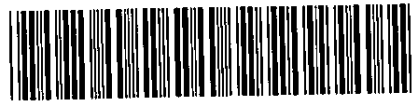




The Hong Kong
Golf Club



ANNUAL REPORT
2012

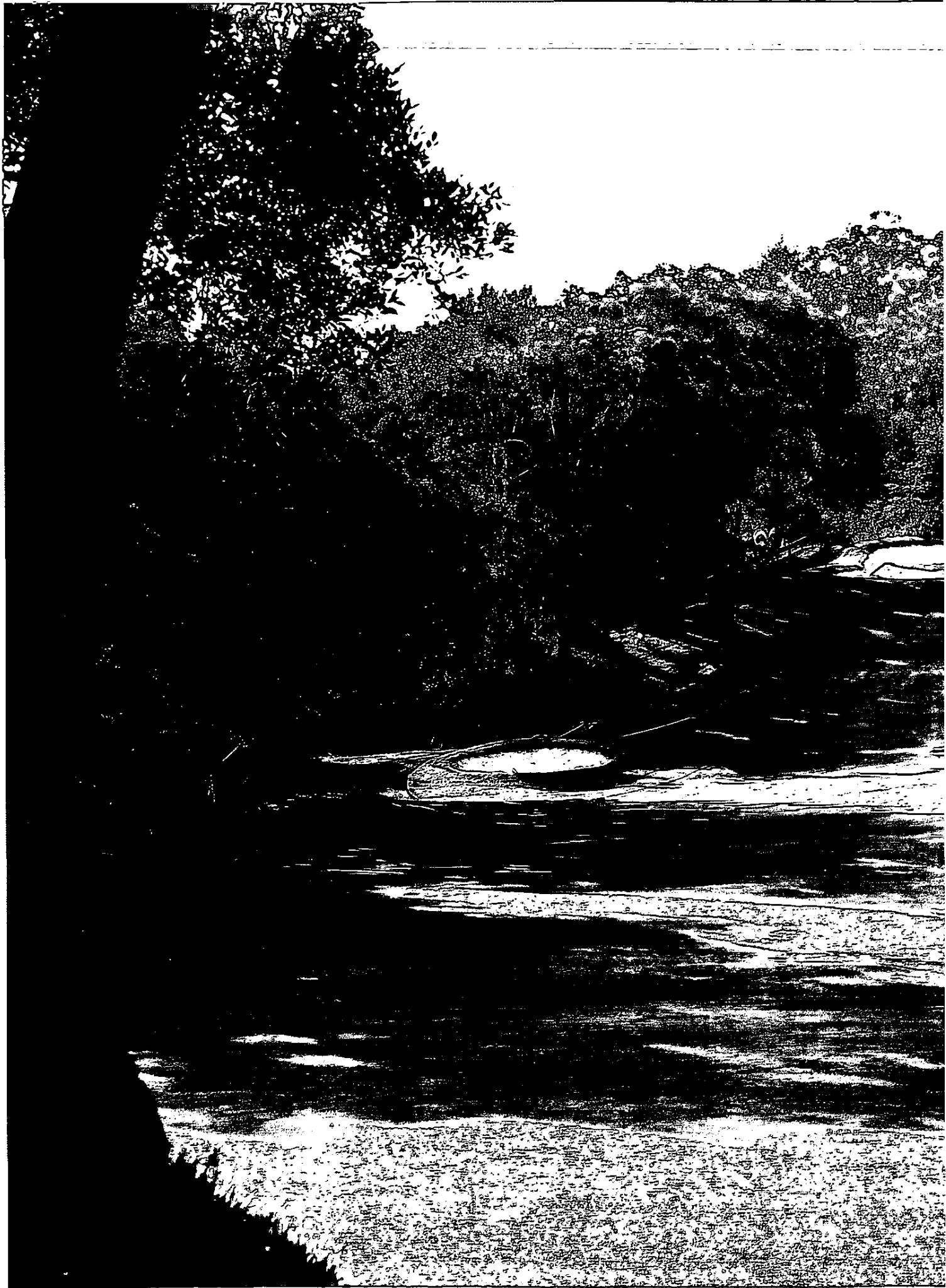


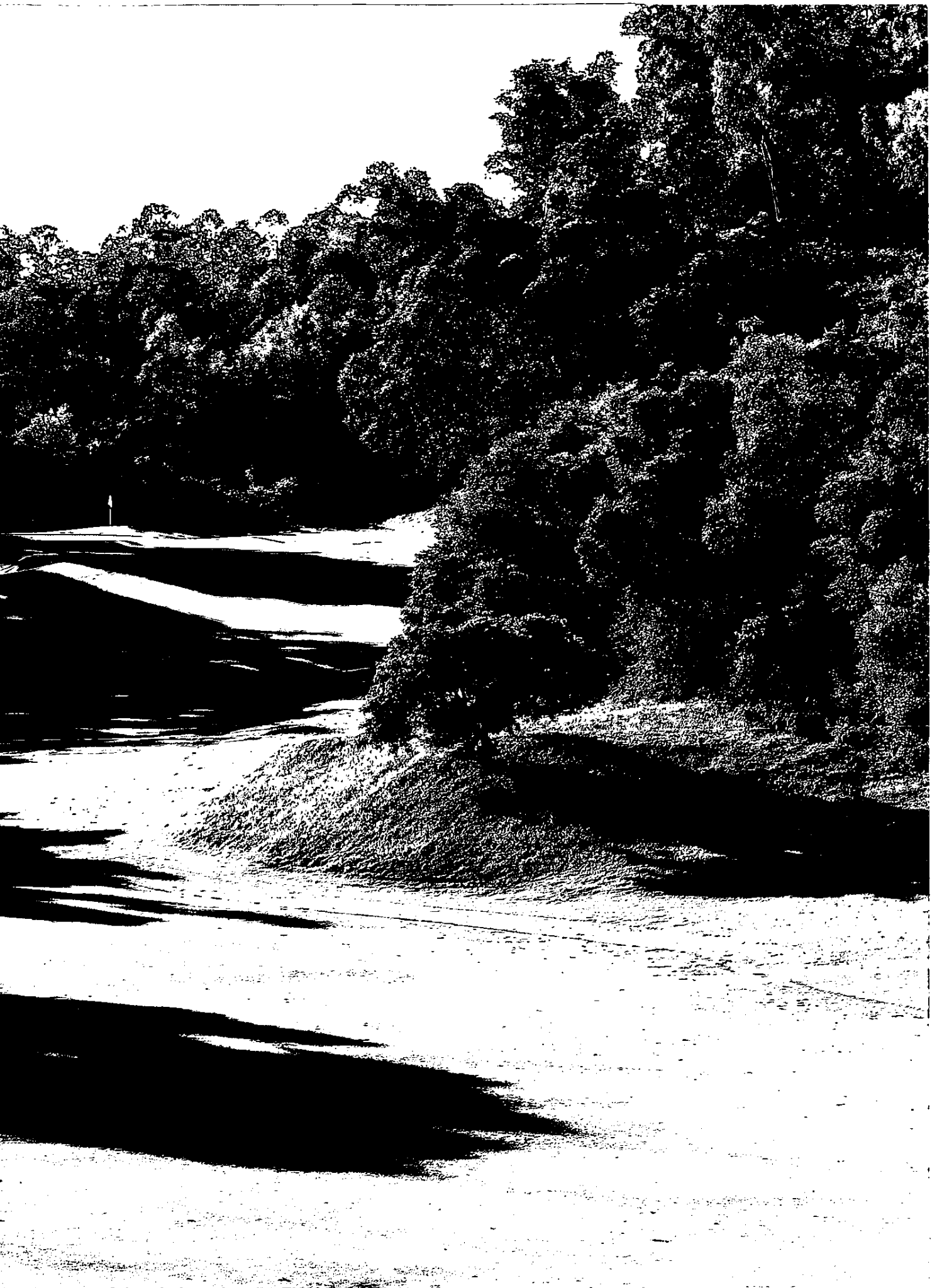
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General Committee & Management

