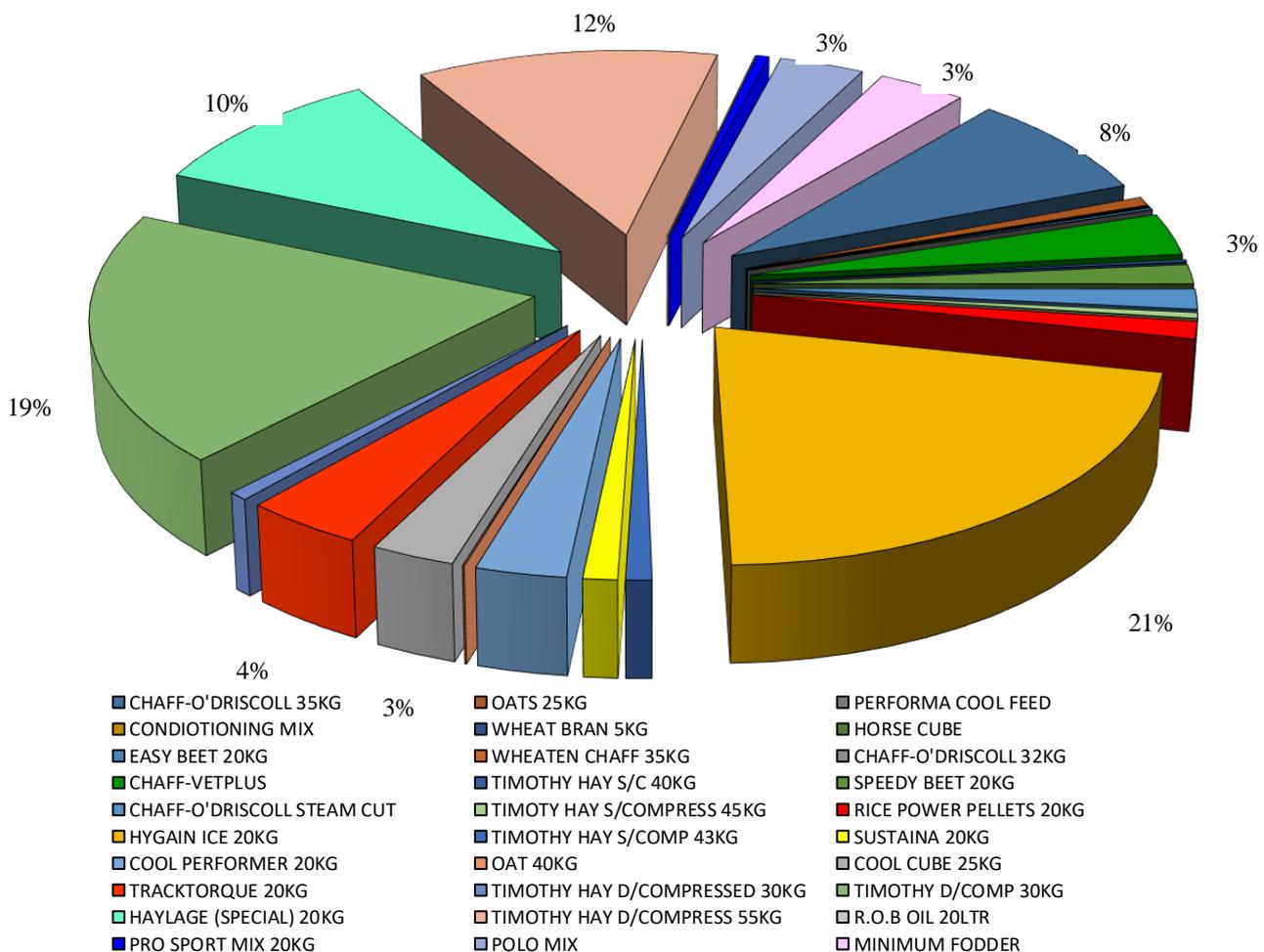
STABLE & FODDER REPORT

FODDER

New fodder items were made available in 2017 to provide a wider choice of horse feed at the Club. They are Performa Cool Feed, Conditioning Mix, Horse Cube, Easy Beet, Pro Sport Mix and Polo Mix.

