

GCB COURT 2023 GENERAL REPORT



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ORGANIZATION CHART

MANAGEMENT COMMITTEE

Chairman



Mohd Hadzir Bin Manah

Secretary



Lai Chiew Foon

Treasurer



Chai Wai Ming

Committee:



Zainol Bin Ahmed



Bhajan Kaur



Michael Cheong

Huatland Development Sdn Bhd

MANAGEMENT OFFICE

Building Manager



Sangheeta Kumaran

Finance & Admin Exec



Norsafarina Ede

Office Assistant:



Raman Punj



Rohit Kumar

PREFACE (harmony & safety – preserve it)

Something which we should not compromise.

For many years we have had the privy of enjoying harmony, peace, quietness, most importantly the security/safety in GCB Court now housing about 400 multi-racials and residents from various countries.

We are sleeping soundly in our units placing full trust in the hands of some security guards. If we can do so in the night, then it should be the same in the day. Why then choose to breach the House Rules 2013, do not want to register visitors/invitees creating un-called scenes/arguments with the same security guards and also with management office. Take a moment to imagine, while you are asleep people are brought in without registration as what it was prior to 2013/2014 (anyone can access the building). We were having many cases of thefts, vice activities, drug labs and over-crowding. Do we want to see a repeat? Or should we go guardless and gateless?

Let me highlight, also, whilst all of us are asleep, every other day there are incidents at the guard house. Building Manager is be involved to resolve with security guards and Management Committee will receive messages regardless of time. Two or three Management Committees will respond to the on-going incidents of which mostly contributed by our own residents. Otherwise, for no reason a third party's car rams into our barrier gates and from adjacent building residents jumps across boundary walls accessing into GCB Court, caught of course by our security guards and taken to Balai Pudu at 2am by the Building Manager.

House Rules 2013 was written and implemented based on the Strata Management Act 2013. Various notices were issued by the management office vetted by the Management Committee for consistent betterment of all residents dwelling in GCB Court. Having the by-laws without enforcement is of no use – in GCB Court, the Management Committee ensures enforcement; that's why we are known to act without favoritism or fear. Be thankful we have a strong management office and with one of the best security team in town.

Majority of proprietors dwelling in GCB Court want harmony, peace, quietness and safety to be preserved at all times. No compromises as maintenance charges is paid mainly for these reasons.

For And On Behalf Of The Management Committee 2023-2024,

Lai Chiew Foon Secretary 24/06/2024

Chairman's Report of The Management

Management Corporation

A "Strong Management Corporation is the backbone for a good condominium

living" which is administration of governance versus expectations. Our Management Corporation comprises of none other than the 180 proprietors (parcel owners) who chose to own a unit or more of this aged building situated in a luscious green cul-de-sac within the city's horizons surrounded now by new high-rise buildings.

The Management Committee is elected to administer the governance versus expectations. In that sense, no proprietor should expect the Management Committee to breach any governance.

Governance comprises of adherences to the Strata Management Act 2013 enacted in the Parliament, by-laws issued by COBDBKL from time to time and also to our own building's – House Rules 2013 endorsed at AGM 2013/2014. Every property is subjected to some form of by-laws or

regulations regardless whether strata or non-stratified.

MANAGEMENT
COMMITTEE

MANAGEMENT
OFFICE

Guided by the Management Committee, implementation and enforcement of governance falls on the shoulders of the Management Office. A tough task handling building and human matters. We have a small office catering to 180 units and being in-house management, it's a 24/7 role. On the eve of Hari Raya Haji 16 June 2024, a resident of 19th floor informed the building manager at 10pm Sunday water pressure is low. Immediately, building manager with the office assistant carried out the relevant checks from roof top to basement and noted domestic control panel tripped-off both pumps. The Building Manager than test ran one of pumps randomly and put the system to function on manual, enabling roof tanks to be filled up for Raya Haji and public holiday as well the next day. To run on manual system means the tanks at roof top are

to be monitored regularly ensuring water level maintained, no over flow and domestic pump shut down manually each consecutive 2 hours.

We are doing our best to keep matters at bay, some can be seen and measured; whilst some can't. If you think it is easy, come on board as a Management Committee and serve the building in accordance, on a voluntary basis.

Expectation should not be one sided. Do what is expected of you as a proprietor. Pay your charges on time and adhere to the by-laws. Educate your tenants as well – House Rules 2013, communal living and respect the common areas. End of the day, we only own a unit or two not the whole building.

Now, coming to matter related to management and administration of GCB Court, we have completed almost 90% of the rehabilitation list that was created in 2014/2015 and updated yearly. Most recent jobs were the installation of two sets pneumatic pump at roof top and tennis court floor resurfacing. Left to be done are the following:

- 1) TNB's PPU Substation lease renewal,
- 2) Electric Vehicle Charging Bays,
- 3) 10 corridors polycarbonate sheets (funds may be called from owners),
- 4) main roof top floor surfacing,
- 5) basement and lower ground car park floor resurfacing,
- 6) CCTV for roof top, corridors, loading and boundary areas,
- 7) channeling roof top's rain water down pipes,
- 8) sewerage tank treatment and wash down,
- 9) main distribution board 3 phase fuse for 180 units,
- 10) squash court floor resurfacing, and
- 11) table tennis court floor resurfacing.