PRESIDENT

Sandy Hamilton

GENERAL COMMITTEE

Captain

Peter Reed

Vice Captain

Sidney Cheng

John Hyun

Martin Robertson

Chris Ip

Jim Robinson

Tim Orgill

Arnold Wong

GENERAL MANAGER

Keith Williams

Director of Golf

Dean Nelson

Financial Controller

Jonny Tang

Course Manager

Randy Witt

Golf/Membership

Officer

Lillian Cheng

Clubhouse Manager

Sue Sue Tong

Bankers

HSBC

Deep Water Bay

Manager

Mark Gailey

Auditors

KPMG



Sub-Committees

BUILDINGS

Convenor

Jim Robinson

Deputy Convenor

Chris Ip

John Arnold

Eric Chan

John Collier

Gloria Ho

John Hui

Ken Lo

Kim Mak

Siu Yin Wai

David Westwood

COURSES

Convenor

Tim Orgill

Sidney Cheng

Brian Choa

Malcolm

Hammersley

Deputy Convenor

John Hyun

Rob Keys

Clarence Leung

Peter Reed

GOLF

Convenor

John Hyun

David Hui

Hamilton Lam

Sherman Lee

Deputy Convenor

Martin Robertson

Donald Nimmo

Nicholas Rhodes

MEMBERSHIP

Convenor

Herbert Cheng Jr

Peter Reed

John Blackwood

Sidney Cheng

William Chung

Bill Kwok

Kenneth Lam

Louis Lee

LEGAL & GENERAL

Convenor

Martin Robertson

Alex Cheung

Catherine Chong

Alfred Fung

Kenneth Ng

Deputy Convenor

Tim Orgill

Jimmy Pun

Timothy Tsang

Kenneth Wong

MEMBERSHIP SERVICES

Convenor

Arnold Wong

Ignatius T C Chan

William Doo Jr

Margaret Hamilton

Kuok Koon-Seng

Kenneth Lam

Deputy Convenor

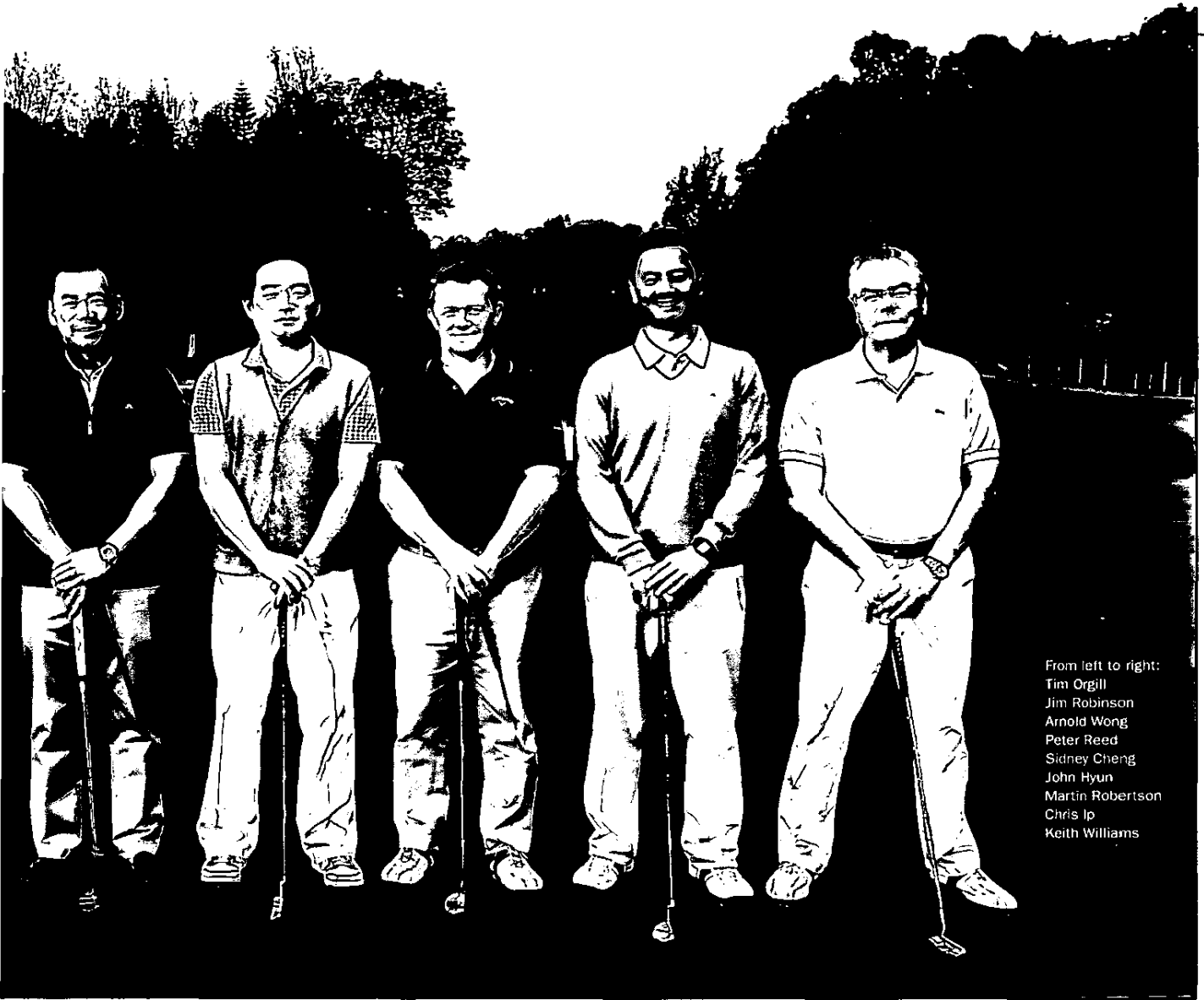
Jim Robinson

John Leigh

Ma Ching Nam

Jin-Cher Tan

Teresa Wu



From left to right:
 Tim Orgill
 Jim Robinson
 Arnold Wong
 Peter Reed
 Sidney Cheng
 John Hyun
 Martin Robertson
 Chris Ip
 Keith Williams

FINANCE

Convenor
 Chris Ip

Chris Chan
 Roger Ellis
 Patrick Fung

Deputy Convenor
 Arnold Wong

Vincent Kan
 Patrick Kwan
 Charles Ma

CHARITY

Chairman
 Herbert Cheng Jr

Ignatius T C Chan
 Sidney Cheng
 Margaret Hamilton
 Gloria Ho
 Keith Kerr
 Clement Kwok
 Jacqueline Leung

Ning Li
 Raymond Or
 Alec Pettigrew
 Peter Reed
 Suzie Wakai
 Teresa Wu

LONG TERM PLANNING BOARD

Chairman
 Herbert Cheng Jr

John Blackwood
 Sidney Cheng
 Mike Grimsdick
 Margaret Hamilton
 John Hyun
 Clement Kwok
 Alistair Laband
 Rin Lee

Ning Li
 Ronald Lu
 Tim Orgill
 Adam Osborn
 Roger Pyrke
 Peter Reed
 Teresa Wu

**PRACTICE FACILITY
 DEVELOPMENT WORKING
 GROUP**

Chairman
 Peter Reed

John Arnold
 John Blackwood
 Herbert Cheng Jr

Vice Chairman
 Sidney Cheng

John Hyun
 Tim Orgill
 Jim Robinson

**LIST OF THE 125TH
 ANNIVERSARY ORGANIZING
 COMMITTEE MEMBERS**

Chairman
 Peter Reed

Herbert Cheng Jr
 Ronald Lu
 Jim Robinson

Vice Chairman
 Sidney Cheng

Suzie Wakai
 Arnold Wong
 Teresa Wu



Captain's Report

PETER REED

Other than a typhoon in late July which uprooted 70 or so trees and closed the courses for a week, 2012 was a relatively benign year weather-wise.

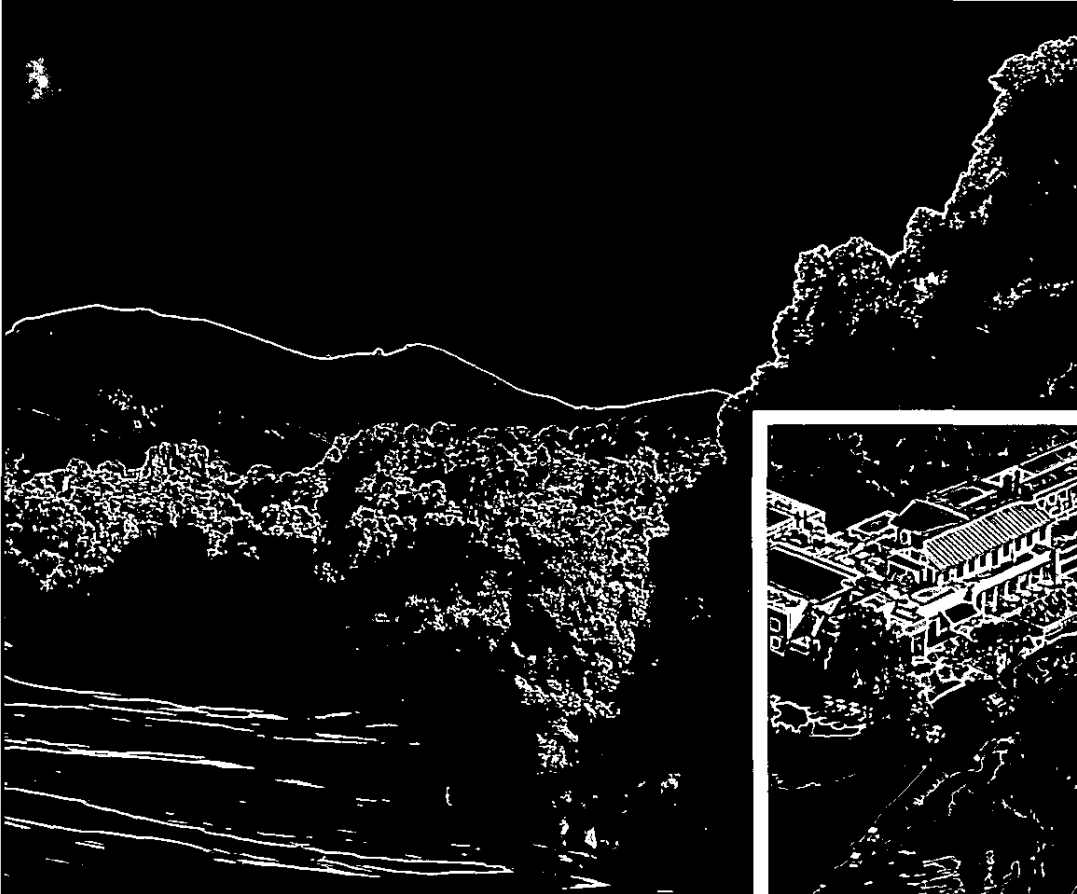
This meant that we were able to proceed with our course maintenance programs without too much disruption which generally resulted in satisfactory playing conditions. This, as all past captains know, is the best way to keep the membership happy!

Since the convenors of each of the sub-committees have written detailed reports, I will try to restrict my comments to avoid duplication.

The project that has absorbed most of the committee's time this year has been the renovation of the driving range. To refresh everyone's memory, an EGM was held in September 2011 which approved the expenditure of not more than HK\$30 million for renovation and construction works to the practice facility at Fanling. At the time it was envisaged that the project would consist of two phases: the drainage, irrigation, grading and returfing of the driving range; and the reconstruction of the driving range building.

The driving range has been completed to our general satisfaction at a cost of around HK\$12 million, although there are still some modifications to the chipping area to be made this summer.

As I mentioned in one of my newsletters last year, the tenders that we received for the driving range building were considerably higher than our budget which meant that we had to look for a more cost-effective solution. Our architect thus redesigned the building on a more economical basis. This was then costed by our quantity



surveyor and re-priced by two contractors. The result was a significant improvement on the previous exercise but, after taking into consideration fees and inflation in construction costs, it was apparent that we would still be unable to complete the project within the budget approved at the EGM.

After some considerable discussion within the committee, the past captains and the membership at large, it was felt that there was no great appetite to go through the necessary process of calling another EGM to obtain approval to allocate additional funds for the completion of the project. It was thus decided that the most practical way to proceed was to put on hold the reconstruction of the new building and to instead undertake some renovation work to the existing structure which would both improve the look and extend its lifespan. This work should be largely completed by May.

The Fan Kam Road crossing has caused great frustration but as I write it seems that all permits and authorisations have been received and our contractor should be able to proceed. Time will tell!

On the financial front I am delighted to report that we ended the year with an operating surplus of HK\$6.2 million and a net surplus for the year of HK\$18 million. The reasons for this will be covered in more detail in the Finance section of the Report but the good news is that we do not propose to increase subscriptions in 2013, nor are we planning any general increases in food and beverage charges.



“The year ended with an operating surplus of HK\$6.2 million and a net surplus for the year of HK\$18 million.”

The courses have been in good condition for most of the year and in particular the greens have been faster and more consistent than in the past. I am told that in addition to a benevolent mother nature, the improvements are to some extent due to the increased application of sand for top-dressing tees, fairways and greens which has firmed up the surfaces and created a better growing medium. As mentioned in the Courses Report, we are continuing to experiment with the overseeding of zoysia into the existing New and Eden fairways to increase grass density as well as the ongoing testing of various grass types in our nurseries.

We continue to follow the guidelines of the Long Term Planning Board (LTPB), the last report of which was issued in July 2012. This is especially true with regard to the Fanling courses, and in particular the recommendations contained in the Hawtree Report and the conditioning of the fairways and greens. Certain adjustments were made to the 9th Old last year in line with Hawtree’s suggestions to realign play, and we are continuing to implement his ideas as and when appropriate. Similarly we are continuing to experiment with different strains of grass for fairways and greens, but there are no plans for any major regrassing projects.

At the last LTPB meeting it was suggested that the club undertake a more detailed study of membership demographics to assist planning and budgeting and this is currently being reviewed.

The LTPB continues to meet twice a year and will issue an updated report in 2014.