Minimum fodder spent system was introduced since June 2017 to encourage members to buy fodder from the Club.

The following chart represents the fodder sales for 2017.

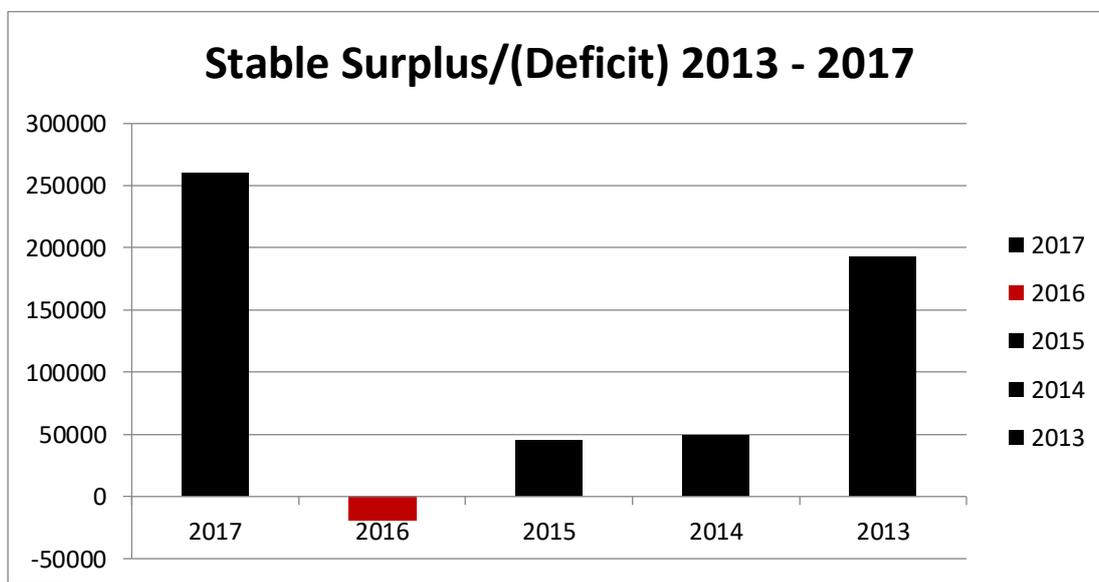


STABLES

Due to the increasing cost since 2013, the Committee had to increase the stable rental rate since to three hundred thirty ringgit (RM330) in 2017. The revised rental rate gave an additional income of RM142,230 for the year. The temporary stable rental income in the months leading up to the SEA Games made 2017 a good year for the stables section.

The surplus will be put into maintaining the condition of the stables. In addition to the surplus, the Committee was given approvals at the last AGMs for stables upgrade and refurbishment. Upgrading works for ten (10) stables near Block B was completed in April 2018 and the Committee is finalizing the costing of stable refurbishment works for the other Blocks.

The following chart illustrate the stable’s performance over the last five years :



One again, we would like to thank the many hardworking Club’s Committee, Sub Committee and the staff whose hard work and dedication have taken us to where we are now. We would also like to thank the members of the Club for their support.

HENNIE COENRAAD
STABLE & FODDER COMMITTEE

EQUESTRIAN REPORT

The past year saw a good influx of new riders taking up the introductory packages and many of them applied for membership once they completed the packages.

We had monthly competitions and **Pony Games and Gymkhana**, these Games have become very popular, so we plan to incorporate Pony club in the second half of Year 2018. These games are a fun way of learning and besides helping improve the riding skills, horsemanship skills such as leading, saddling, tying a horse safely, horse brands types and points are incorporated as quizzes within the team and individual gymkhana games.

