Penang Global Tourism Sdn Bhd

Income tax computation
Year of assessment 2011
Income tax reference number: C 02851951-05
Basis period: 1 January 2011 to 31 December 2011

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Income tax computation **Schedule 1**

BUSINESS 1: To carry out tourism activities for the State Government of Penang

	Reference	RM	RM
Miscellaneous income	Sch 3(2)		1,969
STATUTORY BUSINESS INCOME			1,969
Unabsorbed business loss b/f	TC YA 2010	447,029	
Less: Amount utilised		(1,969)	(1,969)
Unabsorbed business loss c/f (Note 1)	Appendix 1	445,060	
TAX PAYABLE			NIL

BUSINESS 2: Provision of consultancy services & specialised studies (ceased operations since year 2004)

	Reference	RM
Unabsorbed capital allowances b/f & c/f (Note 2)	Appendix 2	(79,098)
CHARGEABLE INCOME		NIL
TAX PAYABLE		NIL

Note 1: Availability of losses for deduction against future business income is subject to there being no substantial change in shareholders on the last day of the basis period of that relevant year in which the amount was ascertained and the first day of the basis period for the year of assessment in which the amount is to be deducted. - Section 44 (5A).

Note 2: Availability of capital allowances for deduction against business income in the future is subject to there being no substantial change in shareholders on the last day of the basis period of that relevant year in which that allowance was ascertained and the first day of the basis period for the year of assessment in which that allowance is to be deducted. - Sch 3 Para 75 A.

Notwithstanding the above, the Ministry of Finance has granted an exemption pursuant to Section 44(5D) and paragraph 75C, Schedule 3 of the Income Tax Act 1967 vide its letter dated 07/12/2007 to a company which has a substantial change in its shareholders, (i.e. 50% or more), to allow it to carry forward its unabsorbed business losses and capital allowances to be utilised in that year of assessment and subsequent years of assessment EXCEPTwhere there is a substantial change which occurs in a dormant company.

Dormant is defined as no significant transactions other than the minimum transactions in the accounts before the major change (50% or more) in the direct shareholders.

The IRB has issued a new guideline on 15/01/2008 in respect of the above.

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Revised 108 balance and exempt income accounts **Schedule 2**

	Amount RM
Revised 108 b/f and c/f	34,785.91

EXEMPT INCOME ACCOUNT

		Amount RM
1	Income Tax (Exemption) (No.31) Order 1995	
	Balance b/f and c/f	170,800.00
2	Income Tax (Exemption) (No. 48) Order, 1997	
	Balance b/f and c/f	539,994.00
TOTAL		710,794.00

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Supporting notes to accounts **Schedule 3**

PROFIT AND LOSS ACCOUNT

1 Fund from state government - RM6,000,000

The fund received from the state government is not subject to tax pursuant to paragraph 2(1) of the Gazette Order of the Income Tax (Exemption) (No.22) Order 2006.

2 Other income - RM1,969

	RM
Miscellanous income	1,969 #

The above relates to the income received from the sales of Mascot Cat to the public and also the sales of paper bags to Cheong Fatt Sze Mansion which is incidental to the Company business activities to carry out tourism activities for the Penang State Government.

3 Operating expenses - RM3,003,250
Admistrative expenses - RM1,769,097

As confirmed by Ms Michelle of your Company, the above expenses are fully funded / reimbursed by the State Government / Statutory Authorities of Penang, hence the above expenses shall be disregarded pursuant to paragraph 3(2) Income Tax (exemption) (No.22) Order 2006.

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Capital allowance for business

Appendix 1

Schedule Reference	YA		RM	Unabsorbed losses to be carried forward to the following YA
	2005	Balance brought forward from YA2005	447,029	
		Less: Losses absorbed by statutory business income - YA 2011	(1,969)	
		Balance of unabsorbed losses brought forward from YA2005	445,060	445,060
		Total losses carried forward		445,060

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Losses from business

Schedule Reference	Year of Assessment		RM	Unabsorbed CA to be carried forward to the following YA
	2005	Unabsorbed CA brought forward from YA2005	79,098	
		Less: Amount utilised in YA 2011	0	
		Balance of unabsorbed CA brought forward from YA 2005	79,098	79,098
		Total unabsorbed CA		79,098