On the golfing front we have continued our program of Interports which are thriving with up to 50 participants a side. As usual, we manage to prevail at home but find it more difficult to achieve a victory in the away matches in Singapore, Kuala Lumpur and Bangkok. However the important thing is that good fun is had by all. Other events held were the Quadrangular in Bangkok last September, a most enjoyable 25 a side match held at Riverdale and Royal Gems, and a trip to Perth in October where we were very well looked after by Royal Perth and Lake Karrinyup.

Congratulations also go to Tim Orgill and Christopher Knight for winning the Club and Junior Championships respectively, and to Doug Williams for winning the Jasper Clark Cup in such fine style.

The UBS Hong Kong Open was held in late November when, despite the early departure of Rory McIlroy, we enjoyed a vintage performance from Miguel Angel Jimenez who held off challengers half his age to win the trophy for the third time. Once again the course came through with flying colours, and, despite its relative shortness, the players were unanimous in their praise of the set-up, with firm fast greens and penal rough awarding a premium for shotmaking and accuracy.

At this time it is worth reminding members that the Club will be celebrating its 125th Anniversary in 2014. Planning has already commenced and, as prefaced in the January newsletter, we have commissioned a historian to collect and archive as much information as possible from the early days of the Club. In this context, any data in the possession of members from the first half of the 20th century would be gratefully received.

One matter of great significance to members is the status of the lease at Deep Water Bay. At DWB we are in the process of finalizing our lease for a further period of 15 years. There are still a few minor matters to be resolved concerning the right of access of certain non-members to the Club, but these should be resolved shortly.

We have been very fortunate this year to have had a stable management team which certainly helps to make the committee's job much easier. I would like to thank in particular Keith Williams, Dean Nelson, Randy Witt, Sue Sue Tong, Mark Gailey and all of their teams for their dedication and commitment which after all is what makes our club the best in Asia.

In finishing, I would like to also thank Sidney Cheng and the other members of the General Committee for their support and advice over the past year. It has been a great privilege to have been Captain of this fine club and I thank all members for having given me this opportunity.



Courses

TIM ORGIEL

I would first like to thank my predecessor as courses convenor, Roger Pyrke for his 5 years of service to the courses committee. He and Randy Witt have instituted procedures and working practices that I believe have given us the best conditioned courses at Fanling and Deep Water Bay that we have seen in the past 20 years.

In September 2012 we completed the installation of the new irrigation system on all three courses. This replaces the previous system that had been installed on the New and Eden in 1987. The new system will allow our courses department to have better control over the irrigation system allowing them to target precise areas on the course that need water the most. In addition with a new pump house we are now able to ensure we are maximizing our water usage, which in time will lead to large savings on our annual water consumption and water bill.

During the summer we instituted an experiment with the overseeding of two fairways on the New Course with seeded zoysia to see if we could use this method to instigate a gradual change in our fairway grasses on the New and Eden courses as per recommendation of the LTPB. This programme is in its initial phases and we don't expect to see the results until after this coming summer. However in light of the improved playing conditions of the New and Eden fairways in the past few years we do not feel the need to make wholesale changes to the New and Eden fairways that will cause a major disruption in play for members.

A major clearing of the undergrowth was undertaken throughout 2012 on all three courses. This has subsequently been beneficial both to the course conditions as it has



opened up areas and provided more sunlight and air circulation and also helped with the pace of play as members are finding their balls more easily in these areas.

The paspalum grass on the Old Course has improved as a playing surface during the summer months and arguably are our best playing surfaces during this time, however as has been reported in previous course reports the winter months continue to provide Randy and his team with an enormous challenge in maintaining good playing conditions. We have instigated a policy of restricting carts from the Old Course fairways during certain weekdays during the winter season and we will monitor the effects this has on the fairway condition.

The membership will be pleased to hear that there are no major projects scheduled that will affect access to the courses during this coming year. We hope to complete the Fan Kam Road crossing during the summer and this will mean a small period of time where we play the 9th from a temporary tee. However with the pipe work being done on the Fan Kam Road on the 17th hole this might mean slight disruptions to your rounds on very wet days and we ask for your patience during this time.

I would like to thank Randy Witt and his courses team for all the hard work and effort they have put in over the last twelve months which has been reflected in the good condition of our courses that members have experienced during the year. In addition a special thanks also to Vincent Wong for the excellent condition of Deep Water Bay. I would also like to acknowledge the support and work of my subcommittee members throughout the year, which has been much appreciated by me.



The main topics that the Buildings Committee have been involved with this year are the Fan Kam Road Crossing, Slope Stabilization Works at Fanling, the design work and concepts for the renovation of the bedroom accommodation and the renovation of the bar at Deep Water Bay.

All approvals for the Fan Kam Road Crossing were in hand by mid 2012 and the excavation permit was about to be issued when the local villagers raised several minor objections which resulted in a delay to the project. The Club has worked with the senior village representatives and Government offices to reach a mutually beneficial agreement. We enter the Year of the Snake with guarded optimism that a solution can be found, such that we can instruct the Contractor to proceed with the site works in the

second quarter of 2013. Let's all keep our fingers crossed that the controlled road crossing can be operational by end 2013.

In 2012, the Space Usage Master Plan Working Group made recommendations to the LTPB and the General Committee to commence with the design for the mixed accommodation renovations and addition of a shuttle lift. Consultants have been appointed, and initial concept design options have been reviewed and evaluated. A major issue of concern which came up was the condition survey and as-built locations of the existing plumbing and drainage pipework serving the two floors. Difficulties arose in gaining access to the ceiling voids over the main restaurant and the MEP Consultant's report and recommendations are now under this Committee's review. Unfortunately, this will likely delay the project subject to final budget approvals.



We made very good progress on the design-build tender for the dangerous slope remedial works located along Fan Kam Road behind the Old Course 3rd Hole. The contract was awarded in January 2013, below budget, and the overall works are anticipated to take 12-16 months subject to soil investigations, submissions to the Geotechnical Office, and temporary road closure approvals.

Last but not least, and for those of you who enjoy a nice cold draught beer or a glass of wine in the Deep Water Bay bar, we are working closely with the Membership Services Committee, Mark Gailey and the interior designer to develop an improved bar area with enhanced facilities and seating areas, as well as improved privacy.

I would like to thank Keith Williams, Sue Sue Tong, Mark Gailey and their management teams for all of their assistance in working with the Buildings Subcommittee on these challenging projects. The Subcommittee met on 7 occasions in the past year, and I greatly appreciate the honest, open and professional advice and contributions from all members.

Membership Services

ARNOLD WONG



Our overriding objective is to provide services that satisfy our members' needs.

With this in mind, much effort this year has been directed to improving communication with our membership.

The composition of this sub-committee is meant to mirror the diversity of our membership so that your views can be heard and acted upon.

COMMUNICATION WITH MEMBERSHIP

In order to enhance communication with our membership, it was felt that an electronic direct mail (EDM) should be sent via email on a regular basis. The EDM covers a range of topics, from news on club events and tuition, to dining promotions and new pro shop merchandise. We hope to quickly build on the EDM distribution database by collecting more email addresses so more members can be reached via this channel.

Another initiative taken this year is the launch of an online survey, also available in hard copy, which focuses on our food and beverage offerings. The aim is to have a better understanding of our members' views and spending pattern and to track the performance of our F&B outlets. This will allow Management to cater more specifically to our members' wishes and to identify areas of improvement.

WEBSITE

Throughout the year we have fine-tuned the Club's website in order to provide a more seamless web-browsing experience and to make it easier to locate certain information. A new addition worth noting is the "tee time booking view" which provides real-time booking information on each golf course. This has proven to be a useful tool for members to plan their next game more efficiently. So far our website has attracted over 10,000 monthly visits and over 40,000 unique monthly pageviews.



FOOD & BEVERAGE (F&B)

Improving F&B operations has always been the focal point of this sub-committee. One of the priorities this year was to increase top line revenue and I am happy to report that total gross revenue has grown by 5.6% from previous year, from HK\$54.3 million to HK\$57.4 million. Deep Water Bay (DWB), in particular, aided by a more stable management team and more consistent food quality, saw a healthy 7.1% revenue growth.

Increasing beverage revenue was among the priorities at DWB. Mark and his team have started the process of revising the beverage offering to make it more enticing and to cater for a wider audience. There have also been lengthy discussions with regards to revamping the DWB bar in order to create more of a “19th hole” ambience and to expand seating capacity.

In spite of increasing food costs, a conscious decision was made not to increase menu prices this year so that our members can continue to enjoy good quality food at reasonable prices. Coupled with rising labour costs, it was always a challenge to improve bottom line results. Management must therefore take credit for reducing overall F&B deficit from HK\$10.2 million to HK\$9.8 million which, given the above challenges, was a satisfactory result. There will be continued efforts to tighten cost controls with the aim of narrowing the deficit further.

In closing, I would like to thank all members of the sub-committee for their valuable time and contribution, as well as Keith, Sue Sue, Mark and the management team for their tireless effort throughout the year.

Golf

JOHN HYUN



The prime objective of the Golf Sub-committee is to enhance our members' golfing experience. As at the beginning of each year, a number of new specific issues for improvement were identified in addition to the "work-in-progress" passed on by the previous year's sub-committee.

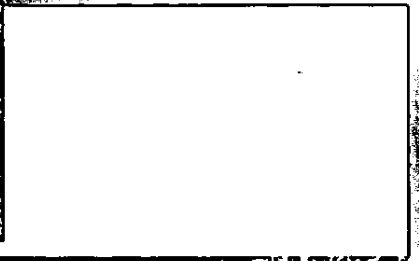
As most of you will know, a number of small changes, described further below, were introduced during the course of the year with the aim of improving your golfing experience. The Golf Sub-committee also spent a considerable amount of time studying tee time congestion in response to the many queries received from you. We will pass our analysis and recommendations to next year's committee to consider. The problem is both structural and complex, and

the ultimate solution may require a more substantive change in our golf operations.

TEE TIMES

In February 2012, the second phase of the computerized tee time system was launched and the system has been fully operational since mid-year. As mentioned in last year's report, the system provides management with valuable, real-time data that previously had to be manually collated and tabulated. One feature that you may have seen – and hopefully used – is the Tee Time Viewing page on our website showing the status of tee times, so that members can identify a specific time to book when calling in.

Another change we introduced during the year was to split the Monday morning dial-in times for Saturday and Sunday tee times. Based on early results, this has reduced the waiting time and been positively received.



With better tracking of tee time usage, management has been able to better monitor the situation and we are happy to report that the number of last minute cancellations has fallen. Using this information, the committee has also made some recommendations regarding possible solutions to relieve course congestion, especially on Saturday mornings where we have been at full capacity.

COMPETITIONS

Overall participation in club competitions saw a marginal increase during the last year with the earlier tee time option for medals being very popular. As many of you will have noticed, our Golf Pros have taken a more active part in competitions from assisting in course set-up, to acting as starters, and supervising play.