Elaboration for some of the items above:

1) TNB's PPU Substation Lease Renewal

TNB's Pencawang Pembahagian Utama (PPU) substation is supplying power to hospitals and buildings from Great Eastern Mall to Taman Ahmad Razali. The first 30 years lease agreement between GCB's developer and LLN signed in 1983/1984 expired in 2014, to which GCB Court was paid a total rental of RM10/=. We have been liaising with TNB for the past few years to resolve the second term of 30 years as stated in the said agreement not for another RM10/= again but to be based on a commercial rental agreement since TNB is squatting on private property paying peanuts whilst generating income from the PPU.

We are not wanting to resort using harsh methods to prevent TNB's entry into our premises during any of their major breakdowns since some hospitals are getting their power supplied from this PPU. Management Corporation can be sued if our action results in any loss of lives.

We have engaged professional entities to carry out surveys and valuations of the PPU site. A law firm was also engaged to commence notices to TNB, however TNB preferred to deal directly with our Management Corporation but the irony is the persons-in-charge of lease/asset management department have been changing heads so frequently that we have come to conclude that nobody in TNB wants to handle or make a decision as this case will go down on TNB as an unprecedented.

We hand delivered to TNB two commercial agreements prepared in-house, namely a Lease Agreement for the next 30 years and Compensation Agreement from August 2014 to August 2023 for backlog claims to which TNB has yet to revert. We envisage that a court case will follow suit initiated by GCB Court versus TNB, which may have repercussions of either arbitration or Government forced acquisition of our gateway entrance right until the PPU Substation; if wrongfully approached. In that sense, the presence of the current Management Committee is much needed to continue to pursue and seek the rightful compensation for the Management Corporation to which these funds can be used to upgrade our building.

2) Electric Vehicle Charging Bays

In September 2023, Kementerian Perumahan dan Kerajaan Tempatan (KPKT) has enforced a 2% ruling of total units and visitor's car parks are to be allocated for Electric Vehicle Charging Bays (EVCBs), to be implemented by all strata buildings by December 2025. We are capitalizing on a vendor program whereby it is at zero cost to the Management Corporation. We only need to allocate the visitor's car parks or any other that meets the requirements of KPKT.

KPKT and Suruhan Tenaga has stated that EVCBs for residential strata buildings are to be allocated outdoor (thus, not under the building or basement) of the main building following the proper guidelines published. Management Committee has reviewed these guidelines/requirements and we are strictly to abide to avoid fire/explosion mishaps in the building. Conversion of individual car park bays to cater for any form of electricity charging is not permitted due to the need to tap power supply from the building's high voltage equipment located on the first floor.

We are working with Chargesini, let the vendor do the needful following KPKT's guidelines.

3) Main Roof Top, Basement and Lower Ground Car Parks Floor Resurfacing

As old as the building riddled with tell-tale signs of wear and tear. Both locations require substantial patching up of cracks/water-proofing and a coat of finishing for restoration. The main roof top has our 8 units water tanks, pneumatic pumps, control panels and lift motor rooms, it is an open space subjected to the harsh weather conditions.

The upcoming Management Committee will look into all the pending jobs and/others that will surface over time.

For the up-coming Annual General Meeting (AGM), we have for the years 2018 to 2022 issued General Reports in a printed book format inclusive of the audited financial reports for the relevant years. We upheld the fiduciary requirements though the Management Committee had received exemptions from Housing Ministry from holding AGMs then followed by Covid 2019 MCO period exemptions.

We will not be tabling out General Reports 2018 – 2022 and the audited financial reports are deemed taken for consideration to ease off moving forward to current years events/figures. Pertinent topics for owners to read and take to task was raised in each edition of the General Report, however we wish to summarize the topics follows:

General Report 2018-2019/2020 (Edition 1 - can be downloaded from www.gcbcourt.com):

- 1) Total Replacement of Four (4) Units Passenger Lift For GCB Court
- 2) Full Fiber Optical Internet Broadband Services at Your Doorstep
- 3) Face Lift To Changing Rooms, New Pool Gratings & New BBO Burners
- 4) Gym Room Equipment Traded Off & Replaced With New Ones
- 5) Completion of Painting GCB & Sealing Off Lift Waiting Areas By Netting
- 6) Expiry Of Tenaga Nasional Berhad's PPU Substation Lease With GCB Court
- 7) Change Of Auditors, The Year 31 December 2018
- 8) Financial Summary Audit Report 2019 & Management Accounts 31/11/2020
- 9) Retirement Of Members of Serving Management Committee 2018-2019/2020

General Report 2020 & 2021 (Edition 2 - can be downloaded from www.gcbcourt.com):