The Dressage and Jumping Classes help the riders assess their progress in equitation riding, judgement of pace, use of arena figures and developing their and the horse's performance and condition.

Fitness is essential for riders; The Riding will have Rider fitness sessions for children in the pony Club monthly events and an option for Adult rider fitness included in some packages as well.

The Riding School and its Subcommittee are thriving to improve the level of riders, **we are considering the purchase 4 to 6 horses for the Riding School Section**, in this way we will also hope to expand our rider base.

We thank the Riding School Instructor Ali, the Assistant Instructor Yusri, the Private Instructors Nazroff, Negin and Deborah for their constant support with lessons, we also thank the grooms that assist all the riders getting their horses ready and leading the beginners and Jessie the Administration.

We reluctantly said goodbye to Tathaya who has been our loyal groom since he was 17 years old, he retired recently after a long partnership with the Riding School after 40 years of loyal service, I still remember his smiling face as a young boy and his constant eagerness to learn and help his team and the riders with so much enthusiasm.

| 2017 - LEADER BOARD - DRESSAGE | | | | | | | | |
|--------------------------------|---------|-------|-------------------------------------|------------|-------|--------------------------------------|----------------|--------|
| CLASS - PREPARATORY | | | CLASS PRELIM | | | CLASS NOVICE | | |
| AYRA SALMA | REMY | 59.75 | BERTILLE | ETHAN | 60.45 | MIA KUCHNER | RAFFLES KNIGHT | 61.30 |
| HAZIQ | ETHAN | 59.00 | AMIR RYAN | DIABOLO | 55.90 | MIA KUCHNER | RAFFLES KNIGHT | 59.63 |
| BERTILLE | ETHAN | 58.68 | NURINA | ETHAN | 52.95 | NURINA | CHERRY | 51.67 |
| AYRA SALMA | REMY | 57.37 | AISHAH PUTERI | CONSA | 51.36 | | | |
| NAJMI | REMY | 55.26 | AMIR RYAN | ETHAN | 51.36 | | | |
| NUR IMAN | REMY | 55.00 | KOTOKO | DIABOLO | 49.77 | | | |
| SOPHIA | PUMPKIN | 54.74 | SOPHIE | DIABOLO | 49.32 | 2017 - LEADER BOARD - JUMPING | | |
| NUR IMAN | PUMPKIN | 53.68 | AMIR RYAN | ETHAN | 48.41 | | | |
| YUSRA | FORTUNA | 53.16 | AMIR RYAN | FORTUNA | 48.41 | CLASS - 30 - 50CM | | |
| RAFE | POLLO | 53.00 | | | | AMIR RYAN | ETHAN | 80.53 |
| ZAHRA | PUMPKIN | 52.63 | | | | ALEXANDRA SOLNIK | CHERRY | 77.62 |
| AANYA S | PURDITA | 52.63 | CLASS - PREPARATORY - ADULTS | | | KOTOKO | DIABOLO | 111.25 |
| PARI | PUMPKIN | 52.10 | TRINITY | ANGEL | 63.16 | | | |
| AMIRAH | DIABOLO | 51.84 | AMIRAH | REMY | 63.16 | | | |
| ALIA | PURDITA | 51.05 | AYRA SALMA | FORTUNA | 60.53 | CLASS - 90 - 1M | | |
| NAJLA | DAISY | 51.00 | SOLEHAH | CHERRY | 58.95 | MIA KUCHNER | RAFFLES KNIGHT | 66.50 |
| KOTOKO | CHERRY | 50.53 | RAYHANNA | DIABOLO | 58.42 | | | |
| DALIA AHMED | FORTUNA | 50.26 | SHURU | FORTUNA | 55.26 | | | |
| NOOR ARINAH | POLLO | 50.00 | T. HANI | DAISY | 53.16 | | | |
| EMRAN | DIABOLO | 50.00 | SAMEERA | CHURRINCHE | 51.58 | | | |
| RAYHANNA | DAISY | 49.47 | NAJLA | CHURRINCHE | 50.53 | | | |
| AYRA SALMA | REMY | 48.95 | | | | | | |
| FATIN HUSNA | PUMPKIN | 47.89 | | | | | | |
| ADAM HARRIS | PUMPKIN | 44.75 | | | | | | |