A few additional changes to some of the competitions have been made for the upcoming club year which we hope will continue this trend. These include permitting all 8 players in each team to play during each round of the GM Young, relaxing eligibility requirements for the Victory Cup, and introducing more 18-hole shotgun starts for larger competitions.

As usual, a detailed list of the year's competition winners follows, but we would like to congratulate Tim Orgill for winning the Club Championship, Christopher Knight for winning the Junior Championship, Max Wong for winning the Eden Trophy and Doug Williams for winning the Jasper Clark. Continuing his winning run, Max Wong also won the Closed Amateur Championships by a 7 stroke margin.

INTER-CLUB LEAGUE AND INTER-CLUB CHAMPIONSHIP

The 2012 summer league was played for the second year in the revised format and the club finished in third place. In the Inter-Club Championship which was played at Clear Water Bay, the club finished runner up to overall winners, Discovery Bay. Thanks go to Max Wong who captained the side.

CADDIES

The effect of the changes introduced last year saw the number of caddies registering for work increase slightly during this past year. However, as many of you will have experienced, there is still a regular shortage during peak times, especially Saturday mornings. Management is exploring additional ideas to address this problem.

PRO SHOP / CLUB FITTING AND REPAIR CENTRE

Led by Michelle Sun, the pro shop continues to show operating improvement. Sales were up by almost 2% for the year and more importantly we continue to receive positive feedback regarding the new club-specific merchandise. This coming summer the pro shop will undergo a refit which we believe will improve the shopping experience for our members and lead to further improvements in operating performance.



Jeremy Li and his team were busy during the year as more members continued to custom fit clubs. An added benefit of this trend is that it has enabled the club to further reduce its inventory of off-the-shelf hardware freeing those resources to be used elsewhere within golf operations.

PROFESSIONALS / TEACHING

Another continuing trend has been the increased interest in lessons boosted by the re-opening of the driving range at Fanling. Under Senior Golf Professional, Daniel O'Neill, the club saw tuition increase 10%. Part of the increase comes from our enhanced junior program, ably led by Andrew Macgregor and Joanna Hardwick, which saw the number of registered junior golfers increase to 52. During the year, we also introduced an elite junior program bestowing additional playing privileges to our most accomplished junior players in the hope of helping them improve their games further and inspiring other youngsters to join them. As of today, we have 5 juniors in this program and hope that this number will increase in the near future. Over at Deep Water Bay, management is exploring the possibility of a second indoor teaching facility to match demand.

PRACTICE FACILITIES

As mentioned above, the driving range re-opened in October. The extended range has proved popular as has the additional grass playing area. At present, the committee has decided not to proceed with replacing the existing building, but



SUMMARY OF GOLF ROUNDS PLAYED 2008-2012

	2012	2011	2010	2009	2008
Members	78,772	78,040	79,178	77,483	68,787
Golf Society Members	5,070	5,510	5,153	5,210	5,296
Accompanied Visitors	14,516	14,389	14,333	13,379	9,968
Unaccompanied Visitors	3,709	3,431	2,898	2,175	2,206
Total	102,067	101,370	101,562	98,247	86,257

These figures do not include Deep Water Bay

FIVE YEARS SUMMARY OF GOLF ROUNDS

	2012	2011	2010	2009	2008
Eden	37,275	36,927	35,531	36,124	32,045
New	31,455	30,643	32,306	32,076	27,023
Old	33,337	33,800	33,725	30,047	27,189
Total	102,067	101,370	101,562	98,247	86,257

certain improvements to the facility will be made. These include replacement of mats as well as additional mirrors. Members are encouraged to test the experimental mat set up at the far end of the driving range.

INTERPORTS

Interports remain an important part of our club culture. Participation in both home and away Interports this year was very good. One change that will take place for future home Interports is the use of 18-hole shotgun starts to reduce the impact on course usage. Home matches against Royal Bangkok, Singapore Island and Royal Selangor were all victorious, although we fared less well on the road in the return matches.

PACE OF PLAY

With our courses getting more usage, slow play has re-emerged as a problem. During the year, management re-instated the slow play monitoring program and it is hoped that this will encourage timely play and smoother flow on the course. Dean Nelson has also introduced the "Tee It Forward" program and it is hoped that more members will benefit from it and increase their enjoyment of the game.

We would like to thank Dean Nelson, his team of professionals and golf operations staff, Lillian Cheng and her colleagues, and Keith Williams and his management team for all of their hard work in providing the membership with yet another great year of golf. And, finally, I would like to thank my fellow Golf Sub-Committee members for their time, effort and continued support of the club.

Competition Results

WINNERS OF THE PRINCIPAL CLUB COMPETITIONS PLAYED DURING 2012/2013

Competition	Winners
1 Pennine Cup - DWB Singles Knock-out 2012	T R Linton
2 Dr T K Lian Cup - DWB Mixed Foursomes Knock-out 2012	Mr & Mrs J R Arnold
3 Y C Fu Cup - DWB Men's Foursomes Knock-out 2012	M A Choa / R A S Huthart
4 DWB Cup 2012	J R Arnold
5 DWB Championship 2012 - Gross Section	to be played on 14-04-13
6 DWB Championship (Choy Wing Chiu Cup) 2012 - Nett Section	to be played on 14-04-13
7 Willie Woo Cup 2012 - Gross Section	A J M Marshall
8 K J Woo Cup 2012 - Nett Section	D T Wong
9 Senior Trophy 2013 (Senior Golfers Cup) - Gross Section	J Pethes
10 Senior Trophy 2013 (Old Crocks Cup) (Senior Golfers Cup) - Nett Section	H M V de Lacy Staunton
11 Super Seniors Trophy 2013 - Gross Section	J Pethes
12 Super Seniors Trophy 2013 - Nett Section	C Robinson
13 Seniors Championship Trophy 2012 - Gross Section	D Moore
14 Seniors Championship Trophy 2012 - Nett Section	J R Heller
15 Shanghai Visitors Cup 2012	I W McKirdy / M Sato
16 High Handicappers Competition 2012	M K G Ma
17 Arthur Woo Trophy 2012	K S K Ko
18 Norman Downie Cup - Fanling Singles Knock-out 2012	D W T Sato
19 W C Hung Cup - Fanling Fourball Knock-out 2012	J Y S Lu / F Y K Ng
20 Smalley Cup - Fanling Foursomes Knock-out 2012	M C K Wong / H C H Lam
21 Bill Gray Cup - Fanling Mixed Foursomes Knock-out 2012	G K F Lee / Ms V Lee
22 Victory Cup 2012	Police: P J Brown / K R Anderson
23 G M Young Cup 2011	Kunmingerers: J M H Grimsdick / A R Hamilton / K Inge / J L Greene / M K F Ho / M J Roberts / D Marash / H M V de Lacy Staunton
24 G M Young Cup 2012	Pringle of Scotland: K S K Lam / M C K Wong / A Wong / S Lee / P L M Cheng / R Y C Yang / M Q Cheung / H T K Lam
25 E J R Mitchell Cup 2012 - Gross Section	J Blackwood / D Moore
26 E J R Mitchell Cup 2012 - Nett Section	R M S Cheng / D T Wong
27 Lusitania Cup 2013 - Gross Section	M C K Wong
28 Lusitania Cup 2013 - Nett Section	H H P Karlberg
29 American Cup 2012 - Gross Section	M C K Wong
30 American Cup 2012 - Nett Section	E Y K Cheung
31 Duffers Plate 2012 - Gross Section	to be played on 21-04-13
32 Chinese Cup 2012 - Nett Section	to be played on 21-04-13
33 International Cup 2012	Canada: J Pethes / A Jewkes / S B Limbu / E Y K Cheung
34 HKJC Centenary Trophy 2012 - Gross Section	J Pethes

WINNERS OF THE PRINCIPAL CLUB COMPETITIONS PLAYED DURING 2012/2013 (CONT)

Competition	Winners
35 HKGC Centenary Trophy 2012 - Nett Section	J Pethes
36 New Years Eve Texas Scramble - HMV de Lacy Staunton Trophy 2012 - Gross Section - New Course	W E Mocatta / D E E Mocatta / J Blackwood / A Blackwood
37 New Years Eve Texas Scramble - W E Mocatta Trophy 2012 - Nett Section - New Course	C S Fraser / I F Houston / C N Halliday / P P Aherne
38 New Years Eve Texas Scramble - HMV de Lacy Staunton Trophy 2012 - Gross Section - Eden Course	Mr & Mrs N P Rhodes / J J Rhodes / T E Rhodes
39 New Years Eve Texas Scramble - W E Mocatta Trophy 2012 - Nett Section - Eden Course	K Inge / J Inge / M K F Ho / L Ho
40 Sir David Trench Cup 2012	H C L Ma
41 Macwhinnie Cup 2012 / 2013	W K Lam
42 Birthwhistle Salver - Spring Mixed Foursomes 2012 - Gross Section	Mr & Mrs S Cheng
43 Birthwhistle Salver - Spring Mixed Foursomes 2012 - Nett Section	Mr & Mrs J M H Grimsdick
44 Lindrick Trophy 2012	Mr & Mrs D M K Lam
45 Baffly Spoon 2012	D K H Cheng / T M C Chiu
46 Gussie White Trophy - Foursomes Championship 2012	D Williams / M C K Wong
47 Eden Trophy 2012 - Gross Section	M C K Wong
48 Eden Trophy 2012 - Nett Section	A Jewkes
49 Captain's Cup 2012	R Keys
50 The Composite Cup 2012 (Men's Section)	J L H Wang / L T W Wu
51 The Composite Cup 2012 (Ladies' Section)	Mrs V Tung / Mrs V Chan
52 The President's Trophy - Monthly Medal 2012 - Gross Section (Best 4 Scores)	M C K Wong
53 The President's Putter - Monthly Medal 2012 - Nett Section (Best 4 Scores)	M K F Ho
54 Jasper Clark Cup 2012	D Williams
55 Carter Cup - Junior Championship Q R 2013	S Lee
56 Pote Hunt Cup - Club Championship Q R 2013	D Williams
57 Junior Championship 2013	C Knight
58 Club Championship 2013	T Orgill

WINNERS OF COMPETITIONS RUN UNDER THE AUSPICES OF THE HONG KONG GOLF ASSOCIATION DURING 2012/2013

Competition	Winners
1 The Hong Kong Open Championship 2012	Miguel Angel Jimenez
2 The Open Amateur Championship Of Hong Kong 2012	Edward Richardson (UK)
3 The Senior Open Amateur Championship Of Hong Kong 2012	Michael Barltrop (New Zealand)
4 The Hong Kong Closed Senior Amateur Championship 2012	William Chung
5 The Hong Kong Closed Amateur & Mid-Amateur Champ 2013 Amateur Champion Mid-Amateur Champion	Max Wong Max Wong



Finance

CHRISTOPHER IP

We are pleased to report that the Club saw a strong 2012 operating performance that resulted in a surplus of HK\$6.2 million. This was driven by better operating income across the board, which more than offset an increase in expenses. 2012's net surplus propelled to HK\$18 million thanks in large part to a strong performance in the Club's investment portfolio.