- 1) Pets In the Unit Not Allowed As Per House Rules
- 2) Common Areas Specifically "Floor landing" Space To Unit's Entrance
- 3) Concealing Planter Boxes, POP Ceilings & Washing Machine In Balcony
- 4) Swimming Pool & Gym Facilities Not Opened To Visitors
- 5) Accessory Titled Parcel Of The Unit
- 6) Selection Of Tenants To Live In GCB Court
- 7) Monthly Maintenance Payment & Late Payment Interest Charges
- 8) Strata Act Requirement Maintenance Charges Based On Share Unit
- 9) Financial Review Audit Report For The Years 2020 & 2021
- 10) GCB Management Committee Members & Upholding The Building Matters

General Report 2022 (Edition 3 - can be downloaded from www.gcbcourt.com):

- 1) Time To Increase Maintenance Charges Due To Rising Cost
- 2) Financial Review Audit Report For The Year 2022
- 3) Allocation of Maintenance Charges And Late Payment Interest Charges
- 4) Cover Car Park System For Open Area
- 5) Pending Wishlist
- 6) Management Committee Of The Next Term

Some of these topics has been repeated over the years either in the General Reports or vide notices constantly issued by the management office. In 2022 we stated – "The Management Committee would not want to give explanations repeatedly on any of the above matters as we expect cooperation from all parcel owners to ensure it's done or addressed even if it means telling off your tenant to adhere/comply". Since we are still fire-sparkle with some of the above topics at management office on daily basis, it leaves us no choice but to raise Ordinary Resolutions in this AGM to maintain communal living (unlike group forum or a social gathering to which it meant to be privacy policy) but to ensure respect to the common property of the building, adherence to by-laws and House Rules 2013.

Likewise, owners have been notified "Time To Increase Maintenance Charges Due To Rising Cost" in General Report 2022, this AGM it is raised as a much-needed Ordinary Resolution to mitigate the deficits/maintain some buffers in our financials due to high-cost escalation to building materials, manpower and utilities.

Conclusion:

We have had the privilege of a long serving management office who has maintained the building records in order to ensure no duplication/wastages in carrying projects and rehabilitation jobs that was carried out since 2013/2014 in comparison to some buildings that change management office so frequently that the historical records are lost in track. We also maintained the same vendors for GCB Court as each one of them are giving us their best in terms of price, professionalism, manpower and they are readily available to assist the management office regardless of time.

As termed always as an aged building with limitations of having only one accessory car park per unit and then the stairways system in the corridor making it difficult for wheelchair bound or aged persons, even ambulance stretchers not able to access the lifts due the tight space not enough to maneuver. Maybe someday GCB Court will also opt out to match newer heights and facilities.

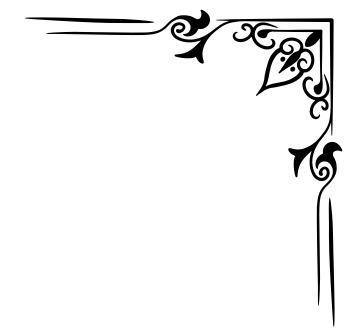
I take this opportunity to THANK all the Management Committee who stood proud in voluntary services over the years, sometimes our meetings are dragged almost to midnight but the learning curve cannot be measured. A note of GREATEST THANKS also to our small in-house management office, continue to serve your best; as the building manager chided me, this is not a job but a duty.

To the incoming Management Committee - good luck and best wishes.

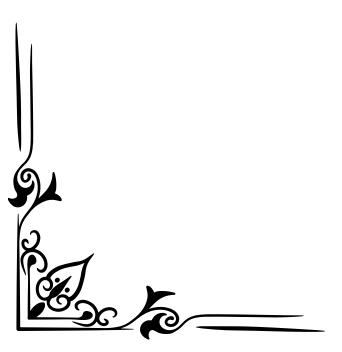
For and On Behalf Of GCB Court Management Corporation & The Management Committee 2023/2024

Mohd Hadzir bin Manah

Chairman 24 /06 / 2024



ANNUAL REPORTS AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023



ANNUAL REPORTS AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

> KET & CO. (AF 1167) Chartered Accountants, Malaysia

ANNUAL REPORTS AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

MANAGEMENT CORPORATION INFORMATION

COMMITTEE MEMBERS:

Mohd Hadzir bin Manah

Lai Chiew Foon Chai Wai Ming

Bhajan Kaur A/P Manjit Singh

Zainol bin Ahmed Cheong Chee Leng Pung Kwai Sang

PRINCIPAL PLACE OF BUSINESS:

332B, GCB Court

Jalan Ampang

50450 Kuala Lumpur.

PRINCIPAL BANKER:

CIMB Bank Berhad

AUDITORS:

Ket & Co. (AF 1167)

Chartered Accountants, Malaysia

ANNUAL REPORTS AND FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

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MANAGEMENT COMMITTEES' REPORT

The Management Committees hereby submit their report together with the audited financial statements of the GCB Court Management Corporation (hereinafter referred to as the "Entity") for the financial year ended 31 December 2023.