LORRAINE BOTTREAU
EQUESTRIAN COMMITTEE

GROUNDS REPORT

POLO

| <u>January to December</u> | <u>2016</u> | <u>2017</u> |
|-----------------------------------|--------------------|--------------------|
| Club Chukka | 396 | 457 |
| Tournament Chukka | 207 | 24 |
| TOTAL CHUKKAS PLAYED | 603 | 481 |

TRACK AND FIELD

Maintenance

The polo field was closed from 23rd November 2017 to 15th January 2018, and the stick and ball field was closed from 10th December 2017 to 15th January 2018 to allow for the following maintenance work:

- a) To improve field drainage and weeding on certain area of the field
- b) To hollow tine, fertilise and sand both the main arena and stick and ball area
- c) Weeding and to “rest” the field on order to allow grass to regrow

Track

The track was to be done together with the field renovation, in view of that only normal maintenance work of filling the track with sand and levelling certain areas of track that was uneven.

GROUNDS STAFF

| | |
|------|----------|
| 2016 | 8 Staff |
| 2017 | 10 Staff |

I would like to thank my Grounds Sub-committee members, Mr. Shaik Reismann and Mr. Stanley, for assisting me on the Grounds matter. I would also like to thank the ground staff, headed by our General Manager, Mr. Siraj, and Supervisor, Mr. Sundara Maran. They have done a fantastic job maintaining the condition of our track and field.

JOHAN INDOT GROUNDS COMMITTEE

HOUSE & BAR REPORT

The 2017/2018 was an exciting one for the House & Bar Committee. We started off the end of the year 2017 with the facelift as promised at the start of the 2016/2017 term. The best time to start any renovation works is when the club house is quiet (which was extremely difficult to find) and then we finally found the window! We managed to get it done in time before the members came back to start the polo year 2018!

As planned, the facelift was minimal and to keep with the essence of the old charm. The feedback from the members was positive.

We also introduced a new menu to compliment the Asian menu we have had for a long time. We now have a new cook who cooks western and the menu is expanding with the club's restaurant serving both Asian meals (with Chef Jalil) and Western meals (with Chef Jon). It has been exciting and good. Hope you have enjoyed the food at the club.

We have been doing two (2) Saturdays a month at the club as the "Saturday Nite Live @ RSPC 1092" with a special meal being cooked by both our chefs and a live band playing music! The responses to these events have been good with members and their friends and we may extend it to all Saturdays (maybe). Keep an eye open for the advertisement for these "Saturday Nite Live @ RSPC 1902 evenings.

The kitchen and the bar which is now known as RSPC 1902 is looking alive and busy with a new menu and music nights and the members are coming back to visit the Grand Ole Lady at the Polo Club. (she has been around since 1902!)

The plans for the 2018/2019 for the Kitchen and Bar is to upgrade the equipment and get the kitchen working for the club as another place where members can chill and spend long hours taking about life and the wonderful world of horses!

Hope to see all of you at the Club @ RSPC 1902!!

I must take this opportunity to firstly thank the Staff and the Groundmen for their support with every event at the club! The members who support the club and the events at the club, it could not happen if you do not support the events! So, a BIG THANK YOU!

I would also like to personally thank Tinny, Min and Hannah for the great job they do as members of the House Committee! What an amazing team you girls make and the Committee for the unending support to make things happen at the Club House.

And a big thank you from the Committee to all our members who use the Bar and Clubhouse as their 'home away from home'. Thank you all for your continued support.

Thank you.

STANLEY SABASTIEN SINNAPPEN
HOUSE & BAR COMMITTEE