The Club's operating surplus increased from HK\$3.8 million in 2011 to HK\$6.2 million this year. Operating income increased by 6% to HK\$185 million, almost half of it attributable to an increase in members' subscriptions as a result of a 5% increase in fees implemented in July 2012. The balance of the improvement in operating income was due to higher green fees (an 8% increase in unaccompanied visitors compared to last year), and better golf shop and food and beverage sales.

Operating expenditures increased by 4% with the bulk of this due to salaries. Salaries have increased by 3% on a compound annual growth basis since 2007.

On a non-operating basis, whilst depreciation and transfer and entrance fees received were roughly the same as last year, the Club's investment portfolio produced a very healthy gain of HK\$8 million, compared to a loss of HK\$0.7 million in 2011. As members will recall, we invested approximately HK\$121 million with JPMorgan Funds (Asia) Limited in October 2010 with an investment guideline of being overweight in bonds with a minimum weighting of 70% and a maximum weighting of 20% in equities. At year-end, 89% of the portfolio was allocated to the JF SAR HK\$ Bond Fund and 11% to the JF SAR Hong Kong Fund. The Finance



Sub-committee feels that this weighting helps the Club achieve our goal of capital preservation with some potential for an upside gain. We have and will continue to meet regularly with our investment advisor to monitor and reassess this investment guideline.

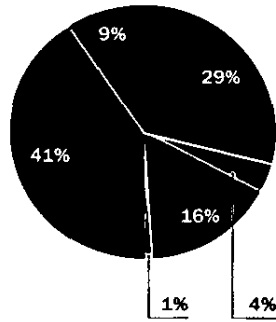
The Club's total reserves stood at HK\$363 million, compared to HK\$345 million last year, with capital reserves representing approximately a third of this amount.

Capital expenditure for 2012 totaled HK\$48 million (2011: HK\$52 million), of which HK\$33 million was for extraordinary items (2011: HK\$36 million) which included the driving range project (HK\$12.5 million); Phase II of the irrigation system in Fanling (HK\$9.9 million); Fan Kam Road crossing works (HK\$2 million); new carts (HK\$1.4 million); landscape improvements (HK\$1.2 million); and refurbishment of the Rotunda Ladies Changing Room (HK\$4 million).

Our major planned capital expenditure for 2013 includes the Fan Kam Road works; more replacement carts; water proofing work at Deep Water Bay; Phase 3 of roof works and mechanical and engineering works at Fanling; and the first phase of renovation works for the Clubhouse in Fanling.

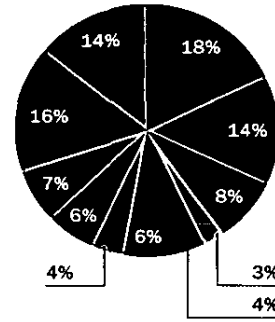
This year, the committee recommended the Club carry out an internal audit of its operations. An audit of this kind has not been made for at least a decade and in the last quarter of the year PricewaterhouseCoopers was engaged to carry out an audit

OPERATING INCOME



- Food & Beverage Sales
- Accommodation & Lockers
- Green Fees, Practice Balls & Cart Rental
- Members' Subscription
- Golf Shop
- Other Income

OPERATING EXPENDITURE



SALARIES & BENEFITS

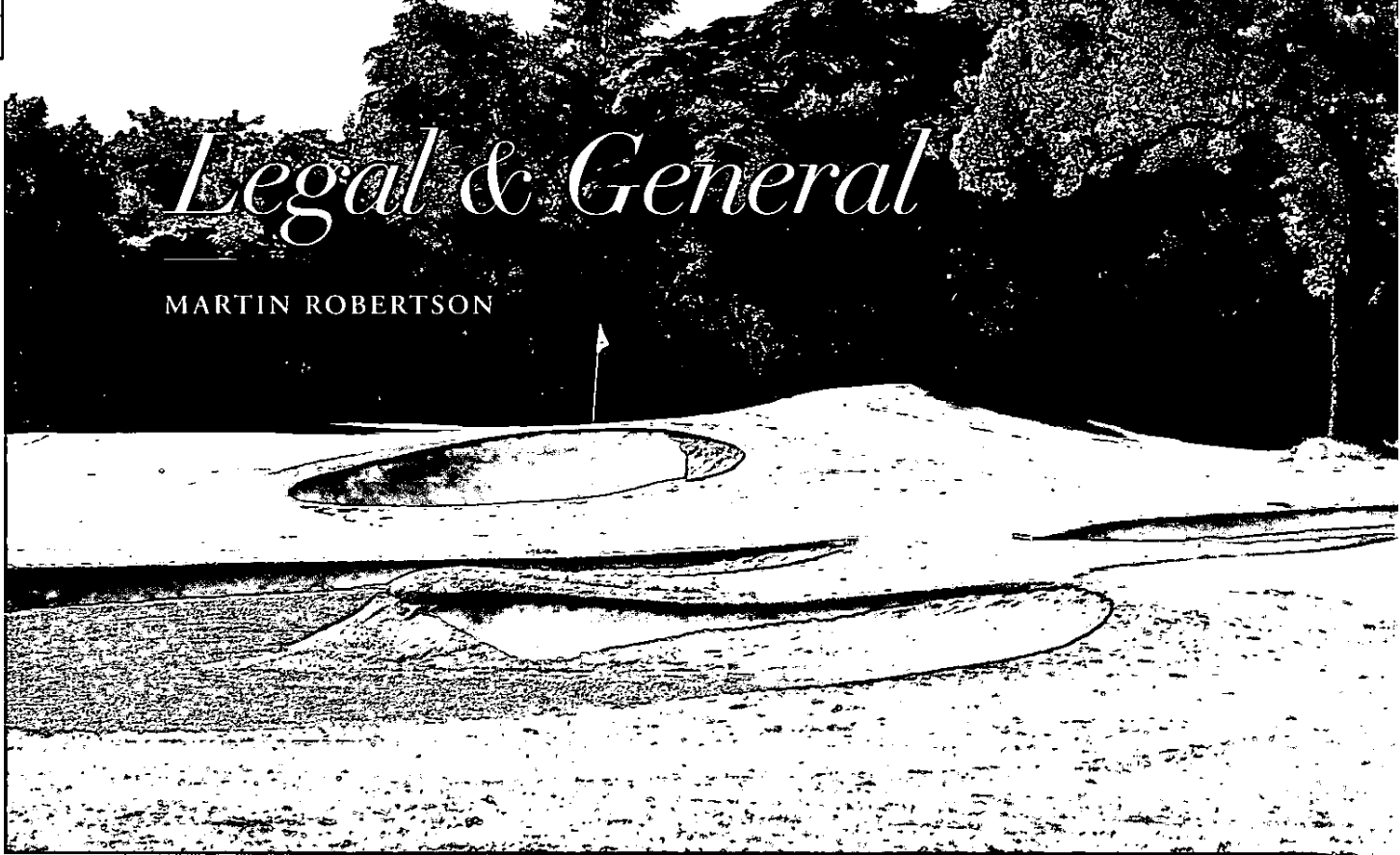
- F&B
- Courses
- Clubhouse
- Golf Shop
- Golf Operation
- Administration
- Rent & Rates
- Utilities
- Repair & Maintenance
- Cost of Sales
- Others

that assessed our capital expenditure program, food and beverage operations, as well as the Club's procurement procedures. The report produced some very helpful recommendations and the General Committee and management have committed to implement changes that will address some of the issues raised.

I would like to close by thanking my fellow sub-committee members again for dedicating their valuable time to our monthly and ad-hoc meetings. Their insight, advice and active participation are truly appreciated and have made my role as Finance Convenor all the more enjoyable and rewarding. I would also like to thank management and the General Committee for their continued support throughout the year.

Legal & General

MARTIN ROBERTSON



During 2012, as in previous years, a considerable amount of time was spent dealing with issues arising from the transfer of nominee memberships and the restructuring or change of control of companies holding nominee memberships to determine whether or not a transfer fee was payable to the Club.

In 2012 the L&G Sub-Committee considered 8 applications for the transfer of nominee memberships, of which 4 were approved and 4 were rejected. The approved transfers generated revenues of HK\$8.7 million for the Club.

The L&G Sub-Committee was also responsible for up-dating the terms and conditions of our agreements with our reciprocal golf clubs worldwide. Additional restrictions have now been imposed on certain of these clubs who were using our Fanling facilities to excess. In 2012 the new form of reciprocal agreement was presented to all of our 64 reciprocal clubs for signature.

In addition to the above matters, the L&G Sub-Committee was from time to time asked to address a number of interpretational questions concerning the Club's Articles and Bye-laws, and other miscellaneous matters of a legal or contractual nature. These included issues related to the on-going Fan Kam Road project and with respect to the Club's discussions with the Home Affairs Bureau concerning the renewal of the Recreational Lease for Deep Water Bay.

Finally, I would like to express my sincere thanks to the Club's management team for their hard work and dedication during 2012 without which the workload of this Sub-Committee would have increased substantially. I am also very grateful to my colleagues on the Sub-Committee for contributing their valuable time and expertise throughout the year.



2012 Financial Statements

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Notice of Annual General Meeting

THE HONG KONG GOLF CLUB 香港哥爾夫球會

(Incorporated in Hong Kong under the Companies Ordinance as a Company Limited by Guarantee)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Members of The Hong Kong Golf Club (the "Club") will be held in the Victoria Suite of the Hong Kong Club, Jackson Road, Hong Kong on Tuesday, 7 May 2013 at 5.45 pm for the following purposes:

A. ORDINARY BUSINESS

1. To receive from the General Committee the Report and Accounts for the year ended 31 December 2012;
2. To elect President;
3. To elect Officers and Members of the General Committee for the ensuing years;
4. To re-appoint the auditors.

B. ANY OTHER BUSINESS

By order of the General Committee

Keith Williams

General Manager

Hong Kong, 28 February 2013

NOTES

(1) Pursuant to Section 114C (1A) (b) of the Companies Ordinance, no Member other than a Nominee Member is entitled to appoint a proxy to attend and vote at the meeting on his behalf. A Nominee Member is entitled to appoint a representative to attend and vote at the meeting on behalf of the Nominee Member in question. Although it is suggested that the person appointed to be a representative be the Nominee of the Nominee membership, any person may be appointed as a representative.

(2) Full Members, Life Members, Retired Golfers, Five-Day Members and a representative of each Nominee Member are all entitled to attend and vote at the meeting. Full Members and Life Members are each entitled to exercise five votes at the meeting, Retired Golfers, Five-Day Members and representatives of Nominee Members may each exercise one vote only at the meeting.

(3) A form of appointment of representative is attached to this notice to Nominee Members only. The Nominee Members should complete the form of appointment in duplicate and send one completed form of appointment to the General Manager of the Club addressed to him at The Hong Kong Golf Club, P O Box No. 1, Shek Wu Hui Post Office, New Territories, Hong Kong and arrange for the form so sent to the above address to be received by 12 noon on 7 May 2013 and the other original should be delivered to the representative in question who should bring the

completed form to the meeting and deliver it to the General Manager at the meeting. The envelope containing the appointment of representative sent to the office of the Club should be marked "REPRESENTATIVE-URGENT".