PRINCIPAL ACTIVITY

The principal activity of the Entity is engaged in providing maintenance and management services to the GCB Court Condominium, a property consists of 180 units.

There has been no significant change in the nature of this principal activity during the financial year under review.

FINANCIAL RESULTS

	2023	2022
	$\mathbf{R}\mathbf{M}$	$\mathbf{R}\mathbf{M}$
Results for the financial year:		
(Deficit)/Surplus from maintenance fund	(43,959)	120,914
Surplus from sinking fund	65,672	86,814
Total surplus for the financial year	21,713	207,728

COMMITTEE MEMBERS

The Committee Members who held office since the date of the last Annual General Meeting (17 November 2018) are:

No.	Name	Position	
1.	Mohd Hadzir bin Manah	Chairman	
2.	Lai Chiew Foon	Secretary	
3.	Chai Wai Ming	Treasurer	
4.	Bhajan Kaur A/P Manjit Singh	Committee Member	
5.	Zainol bin Ahmed	Committee Member	
6.	Cheong Chee Leng	Committee Member	
7.	Pung Kwai Sang	Committee Member	

AUDITORS' REMUNERATION

The auditors' remuneration for the financial year is RM5,724 (2022: RM5,618).

MANAGEMENT COMMITTEES' REPORT (CONTINUED)

AUDITORS

The auditors, Messrs. Ket & Co., have expressed their willingness to continue in office.

Signed on behalf of the Committee,

MOHD HADZIR BIN MANAH

Chairman

LAI CHIEW FOON

Secretary

HAI WAI MING

Treasurer

Kuala Lumpur

Date:

1 7 MAY 2024

STATEMENT BY THE COMMITTEES

We, being the office bearers of the committee members elected to GCB Court Management Corporation (hereinafter referred as to the "Entity"), do hereby state on behalf of the Entity that in our opinion, the accompanying Statement of Financial Position as at 31 December 2023, Statement of Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows for the financial year then ended, together with the notes thereto, are drawn up in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Strata Titles Act 1985 (Act 318) as well as Strata Management Act 2013 (Act 757), so as to give a true and fair view of the financial position of the Entity as at 31 December 2023 and of the results and of the cash flows for the financial year ended on that date.

Signed on behalf of the Committee,

MOHD HADZIR BIN MANAH

Chairman

LAI CHIEW FOON

Secretary

Date:

17 MAY 2024

Before me,

Commissioner for Oat

No. PJS: W526

IAYA

Nama: R. Yogeswari A/P

K. Rathakrishuan

Ho, Sijil Amalen Peguma: BC/Y/253 Tarapoh Landikao: 01.01.2622-31.12.<mark>202</mark>4

Kuala Lumpur in the

State of Federal Territor

MESSRS R. YOGESWARI & CO Lot 61-2A, OG Business Park. Jalan Taman Tan Yew Lai, 58200 Kuala Lumpur

KET & CO. (AF 1167)

CHARTERED ACCOUNTANTS, MALAYSIA.

160-4A, BATU 3 ½, JALAN KLANG LAMA, 58000 KUALA LUMPUR, MALAYSIA. Tel: 603 – 7983 6322 Fax: 603 – 7983 6323

Registration No. 1023

INDEPENDENT AUDITORS' REPORT TO THE COMMITTEE MEMBERS OF GCB COURT MANAGEMENT CORPORATION (Established under the Strata Titles Act 1985)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of GCB Court Management Corporation (hereinafter referred to as the "Entity"), which comprise the statement of financial position as at 31 December 2023, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 8 to 21.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Entity as at 31 December 2023 and of its financial performance and cash flows for the financial year in accordance with the Malaysian Private Entities Reporting Standard and the requirements of the Strata Titles Act 1985 (Act 318) as well as Strata Management Act 2013 (Act 757).

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 Entity 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' 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.

Registration No. 1023

Information Other than the Financial Statements and Auditors' Report Thereon

The Management Committees of the Entity are responsible for other information. The other information comprises the Management Committees' Report but does not include the financial statements of the Entity and our auditors' report thereon.

Our opinion on the financial statements of the Entity does not cover the Management Committees' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Entity, our responsibility is to read the Management Committees' Report and, in doing so, consider whether the Management Committees' Report is materially inconsistent with the financial statements of the Entity or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Management Committees' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management Committees for the Financial Statements

The Management Committees of the Entity are responsible for the preparation of financial statements of the Entity that give a true and fair view in accordance with Malaysian Private Entities Reporting Standard and the requirements of the Strata Titles Act 1985 (Act 318) as well as Strata Management Act 2013 (Act 757). The Management Committees are also responsible for such internal controls as the Management Committees determine necessary to enable the preparation of financial statements of the Entity that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Entity, the Management Committees are responsible for assessing the Entity'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 Management Committees either intend to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Entity 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.

Registration No. 1023

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Entity, 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 controls.
- Obtain an understanding of internal controls 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 Entity's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Committees.
- Conclude on the appropriateness of the Management Committees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity'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 Entity 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 Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Entity, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with the Management Committees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

KET YEAN NI

01929/11/2024 J

Chartered Accountant

Registration No. 1023

Other Matters

This report is made solely to the Management Committees of the GCB Court Management Corporation as a body, and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KET & CO.

Firm Registration No.: AF 1167 Chartered Accountants

Date:

17 MAY 2024

Kuala Lumpur

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

ASSETS	Note	2023 RM	2022 RM
Current assets Receivable from owners Other receivables Cash and cash equivalents TOTAL ASSETS	6 7 8 -	345,100 38,217 767,093 1,150,410	378,391 37,859 778,252 1,194,502
EQUITY AND LIABILITIES			
Equity Maintenance fund reserve Sinking fund reserve TOTAL EQUITY	9 -	(20,527) 1,105,151 1,084,624	23,432 1,039,479 1,062,911
Current liabilities Other payables Refundable deposits TOTAL LIABILITIES	10 11	42,096 23,690 65,786	92,736 38,855 131,591
TOTAL EQUITY AND LIABILITIES	=	1,150,410	1,194,502

STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	2023 RM	2022 RM
Revenue	11010	I	
Service charges	12	800,088	799,827
Other income	13 _	93,044	105,458
		893,132	905,285
Less: Maintenance fund expenditure	Г		
Administration expenses	14	17,811	18,753
Maintenance expenses	15	634,738	531,544
Staff costs	16	137,001	132,583
Utilities	17	147,541	101,491
	_	(937,091)	(784,371)
(Deficit)/Surplus before tax		(43,959)	120,914
Income tax expense	18	-	
(Deficit)/Surplus from maintenance fund		(43,959)	120,914
Surplus from sinking fund	9 _	65,672	86,814
Total surplus for the financial year	=	21,713	207,728

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Maintenance fund reserve RM	Sinking fund reserve (Note 9) RM	Total RM
At 1 January 2023	23,432	1,039,479	1,062,911
(Deficit)/Surplus for the financial year	(43,959)	65,672	21,713
At 31 December 2023	(20,527)	1,105,151	1,084,624
At 1 January 2022	(97,482)	952,665	855,183
Surplus for the financial year	120,914	86,814	207,728
At 31 December 2022	23,432	1,039,479	1,062,911

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	2023 RM	2022 RM
Cash flows from operating activities Cash receipts from owners and tenants	901,274	943,237
Cash payments to suppliers and contractors	(927,096)	(813,638)
Cash (used in)/generated from operations	(25,822)	129,599
Interest received from fixed deposits	14,663	9,905
Net cash (used in)/generated from operating activities	(11,159)	139,504
Cash flows from investing activity	-	-
Cash flows from financing activity	-	-
Net (decrease)/increase in cash and cash equivalents	(11,159)	139,504
Cash and cash equivalents at beginning of financial year	778,252	638,748
Cash and cash equivalents at end of financial year (Note 4.1 and 8)	767,093	778,252

NOTES TO THE FINANCIAL STATEMENTS 31 DECEMBER 2023

1. GENERAL INFORMATION

GCB Court Management Corporation (hereinafter referred to as "Entity") was established on 7 September 2006 by the proprietors/owners of the GCB Court Condominium under the Strata Titles Act, 1985 (Act 318) bearing Kuala Lumpur Commissioner of Buildings (Pesuruhanjaya Bangunan) registration number 1023.

The principal activity of the Entity is engaged in providing maintenance and management services to the GCB Court Condominium. This property consists of 180 units condominiums. There has been no significant change in the nature of this principal activity during the financial year under review.

As custodian, the Entity will manage and maintain the common property and will establish adequate maintenance fund and sinking fund to meet all expenses necessary to meet its obligations.

The principal place of business of the Entity is located at 332B, GCB Court, Jalan Ampang, 50450 Kuala Lumpur.

The financial statements of the Entity are presented in Ringgit Malaysia (RM). The functional currency of the Entity is Ringgit Malaysia.

2. COMPLIANCE WITH FINANCIAL REPORTING STANDARDS AND THE STRATA MANAGEMENT ACT 2013 (Act 757)

The financial statements of the Entity have been prepared in compliance with the Malaysian Private Entities Reporting Standard ("MPERS") issued by the Malaysian Accounting Standards Board ("MASB") and the provisions of the Strata Management Act 2013.

3. BASIS OF PREPARATION

The financial statements of the Entity have been prepared using cost bases (which include historical cost and amortised cost).

Management has used estimates and assumptions in measuring the reported amounts of assets and liabilities at the end of the reporting period and the reported amounts of revenues and expenses during the reporting period.

Judgements and assumptions are applied in the measurement, and hence, the actual results may not coincide with the reported amounts. The areas involving critical accounting judgement and significant estimation uncertainties are disclosed in Note 5.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Cash and Cash Equivalents

Cash and cash equivalents consist of cash and bank balances as well as fixed deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4.2 Financial Instruments

4.2.1 Initial Recognition and Measurement

The Entity recognises a financial asset or a financial liability in the statement of financial position when, and only when, the Entity becomes a party to the contractual provisions of the instrument.