(4) The Memorandum and Articles of Association of the Club provide that appointments of representatives may be accepted up to the commencement of the meeting. Nevertheless Nominee Members are requested to assist the General Manager by delivering their forms of appointment to him well in advance of the time of the meeting.

(5) Should any Nominee Member so wish, he may appoint the Captain, P Y Reed, or the Vice Captain, S Cheng, or any member of the General Committee as his representative. The members of the General Committee are, J J Hyun, C Ip, T Orgill, M S Robertson, J A Robinson, A C C Wong.

(6) All representatives attending the meeting will be requested before the meeting commences to advise the General Manager or his assistant of the capacity in which they are attending the meeting. To assist the counting of votes at any meeting Full Members may be segregated from other categories of membership present or represented at the meeting.

Report of the General Committee

The General Committee submits herewith its annual report and the audited financial statements for the year ended 31 December 2012.

CLUB ACTIVITIES

The principal activity of the Club is the promotion of the game of golf in Hong Kong.

FINANCIAL STATEMENTS

The surplus for the year ended 31 December 2012 amounted to HK\$18 million (2011: surplus of HK\$4 million) and has been transferred to the reserves.

FIXED ASSETS

Movements in fixed assets during the year are set out in note 3 on the financial statements.

GENERAL COMMITTEE MEMBERS

The present Membership of the General Committee is set out on page 4 and 5.

During the financial period from 1 January 2012 to 8 May 2012 inclusive, the General Committee comprised Messrs H Cheng Jr, P Y Reed, J J Hyun, C Ip, V W T Ma, R S Pyrke, M J Roberts and J A Robinson, and from 9 May 2012 to 31 December 2012 inclusive, the General Committee comprised Messrs P Y Reed, S Cheng, J J Hyun, C Ip, T Orgill, M S Robertson, J A Robinson and A C C Wong.

No contracts of significance to which the Club was a party and in which a General Committee Member had a material interest, existed at the end of the year or at any time during the year.

At no time during the year was the Club a party to any arrangements to enable the General Committee Members of the Club to acquire benefits by means of the acquisition of shares in or debentures of any body corporate.

AUDITORS

KPMG retire and, being eligible, offer themselves for re-appointment. A resolution for the re-appointment of KPMG as auditors of the Club is to be proposed at the forthcoming Annual General Meeting.

By order of the General Committee



P Y Reed

Captain

Hong Kong, 28 February 2013

Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE HONG KONG GOLF CLUB

(Incorporated in Hong Kong under the Companies Ordinance as a Company Limited by Guarantee)

We have audited the financial statements of the Hong Kong Golf Club (the "Club") set out on pages 32 to 50, which comprise the balance sheet as at 31 December 2012, and the statement of comprehensive income, statement of changes in reserves and cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

GENERAL COMMITTEE'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The General Committee of the Club is responsible for the preparation of financial statements that give a true and fair view in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the Hong Kong Companies Ordinance and for such internal control as the General Committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. This report is made solely to you, as a body, in accordance with section 141 of the Hong Kong Companies Ordinance, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. 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 judgement, 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 of the financial statements that give a true and fair view 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 the General Committee, 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 give a true and fair view of the state of the Club's affairs as at 31 December 2012 and of the Club's surplus and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the Hong Kong Companies Ordinance.

KPMG

Certified Public Accountants

8th Floor, Prince's Building

10 Chater Road

Central, Hong Kong

28 February 2013

Statement of Comprehensive Income

for the year ended 31 December 2012

	Note	2012 HK\$'000	2011 HK\$'000
OPERATING INCOME			
Members' subscriptions		76,027	71,675
Green fees, practice balls and cart rental		30,236	28,942
Food and beverage sales	10	52,782	50,033
Golf shop sales		17,130	16,353
Other income	8	9,283	8,415
Total operating income	9	185,458	175,418
LESS:			
Expenditure on food and beverage operations	10	62,587	60,251
Expenditure on courses	11	40,472	37,979
Club house expenses	12	24,182	23,137
Golf shop expenses	13	16,341	16,165
Golf operation expenses	14	9,016	8,570
Administration expenses	15	26,697	25,529
		179,295	171,631
OPERATING SURPLUS BEFORE DEPRECIATION			
		6,163	3,787
Depreciation	3	(34,810)	(38,559)
OPERATING DEFICIT AFTER DEPRECIATION			
		(28,647)	(34,772)
Transfer and entrance fees	17	38,686	39,570
Net investment gain/(loss)	18	7,977	(745)
Net surplus for the year		18,016	4,053

There is no other comprehensive income for the year.
The notes on pages 36 to 50 form part of these financial statements.

Balance Sheet

at 31 December 2012

	Note	2012 HK\$'000	2011 HK\$'000
ASSETS			
Fixed assets	3	182,232	169,386
Investments	5	125,343	117,366
Inventories	6	13,415	13,222
Debtors and prepaid charges		16,512	15,875
Cash and bank deposits		50,766	50,868
		388,268	366,717
LESS:			
LIABILITIES			
Accounts payable and accruals		24,888	21,353
		363,380	345,364
Net assets			
		363,380	345,364
Representing:			
Reserves	7	363,380	345,364


Approved and authorised for issue by the General Committee on 28 February 2013.



P Y Reed
Captain



Sidney Cheng
Vice Captain



Chris Ip
Finance Convenor

The notes on pages 36 to 50 form part of these financial statements.

Statement of Changes in Reserves

for the year ended 31 December 2012

	General reserve (note 7)		Capital reserve (note 7)		Total	
	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
At 1 January	227,998	223,200	117,366	118,111	345,364	341,311
Surplus/(deficit) for the year	10,039	4,798	7,977	(745)	18,016	4,053
At 31 December	238,037	227,998	125,343	117,366	363,380	345,364

The notes on pages 36 to 50 form part of these financial statements.

Cash Flow Statement

for the year ended 31 December 2012

	2012 HK\$'000	2011 HK\$'000
OPERATING ACTIVITIES		
Operating deficit for the year	(28,647)	(34,772)
Adjustments for:		
Depreciation	34,810	38,559
Interest income	(256)	(164)
Gain on disposal of fixed assets	(12)	(163)
OPERATING SURPLUS BEFORE CHANGES IN WORKING CAPITAL	5,895	3,460
(Increase)/decrease in inventories	(193)	809
(Increase)/decrease in debtors and prepaid charges	(661)	1,871
Increase in accounts payable and accruals	3,535	269
CASH GENERATED FROM OPERATIONS	8,576	6,409
Net cash inflow from transfer and entrance fees	38,686	39,570
Net cash from operating activities	47,262	45,979
INVESTING ACTIVITIES		
Interest received from investments and deposits	280	139
Fund management and custodian fees paid	(540)	(491)
Payment for purchase of investments	(116)	(9,627)
Proceeds from sales of investments	656	10,118
Payment for purchase of fixed assets	(47,656)	(52,419)
Proceeds from sales of fixed assets	12	222
Net cash used in investing activities	(47,364)	(52,058)
Net decrease in cash and cash equivalents	(102)	(6,079)
Cash and bank deposits at 1 January	50,868	56,947
Cash and bank deposits at 31 December	50,766	50,868

The notes on pages 36 to 50 form part of these financial statements.

Notes to the Financial Statements

1 THE CLUB'S STATUS

The Club is limited by guarantee. In the event that the Club is wound up, each member's guaranteed contribution to the assets of the Club is limited to HK\$100.

2 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), accounting principles generally accepted in Hong Kong and the requirements of the Hong Kong Companies Ordinance. A summary of the significant accounting policies adopted by the Club is set out below.

The HKICPA has issued a number of amendments to HKFRSs that are first effective for the current accounting period of the Club. However, none of these developments are relevant to the Club's financial statements.

The Club has not applied any new standard or interpretation that is not yet effective for the current accounting period (Note 25).

(b) Basis of preparation of the financial statements

The measurement basis used in the preparation of the financial statements is the historical cost basis except for the Club's investments in unit trust which are stated at their fair value (note 5).

The preparation of financial statements in conformity with HKFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements made by management in the application of HKFRSs that have significant effect on the financial statements are discussed in note 24.

(c) Investments

Investments in unit trusts are designated as fair value through the statement of comprehensive income and are stated initially at fair value, which is their transaction price, unless fair value can be more reliably estimated using valuation techniques whose variables include only data from observable markets. Any attributable transaction costs are recognised in the statement of comprehensive income as incurred. At each balance sheet date the fair value is measured, with any resultant gain or loss being recognised directly in the statement of comprehensive income.

Investments are recognised/derecognised on the date the Club commits to purchase/sell the investments or they expire.

(d) Fixed assets and depreciation

Fixed assets are stated in the balance sheet at cost less accumulated depreciation and impairment losses (note 2(f)).

The cost of self-constructed items of property, plant and equipment includes the cost of materials, direct labour, the initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located, and an appropriate proportion of production overheads and borrowing costs.

Depreciation is calculated to write off the cost of fixed assets, less their estimated residual value, if any, using the straight line method over their estimated useful lives as follows:

- Buildings, swimming pools and tennis courts at Fanling and Deep Water Bay situated on leasehold land are depreciated over the shorter of the unexpired term of lease of approximately 1 to 8 years and their estimated useful lives of 10 to 25 years.
- Capital expenditure on courses at Fanling and Deep Water Bay situated on leasehold land is depreciated over the shorter of the unexpired term of leases of approximately 1 to 8 years and estimated useful lives of 10 years.
- Furniture, fixtures and restaurant equipment 5 years
- Plant, machinery and motor vehicles 5-7 years

Where parts of an item of fixed asset have different useful lives, the cost of the item is allocated on a reasonable basis between the parts and each part is depreciated separately. Both the useful life of an asset and its residual value, if any, are reviewed annually.

Gains or losses arising from the retirement or disposal of a fixed asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of comprehensive income on the date of retirement or disposal.

(e) Construction in progress

Construction in progress is stated at cost less any impairment losses (see note 2(f)). Cost comprises direct costs of construction as well as borrowing costs and exchange differences, if any, capitalised during the periods of construction and installation. Capitalisation of these costs ceases and the construction in progress is transferred to fixed assets when substantially all the activities necessary to prepare the assets for their intended use are completed. No depreciation is provided in respect of construction in progress until it is completed and ready for its intended use.

(f) Impairment of fixed assets

Internal and external sources of information are reviewed at each balance sheet date to identify indications that the Club's fixed assets may be impaired or an impairment loss previously recognised no longer exists or may have decreased.

If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the greater of its fair value less costs to sell and value in use.

An impairment loss is recognised in the statement of comprehensive income if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount. A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognised in prior years. Reversals of impairment losses are credited to the statement of comprehensive income in the year in which the reversals are recognised.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Inventories

Inventories are carried at the lower of cost and net realisable value. Cost is calculated using principally the weighted average cost formula and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

(h) Debtors and other receivables

Debtors and other receivables are initially recognised at fair value and thereafter stated at amortised cost less allowance for impairment of doubtful debts.