On initial recognition, all financial assets and financial liabilities are measured at fair value, which is generally the transaction price, plus transaction costs if the financial asset or financial liability is not measured at fair value through surplus or deficit.

4.2.2 Derecognition of Financial Instruments

A financial asset is derecognised when, and only when, the contractual rights to receive the cash flows from the financial asset expire, or when the Entity transfers the contractual rights to receive cash flows of the financial asset, including circumstances when the Entity acts only as a collecting agent of the transferee, and retains no significant risks and rewards of ownership of the financial asset or no continuing involvement in the control of the financial asset transferred.

A financial liability is derecognised when, and only when, it is legally extinguished, which is either when the obligation specified in the contract is discharged or cancelled or expires.

A substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

For this purpose, the Entity considers a modification as substantial if the present value of the revised cash flows of the modified terms discounted at the original effective interest rate differs by 10% or more when compared with the carrying amount of the original liability.

4.2.3 Subsequent Measurement of Financial Assets

For the purpose of subsequent measurement, the Entity classifies financial assets as financial assets at amortised cost which are subject to review for impairment in accordance with Note 4.2.5.

4.2.4 Subsequent Measurement of Financial Liabilities

After initial recognition, all financial liabilities are measured at amortised cost using the effective interest method.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.2 Financial Instruments (Continued)

4.2.5 Impairment and Uncollectible of Financial Assets

At the end of each reporting period, the Entity examines whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Evidences of trigger loss events include: (i) significant difficulty of the issuer or obligor; (ii) a breach of contract, such as a default or delinquency in interest or principal payments; (iii) granting exceptional concession to an owner; (iv) it is probable that an owner will enter bankruptcy or financial re-organisation; or (v) any observable market data indicating that there may be a measurable decrease in the estimated future cash flows from a group of financial assets.

For short-term trade and other receivables, where the effect of discounting is immaterial, impairment loss is tested for each individually significant receivable wherever there is any indication of impairment. Individually significant receivables for which no impairment loss is recognised are grouped together with all other receivables by classes based on credit risk characteristics and aged according to their past due periods. A collective allowance is estimated for a class group based on the Entity's experience of loss ratio in each class, taking into consideration current market conditions.

4.3 Tax Assets and Tax Liabilities

A current tax for current and prior periods, to the extent unpaid, is recognised as a current tax liability. If the amount already paid in respect of current and prior periods exceed the amount due for those periods, the excess is recognised as a current tax asset. A current tax liability (asset) is measured at the amount the entity expects to pay (recover) using tax rates and laws that have been enacted or substantially enacted by the reporting date.

A deferred tax liability is recognised for all taxable temporary differences. A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable surplus will be available against which the deductible temporary difference can be utilised.

Deferred taxes are measured using tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. The measurement of deferred taxes reflects the tax consequences that would follow from the manner in which the Entity expects, at the end of the reporting period.

4.4 Provisions

The Entity recognises a liability as a provision if the outflows required to settle the liability are uncertain in timing or amount.

A provision is measure at the present value of the expenditures expected to be required to settle the obligation using a discount rate that reflects the time value of money and the risk that the actual outcome might differ from the estimate made. The unwinding of the discount is recognised as an interest expense.

4. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4.5 Employee Benefits

4.5.1 Short-Term Benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial period in which the associated services are rendered by employees of the Entity.

Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences such as sick leave are recognised when the absences occur.

4.5.2 Defined Contribution Plans

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF").

4.6 Revenue Recognition and Measurement

Revenue from service charges and sinking fund contribution are recognised on accrual basis in accordance with agreement between owners and the Entity and in accordance with the Strata Management Act 2013.

Late interest charges are imposed on overdue balances due by/receivable from owners pursuant to the rate determined in the annual/extraordinary general meeting and recognised on accruals basis.

Interest income is recognised using the effective interest method and accrual basis.

Rental income from letting of common area/facilities are recognised on accruals basis.

Disbursements are expenses which incurred by the Entity and receivable/recoverable from owners. The entirety of these expenses is billed to the Entity including those under common areas of the property and the appropriate portion is recovered from the owners accordingly.

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5. CRITICAL JUDGEMENT AND ESTIMATION UNCERTAINTY

5.1 Judgements and Assumptions Applied

In the selection of accounting policies for the Entity's, the Management Committees do not identify any significant judgement and assumptions that is required for reporting during the financial year.

5.2 Estimation Uncertainty

The measurement of some assets and liabilities requires management to use estimates based on various observable inputs and other assumptions. The area that is subject to significant estimation uncertainties of the Entity is *Measurement of Income Taxes*.

Significant judgement is required in determining the Entity's provision for income taxes. When the final outcome of the taxes is determined by the tax authority, the amount might be different from the initial estimation of tax payable. Such differences may impact the current and deferred taxes in the period when such determination is made.

The Entity will adjust for the differences as over- or under-provision of the current or deferred taxes in the current period in which those differences arise.

6. RECEIVABLE FROM OWNERS

Receivable from owners represents amount due by owners which include service charges, sinking fund, fire insurance, late interest charges and water charges. The Committee Members are of the opinion that all receivable from owners is fully recoverable and no impairment is necessary.

7. OTHER RECEIVABLES

	2023 RM	2022 RM
Deposits Prepayment of license fee for generator set	33,817 4,400	33,092
Under billing of insurance	-	4,767
	38,217	37,859

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8. CASH AND CASH EQUIVALENTS

	2023 RM	2022 RM
Cash on hand	3,129	3,129
Cash at banks	103,843	229,664
Cash and bank balances	106,972	232,793
Fixed deposits with licensed bank	660,121	545,459
Cash and cash equivalents	767,093	778,252

The interest rates of the fixed deposits during the financial year were ranging from 1.85% to 3.72% (2022: 1.85%) per annum and the maturity of the deposits at the end of the financial year was 12 months (2022: 12 months).

9. SINKING FUND RESERVE

This sinking fund reserve is created to meet actual and expected expenditure as set out in Section 61 of the Strata Management Act 2013 (Act 757). The movements of the sinking fund reserve can be summarised as:

	2023 RM	2022 RM
Contribution		
Sinking fund charges billed during the financial year	105,672	98,394
Less: Sinking fund expenditure		
Installation of new Pneumatic pipe line at 18 and 19		
floor together with roof top new pump system	40,000	-
Installation of outdoor white colour blinds 5.7' W x		
10' H with metal support at lobby lift entrance	-	10,080
Purchase 2 sets of chairs at lobby	-	1,500
	(40,000)	(11,580)
Surplus for the financial year	65,672	86,814
Balance at beginning of financial year	1,039,479	952,665
Balance at end of financial year	1,105,151	1,039,479

Pursuant to the General Report 2020 and 2021, the sinking fund charges contributed by the owners was revised from RM0.03 per square foot to RM0.35 per share unit with effect from 1 October 2022 in order to comply with the requirement of the Strata Management Act 2013.

10. OTHER PAYABLES

	2023 RM	2022 RM
Amount due to contractors and service providers	28,724 13,372	32,468 60.268
Prepayment from owners	13,372 42,096	60,268 92,736

11. REFUNDABLE DEPOSITS

	2023 RM	2022 RM
Access card and car sticker deposits	17,140	15,780
Facilities deposits	50	75
Renovation deposits	6,500	23,000
	23,690	38,855

12. SERVICE CHARGES

Pursuant to the General Report 2020 and 2021, the service charges contributed by the owners was revised from RM0.25 per square foot to RM2.65 per share unit with effect from 1 October 2022 in order to comply with the requirement of the Strata Management Act 2013.

13. OTHER INCOME

	2023 RM	2022 RM
Sundry income:		
Late payment interest charges	17,874	28,842
Interest income:		
Interest income for fixed deposits	14,663	9,905
Interest income for utility deposits	725	707
	15,388	10,612
Rental income:		
Carpark	14,880	25,545
Facilities	1,860	1,156
	16,740	26,701
Disbursement:		
Fire insurance (Note 15)	43,042	39,303
	93,044	105,458

15.

14. ADMINISTRATION EXPENSES

	2023	2022
	RM	RM
Accounting fee	3,238	1,590
Auditors' remuneration	5,724	5,618
Bank charges	280	576
Postage and courier charges	3,255	4,295
Printing and stationery	689	446
Rental of photocopier	-	1,748
Telephone and fax charges	4,357	4,320
Travelling expenses	268	160
	17,811	18,753
	2023 RM	2022 RM
Contractual services:	KIVI	KIVI
Cleaning services	129,000	113,800
Landscape services	40,800	37,950
Lifts service fee Note 15.1	28,800	
Pest control services	8,860	17.700
Security services		17,700 7,800
Swimming pool services	228.271	7,800
8 1	228,271 16,500	7,800 169,414
	$\frac{228,271}{16,500}\\ 452,231$	•
Other services:	16,500	7,800 169,414 17,100
Other services: Electrical inspection	16,500 452,231	7,800 169,414 17,100 363,764
Other services: Electrical inspection Fire insurance (Note13)	16,500	7,800 169,414 17,100

Electrical inspection
Fire insurance (Note13)
Fire protection services
General expenses
Land search fee
License fee (Energy commission) for generator set
License fee (JKKP) for lifts
Maintenance of auto gate
Repair and maintenance

11,448	12,294
42,950	39,303
5,865	3,960
1,416	3,696
-	400
2,200	-
1,520	
9,140	3,800
107,968	104,327
182,507	167,780
634,738	531,544

Note 15.1

The lifts service fee of RM2,400 per month was charged after the warranty period provided by lift service provider in relation to the refurbishment project for the four (4) lifts commencing February 2022 (for Lift 1 and 2) and middle of August 2022 (for Lift 3 and 4). In year 2023, a full year of RM2,400 per month was charged.