Impairment losses for bad and doubtful debts are recognised when there is objective evidence of impairment and are measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows, discounted at the asset's original effective interest rate where the effect of discounting is material. Objective evidence of impairment includes observable data that comes to the attention of the Club about events that have an impact on the asset's estimated future cash flows such as significant financial difficulty of the debtor.

Impairment losses for debtors and other receivables whose recovery is considered doubtful but not remote are recorded using an allowance account. When the Club is satisfied that recovery is remote, the amount considered irrecoverable is written off against trade debtors directly and any amounts held in the allowance account relating to that debt are reversed. Subsequent recoveries of amounts previously charged to the allowance account are reversed against the allowance account. Other changes in the allowance account and subsequent recoveries of amounts previously written off directly are recognised in the statement of comprehensive income.

(i) Accounts payable and accruals

Accounts payable and accruals are initially recognised at fair value and thereafter stated at amortised cost unless the effect of discounting would be immaterial, in which case they are stated at cost.

(j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, having been within three months of maturity at acquisition. Bank overdrafts that are repayable on demand and form an integral part of the group's cash management are also included as a component of cash and cash equivalents for the purpose of the cash flow statement.

(k) Employee benefits

Salaries, annual bonuses, paid annual leave, contributions to defined contribution retirement plans and the cost of non-monetary benefits are accrued in the year in which the associated services are rendered by employees. Contributions to defined contribution retirement plans including contributions payable under the Hong Kong Mandatory Provident Fund Schemes Ordinance, are recognised as an expense in the statement of comprehensive income as incurred.

Termination benefits are recognised when, and only when, the Club demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(l) Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Club has a legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(m) Leased assets

Operating lease charges

Where the Club has the use of assets held under operating leases, payments made under the leases are charged to the statement of comprehensive income in equal instalments over the accounting periods covered by the lease term.

(n) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the Club and the revenue and costs, if applicable, can be measured reliably, revenue is recognised in the statement of comprehensive income as follows:

(i) Subscription income

Subscription income is recognised on an accrual basis.

(ii) Transfer and entrance fees

Transfer fees on nominee memberships are recognised as income when membership certificates are issued. Entrance fees for new members are recognised as income when the joining date is effective.

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method.

Interest income derived from other deposits with banks is included in other income as set out in note 8.

(iv) Dividends

Dividend income from unlisted investments is recognised when the shareholder's right to receive payment is established.

Dividend income from listed investments is recognised when the share price of the investment goes ex-dividend.

(v) Other income

Other income is recognised when goods or services are provided.

2 SIGNIFICANT ACCOUNTING POLICIES (continued)

(o) Translation of foreign currencies

Foreign currency transactions during the year are translated into Hong Kong dollars at the exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated into Hong Kong dollars at the exchange rates ruling at the balance sheet date. Exchange gains and losses are recognised in the statement of comprehensive income.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated Hong Kong dollars using the exchange rates ruling at the transaction dates. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated using the exchange rates ruling at the dates the fair value was determined.

(p) Related parties

(a) A person, or a close member of that person's family, is related to the Club if that person:

- (i) has control or joint control over the Club;
- (ii) has significant influence over the Club; or
- (iii) is a member of the key management personnel of the Club or the Club's holding entity.

(b) An entity is related to the Club if any of the following conditions applies:

- (i) The entity and the Club are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) Both entities are joint ventures of the same third party.
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Club or an entity related to the Club.
- (vi) The entity is controlled or jointly controlled by a person identified in (a).
- (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

(q) Current assets and current liabilities

The current assets of the Club are inventories, debtors and prepaid charges, and cash and bank deposits.

All accounts payable and accruals of the Club are current liabilities expected to be settled within one year.

3 FIXED ASSETS

	Capital expenditure on courses HK\$'000	Buildings, swimming pools and tennis courts HK\$'000	Furniture, fixtures and restaurant equipment HK\$'000	Plant, machinery and motor vehicles HK\$'000	Total HK\$'000
Cost:					
At 1 January 2012					
1975 valuation	–	4,761	–	–	4,761
Cost	136,839	126,081	192,763	122,828	578,511
Additions at cost	29,448	285	10,036	7,887	47,656
Disposals at cost	(1,422)	–	(3,536)	(14,757)	(19,715)
At 31 December 2012					
1975 valuation	–	4,761	–	–	4,761
Cost	164,865	126,366	199,263	115,958	606,452
	164,865	131,127	199,263	115,958	611,213
Depreciation:					
At 1 January 2012	70,383	94,246	142,123	107,134	413,886
Charge for the year	9,653	4,766	13,881	6,510	34,810
Written back on disposal	(1,422)	–	(3,536)	(14,757)	(19,715)
At 31 December 2012	78,614	99,012	152,468	98,887	428,981
Net book value:					
At 31 December 2012	86,251	32,115	46,795	17,071	182,232
Cost:					
At 1 January 2011					
1975 valuation	–	4,761	–	–	4,761
Cost	106,138	125,437	178,987	118,702	529,264
Additions at cost	30,701	644	13,776	7,298	52,419
Disposals at cost	–	–	–	(3,172)	(3,172)
At 31 December 2011					
1975 valuation	–	4,761	–	–	4,761
Cost	136,839	126,081	192,763	122,828	578,511
	136,839	130,842	192,763	122,828	583,272
Depreciation:					
At 1 January 2011	61,940	86,659	126,248	103,593	378,440
Charge for the year	8,443	7,587	15,875	6,654	38,559
Written back on disposal	–	–	–	(3,113)	(3,113)
At 31 December 2011	70,383	94,246	142,123	107,134	413,886
Net book value:					
At 31 December 2011	66,456	36,596	50,640	15,694	169,386

4 LAND

(a) Leases

The Club holds a lease for Fanling Lot No. 942 in DD No. 94 representing the courses at Fanling for 21 years commencing from 1 September 1999 and expiring in 2020. The Club also had a lease for R.B. Lot No. 1076, representing the course and club house at Deep Water Bay, under a grant by private treaty for a term of 15 years commencing from 26 December 1981, which expired on 25 December 2011 after a 15-year extension granted in 1996 (Register No. R.B. Lot No. 1117). Negotiation with the Government of the Hong Kong Special Administrative Region ("the Government") is in progress. So far, the Club has been granted a temporary extension of this lease for nine months to 25 September 2012 and further extended for six months to 25 March 2013.

(b) Tenancy

The Club holds a portion of Lot No. 922 in DD No. 94 under a tenancy agreement from The Hong Kong Jockey Club for a term expiring on 25 June 2011 and was automatically extended until 25 June 2046.

The Club also holds a portion of Lot No. 942 in DD No. 94 under a short term tenancy agreement from the Government for a term of seven years ended 31 August 2009. Starting from 1 September 2009, the Club has been granted a temporary extension for an unspecified term subject to the Government's discretion.

5 INVESTMENTS

Investments designated at fair value through profit or loss

Unit trusts unlisted held with investment manager
in equity securities
in debt securities

2012 HK\$'000	2011 HK\$'000
14,297	11,007
111,046	106,359
125,343	117,366

6 INVENTORIES

Analysis of inventories held by departments:

Golf shop
Course
Food and beverage
Others

2012 HK\$'000	2011 HK\$'000
3,460	3,138
5,822	6,040
1,755	1,732
2,378	2,312
13,415	13,222

Inventories are mainly merchandise held at Golf Shop, chemicals and supplies used in course operations, food and beverage supplies and other consumables.

6 INVENTORIES (continued)

The analysis of the amount of inventories recognised as expense is as follows:

	2012 HK\$'000	2011 HK\$'000
Carrying amount of inventories sold	28,868	28,366
Carrying amount of inventories consumed	10,956	9,949
Write-down of inventories	350	396
	40,174	38,711

7 RESERVES

Nature and purpose of reserves

(i) Capital reserve

Capital reserve comprises investment funds set aside for investments in unit trusts in equity securities and debt securities.

(ii) General reserve

General reserve comprises accumulated surpluses less capital reserve.

8 OTHER INCOME

	2012 HK\$'000	2011 HK\$'000
Accommodation and lockers	6,585	5,868
Interest income from bank deposits	256	164
Sundry income	2,442	2,383
	9,283	8,415

9 TURNOVER

Turnover of HK\$185.4 million (2011: HK\$175.4 million) comprises principally members' subscriptions, green fees, food and beverage sales and golf shop sales.

10 SALES AND EXPENDITURE ON FOOD AND BEVERAGE OPERATIONS

	D.W.B.		Fanling		Total	
	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Sales	34,636	32,353	22,742	21,964	57,378	54,317
F&B 10% members' discount	(3,188)	(2,929)	(1,408)	(1,355)	(4,596)	(4,284)
Net sales	31,448	29,424	21,334	20,609	52,782	50,033
Cost of sales	12,948	12,480	6,877	6,606	19,825	19,086
Salaries, wages and allowances	17,474	16,982	12,928	12,357	30,402	29,339
Contributions to defined contribution retirement plans	1,153	1,099	1,075	1,012	2,228	2,111
Direct overheads	6,101	6,082	4,031	3,633	10,132	9,715
	37,676	36,643	24,911	23,608	62,587	60,251
Deficit	(6,228)	(7,219)	(3,577)	(2,999)	(9,805)	(10,218)

11 EXPENDITURE ON COURSES

	D.W.B.		Fanling		Total	
	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Salaries, wages and allowances	1,404	1,281	21,962	20,833	23,366	22,114
Contributions to defined contribution retirement plans	130	123	1,361	1,230	1,491	1,353
Inventories consumed	255	219	5,695	5,337	5,950	5,556
Other maintenance and running expenses	356	377	9,309	8,579	9,665	8,956
	2,145	2,000	38,327	35,979	40,472	37,979

12 CLUB HOUSE EXPENSES

	D.W.B.		Fanling		Total	
	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000	2012 HK\$'000	2011 HK\$'000
Salaries, wages and allowances	5,209	5,099	8,175	7,873	13,384	12,972
Contributions to defined contribution retirement plans	252	270	648	587	900	857
Utilities	1,562	1,426	2,802	2,628	4,364	4,054
Repairs, maintenance and sundries	2,282	2,435	3,252	2,819	5,534	5,254
	9,305	9,230	14,877	13,907	24,182	23,137

13 GOLF SHOP EXPENSES

	2012 HK\$'000	2011 HK\$'000
Cost of sales	9,043	9,280
Salaries, wages and allowances	4,872	4,665
Contributions to defined contribution retirement plans	368	344
Spare parts consumed	732	620
Repairs, maintenance and sundries	1,326	1,256
	16,341	16,165

14 GOLF OPERATION EXPENSES

	2012 HK\$'000	2011 HK\$'000
Salaries, wages and allowances	7,154	6,831
Contributions to defined contribution retirement plans	602	568
Utilities	202	216
Repairs, maintenance and sundries	1,058	955
	9,016	8,570

15 ADMINISTRATION EXPENSES

	2012 HK\$'000	2011 HK\$'000
Salaries, wages and allowances	10,190	9,872
Contributions to defined contribution retirement plans	941	979
Rent, rates and utilities	6,360	5,755
General office expenses	2,481	2,195
Outsourced security	1,595	1,267
Repairs, maintenance and sundries	2,569	2,944
Club entertainment	1,544	1,501
Hong Kong Golf Association ("HKGA") subscriptions*	792	802
Auditors' remuneration	225	214
	26,697	25,529

* HKGA is an association incorporated in Hong Kong, the principal activities of which are to promote the game of golf and to act as the governing body of amateur golf in Hong Kong. The Club holds two out of five issued shares of HKGA and has one representative of the four delegates of the Executive Committee. The Club is not entitled to the income or property of HKGA and accordingly, the results and assets and liabilities of HKGA are not included in the financial statements of the Club.