16. STAFF COSTS

	2023 RM	2022 RM
EPF, EIS and SOCSO contribution	31,041	29,804
Salaries and bonus	105,160	102,068
Staff medical fee	628	417
Staff welfare	172	294
	137,001	132,583

17. UTILITIES

	2023 RM	2022 RM
Electricity charges Note 17.1	141,024	94,450
Water charges	6,517	7,041
	147,541	101,491

Note 17.1

Since 1 February 2022, a surcharged of RM0.037 per kilowatt was imposed (from original subsidy of RM0.02 per kilowatt) which further increased the electricity charges.

During the financial year, the ICPT rate was further increased from RM0.037 per kilowatt to RM0.20 per kilowatt (increased of RM0.163 per kilowatt) for the period from January 2023 to June 2023 had resulted in the increased in electricity charges during the financial year. The ICPT rate was slightly reduced by RM0.03 per kilowatt (to RM0.17 per kilowatt) for the period from July 2023 to December 2023.

18. INCOME TAX EXPENSE

No taxation is provided on service charges, late interest charges, sinking fund and sundry income which fulfill the principle of mutuality. The Committee Members are presently assessing the potential income tax arising from the rental income and sundry income from non-owners of the current financial year.

19. SIGNIFICANT EVENT

Lease of land by Tenaga Nasional Berhad ("TNB")

The Entity received a letter from TNB (formerly known as Lembaga Lektrik Negara) dated 9 October 2018 for the purpose of renewal for a lease period in relation to a portion of the common area of GCB Court which was occupied as main division substation ("pencawang pembahagian utama" or "PPU"). The original lease period, which was for a period of 30 years, commenced since 1 September 1984 and ended on 31 August 2014 with a consideration of RM10 and the entire tenure of the lease. No further arrangement can be made with TNB until discussion was scheduled by TNB.

On 12 December 2023 a letter from GCB Court Management Corporation was issued to the electricity service provider (TNB) to seek for a meeting for discussion of such matter. However, no response from the TNB until discussion was scheduled by TNB.

The Committee Members are of the opinion that the lease which was ended for more than four years shall be re-considered. As such, various professionals were engaged with cumulative costs incurred amounted to RM24,792 (2022: RM24,792), as follows:

	2019 RM	2020 RM	2021 RM	2022 RM	Total RM
Lawyer fee	5,000	4,010	_	_	9,010
Land surveyor fee	9,782	-	-	-	9,782
Valuer fee	6,000			_	6,000
5	20,782	4,010	_	-	24,792

20. DATE OF AUTHORISATION FOR ISSUE

The financial statements were authorised for issue by the Committee Members on

1 7 MAY 2024

Contract Staff & Service Provider













Contract Staff & Service Provider

















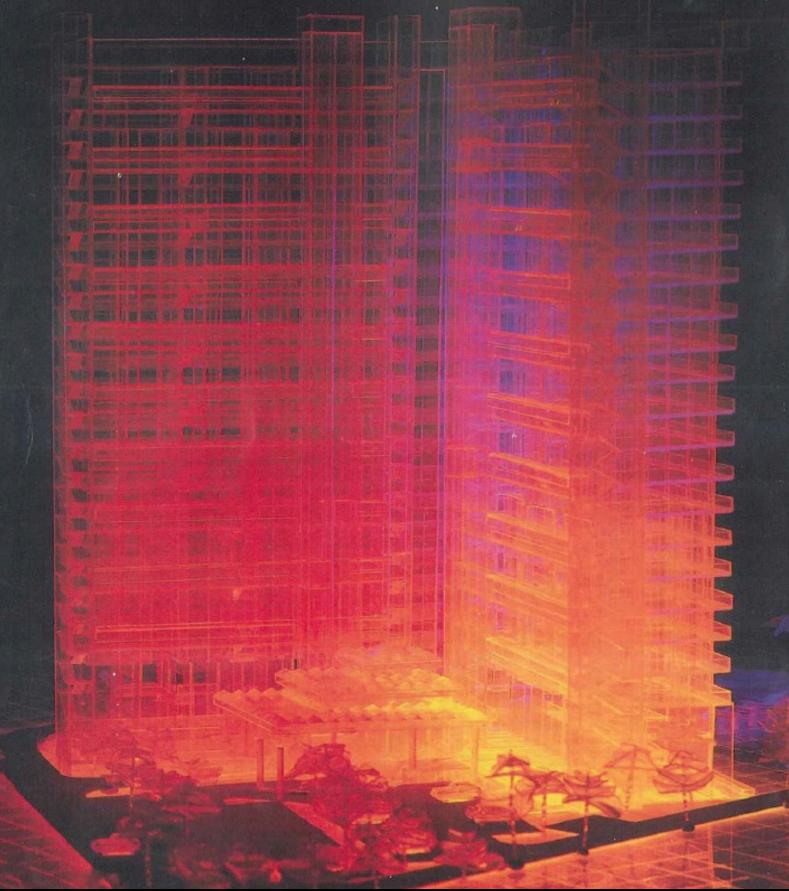












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