16 STAFF COSTS

	2012 HK\$'000	2011 HK\$'000
Salaries, wages and other benefits	89,368	85,793
Contributions to defined contribution retirement plans	6,530	6,212
	95,898	92,005

Staff costs represent the aggregate amounts included under salaries, wages and allowances and contributions to defined contribution retirement plans under expenditure on food and beverage operations, expenditure on courses, club house expenses, golf shop expenses, golf operation expenses, and administration expenses.

17 TRANSFER AND ENTRANCE FEES

	2012 HK\$'000	2011 HK\$'000
Transfer fees	8,720	12,626
Entrance fees	29,966	26,944
	38,686	39,570

18 NET INVESTMENT GAIN/(LOSS)

	2012 HK\$'000	2011 HK\$'000
Fund management and custodian fees paid	(540)	(491)
Net realised and unrealised gain/(loss) on securities	8,517	(254)
	7,977	(745)

19 FINANCIAL RISK MANAGEMENT POLICIES

Exposure to credit, interest rate, liquidity, foreign currency, and equity price risks arises in the normal course of the Club's operations. The Club's exposure to these risks and the financial risk management policies and practices are described below.

(a) Credit risk

The Club's credit risk is primarily attributable to member debtors. Member debtors of HK\$9,939,000 (2011: HK\$10,706,000) are included in debtors and prepaid charges in the balance sheet, which represents balances of monthly subscription and spending receivable from members. In order to minimise the credit risk arising from member debtors, the Club reviews regularly the recoverable amount of each individual account to ensure that adequate impairment losses are made for irrecoverable amounts. Members with long outstanding debtor balances will be informed directly. The Club will proactively follow up the settlement of long outstanding debtors.

In this regard, the General Committee considers that the credit risk associated with member debtors is not significant. At the balance sheet date, the Club does not have any significant concentration of credit risk associated with member debtors.

(b) Interest rate risk

The Club did not have significant exposure to cash flow interest rate risk at the balance sheet date.

(c) Liquidity risk

The Club's cash management policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

As indicated in note 2(q), current liabilities of HK\$24,888,000, representing accounts payable and accruals were due to be repaid during the next financial year. The Club will address the short-term liquidity requirement inherent in this contractual maturity date with internal resources.

(d) Foreign currency risk

The Club did not have significant exposure to foreign currency risk at the balance sheet date.

(e) Security price risk

The Club is exposed to price changes arising from its investments in unit trusts. These unit trusts are not listed but are quoted, and invest in equity and debt securities. An investment manager is appointed to manage these investments. Performances of these investments are assessed periodically against performance of relevant market indices. The following table indicates the approximate change in the Club's net surplus in response to reasonably possible changes in the relevant market indices to which the Club has significant exposure at the balance sheet date:

	2012		2011	
	Increase in the relevant market indices	Effect on net surplus HK\$	Increase in the relevant market indices	Effect on net surplus HK\$
Unit trusts in equity securities				
FTSE MPF Hong Kong Index	20%	3,031,016	20%	2,223,332
Unit trusts in debt securities				
HSBC Hong Kong Bond Index	5%	5,551,717	5%	4,993,803

19 FINANCIAL RISK MANAGEMENT POLICIES (continued)

(e) Security price risk (continued)

An equal change in the opposite direction would have approximately the same opposite effect on the Club's net surplus.

In measuring the Club's exposure to security price risk as of the balance sheet date, the sensitivity analysis above has been determined assuming that the changes in the benchmark index would occur over a one-year period and had been applied to the exposure to price risk in existence at that date. It is also assumed that the fair values of the Club's securities would change in accordance with the historical correlation with the benchmark index, and that all other variables remain constant.

(f) Fair values

HKFRS 7, Financial Instruments: Disclosures, require disclosures relating to fair value measurements of financial instruments across three levels of a "fair value hierarchy". The fair value of each financial instrument is categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The levels are defined as follows:

- Level 1 (highest level): fair values measured using quoted prices (unadjusted) in active markets for identical financial instruments
- Level 2: fair values measured using quoted prices in active markets for similar financial instruments, or using valuation techniques in which all significant inputs are directly or indirectly based on observable market data
- Level 3 (lowest level): fair values measured using valuation techniques in which any significant input is not based on observable market data

The investments in unit trusts held by the Club are carried at their fair values as at 31 December 2012 and 2011 (note 5). These instruments fall into Level 1 of the fair value hierarchy described above.

All other financial assets and liabilities are carried at amounts not materially different from their fair values as at 31 December 2012 and 2011.

20 TAXATION

No provision has been made for profits tax since, under Section 24(1) of the Inland Revenue Ordinance, the Club is deemed not to carry on a business.

21 COMMITMENTS

Capital commitments approved by the General Committee outstanding at 31 December 2012 not provided for on the financial statements were as follows:

	2012 HK\$'000	2011 HK\$'000
Contracted for	8,245	11,835
Not contracted for	36,096	58,534

22 GENERAL COMMITTEE MEMBERS' EMOLUMENTS

There were no emoluments payable by the Club to the members of the General Committee for the year (2011: HK\$Nil).

23 MATERIAL RELATED PARTY TRANSACTIONS

During the year, the Club has collected charitable donations of HK\$0.7 million (2011: HK\$0.7 million) on behalf of The Hong Kong Golf Club Charitable Foundation Limited ("the Foundation"), a body established by the Club for charitable purposes. The Foundation's board constitutes representatives of the Club. As at 31 December 2012, there was no outstanding balance which is reimbursable to the Foundation.

Other than the above and the payment of HKGA subscriptions (note 15), there were no other material related party transactions

24 ACCOUNTING JUDGEMENTS AND ESTIMATES

(a) Critical accounting judgements in applying the Club's accounting policies

In the process of applying the group's accounting policies, the Club has made the following accounting judgement:

(i) Land lease

As disclosed in note 4(a), the lease of land on which the Club operates its facilities at Deep Water Bay ("the Deep Water Bay land lease"), other than the main golfing facilities in Fanling, expired on 25 December 2011. The Government has granted a temporary extension of this lease for nine months to 25 September 2012 and further extended for six months to 25 March 2013. The relevant financial information in respect of the Club's operations at Deep Water Bay have been presented in the financial statements on a going concern basis, which assumes that the Deep Water Bay land lease will be renewed or extended by the Government in March 2013.

The General Committee acknowledges that there is no absolute certainty over the renewal of the lease. However, as described above, the General Committee has a reasonable expectation that the land lease will be renewed or extended to enable the continued operation of the Club's facilities.

If for any reason the Club is unable to obtain the renewal of the land lease in order to continue its operations at Deep Water Bay, the going concern basis used in the preparation of the financial information in respect of the Deep Water Bay facilities and operations may not be appropriate. Adjustments may then be necessary to restate the value of all relevant assets to their recoverable amounts, to provide for any further liabilities which might rise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively.

25 POSSIBLE IMPACT OF AMENDMENTS, NEW STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE FOR THE ANNUAL ACCOUNTING PERIOD ENDED 31 DECEMBER 2012

Up to the date of issue of these financial statements, the HKICPA has issued a number of amendments and new standards which are not yet effective for the year ended 31 December 2012 and which have not been adopted in these financial statements.

These include the following which may be relevant to the Club:

	Effective from accounting periods beginning on or after
Amendments to HKAS 1, Presentation of financial statements –	
Presentation of items of other comprehensive income	1 July 2012
HKFRS 12, Disclosure of interests in other entities	1 January 2013
HKFRS 13, Fair value measurement	1 January 2013
HKFRS 9, Financial instruments	1 January 2015

The Club is in the process of making an assessment of what the impact of these amendments is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Club's results of operations and financial position.

Five Year Summary

	2012 HK\$'000	2011 HK\$'000	2010 HK\$'000	2009 HK\$'000	2008 HK\$'000
INCOME AND EXPENDITURE					
Members' subscriptions	76,027	71,675	69,333	68,022	66,065
Green fees, practice balls and cart rental	30,236	28,942	27,168	24,859	21,441
Food and beverage sales	52,782	50,033	48,862	48,322	41,738
Golf shop sales	17,130	16,353	14,397	15,127	16,319
Other income	9,283	8,415	7,916	8,253	6,805
Total income	185,458	175,418	167,676	164,583	152,368
Food and beverage operations	62,587	60,251	56,407	53,908	53,859
Courses	40,472	37,979	35,338	37,443	39,308
Club house	24,182	23,137	21,864	23,238	29,303
Golf shop	16,341	16,165	13,270	15,136	16,594
Golf operation	9,016	8,570	8,068	7,192	–
Administration	26,697	25,529	26,527	24,733	24,189
Total expenditure	179,295	171,631	161,474	161,650	163,253
OPERATING SURPLUS/(DEFICIT) BEFORE RE-STRUCTURING COST & DEPRECIATION					
	6,163	3,787	6,202	2,933	(10,885)
Entrance fees	29,966	26,944	20,029	53,770	18,857
Transfer fees	8,720	12,626	30,072	14,700	8,060
Net investment return/(loss)	7,977	(745)	(7,087)	13,642	(15,723)
Depreciation charged	(34,810)	(38,559)	(36,506)	(36,499)	(33,001)
Re-structuring cost	–	–	(962)	(3,160)	–
Net surplus/(deficit)	18,016	4,053	11,748	45,386	(32,692)
NET ASSETS					
Fixed assets (net)	182,232	169,386	155,585	148,250	169,607
Investments	125,343	117,366	118,111	105,198	91,556
Current assets	80,693	79,965	88,699	93,649	38,837
Current liabilities	(24,888)	(21,353)	(21,084)	(17,534)	(15,823)
Net assets	363,380	345,364	341,311	329,563	284,177

Composition of the Club's Membership

		As at 1.1.2013	As at 1.1.2012
ACTIVE MEMBERSHIP			
Honorary, Life, Retired Golfer		189	170
Full	Married	1,083	1,056
	Single	260	262
	Associate	55	54
		1,398	1,372
5-Day	Married	380	386
	Single	161	154
	Associate	8	9
		549	549
Nominee	Married	293	297
	Single	44	44
	Dormant	28	24
		365	365
		2,501	2,456

**Lot No.1, Fan Kam Road
Sheung Shui, N.T., Hong Kong**

**Incorporated in Hong Kong
under the Companies Ordinance as
a Company Limited by Guarantee**

