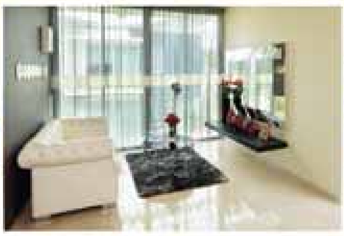
country view Berhad
(78320-K)

annual report 2010



a truly
amazing haven to live

NUSA SENTRAL 四季花园
NUSAJAYA

OUR CORPORATE VISION AND MISSION

Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid JP
(Executive Chairman)

Dear Valued Shareholders,

" Once again it gives me great pleasure, on behalf of my colleagues on the Board of Country View Berhad, to present the Company's Annual Report and the Financial Statements of the Company and the Group for the financial year ended 30th November 2010. "

VISION

We, the Country View Group, aspire to be a premier property developer providing excellent products and services that enhance our customers' lifestyle.

MISSION

- Strive to be ethical, efficient and effective in everything we do.
- Strive to provide excellent products and services to our customers.
- Strive to enhance shareholders' value.
- Strive to provide a conducive business environment for our employees to maximize their individual potential.
- Strive to contribute to our community and enhance the quality of life in our society.
- Strive to contribute to our country in supporting socio-economic development.

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman
Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid JP

Executive Directors
Law Kit Tat
Wong Chee Sean @ Wong Sean
Wong Joon Chin

Non-Independent Non-Executive Director
Law Kee Kong

Senior Independent Non-Executive Director
Choong Shiau Yoon

Independent Non-Executive Director
Azhar Bin Azizan @ Harun

AUDIT COMMITTEE

Chairman
Choong Shiau Yoon

Members
Azhar Bin Azizan @ Harun
Law Kee Kong

REMUNERATION COMMITTEE

Chairman
Azhar Bin Azizan @ Harun

Members
Wong Chee Sean @ Wong Sean
Law Kee Kong

NOMINATION COMMITTEE

Chairman
Azhar Bin Azizan @ Harun

Members
Law Kee Kong
Choong Shiau Yoon

RISK MANAGEMENT WORKING COMMITTEE

Chairman
Choong Shiau Yoon

Members
Wong Joon Chin
Azhar Bin Azizan @ Harun
Yee Gee Min (Group General Manager)
Ong Seng Piow (Senior Manager, Accounts & Services)

SECRETARIES

Lee Wee Hee (MAICSA 0773340)
Hung Siow Ping (MAICSA 7039825)

REGISTERED OFFICE

Suite 5.11 & 5.12
5th Floor Menara TJB
9 Jalan Syed Mohd. Mufti
80000 Johor Bahru, Johor
Tel : 07 – 224 2823
Fax: 07 – 223 0229

SHARE REGISTRAR

ShareWorks Sdn. Bhd. (229948-U)
No. 10-1, Jalan Sri Hartamas 8
Sri Hartamas
50480 Kuala Lumpur
Tel : 03 – 6201 1120
Fax: 03 – 6201 3121

AUDITORS

BDO (AF 0206)
Suite 18-04, Level 18
Menara MAA
No. 15, Jalan Dato' Abdullah Tahir
80300 Johor Bahru, Johor.

PRINCIPAL PLACE OF BUSINESS

Unit 26-01, Mail Box 261
Menara Landmark
No. 12, Jalan Ngee Heng
80000 Johor Bahru
Johor, Malaysia

PRINCIPAL BANKERS

AmBank (M) Berhad
RHB Bank Berhad
Public Bank Berhad

STOCK EXCHANGE

Main Market of Bursa Malaysia Securities Berhad

WEBSITE

www.countryview.com.my

GROUP STRUCTURE

countryview Berhad
(78320-K)

100%
OWNED
SUBSIDIARIES

Country View Resources Sdn. Bhd.
(523855-A)

Country View Construction Sdn. Bhd.
(525891-K)

Country View Equities Sdn. Bhd.
(444790-T)

Country View Properties Sdn. Bhd.
(388490-A)

Country View Avenue Sdn. Bhd.
(704558-W)

Country View Land Sdn. Bhd.
(490265-X)

Country View Property Management Sdn. Bhd.
(609466-K)

Country View Greens Sdn. Bhd.
(627420-K)

Country View Ventures Sdn. Bhd.
(444788-X)

Optima Bestari Sdn. Bhd.
(487495-W)
(24% Associated Company of Country View Ventures Sdn. Bhd.)

NOTICE OF 28TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 28th Annual General Meeting of the Company will be held at Hibiscus Room, Thistle Johor Bahru, Jalan Sungai Chat, 80100 Johor Bahru, Johor, Malaysia on Thursday, 28 April 2011 at 10.00 am for the following purposes:-

AGENDA

ORDINARY BUSINESS

1. To receive and consider the Audited Financial Statements for the year ended 30 November 2010 together with the Reports of the Directors and Auditors thereon. **[Resolution 1]**

2. To approve the payment of Directors' fees. **[Resolution 2]**

3. To re-elect the following Directors who retire in accordance with Article 84 of the Company's Articles of Association:

   i. Mr. Law Kit Tat **[Resolution 3]**
   ii. Mr. Choong Shiau Yoon **[Resolution 4]**

4. To re-appoint BDO as Auditors of the Company for the year ending 30 November 2011 and to authorise the Directors to fix their remuneration. **[Resolution 5]**

5. To transact any other business of which due notice shall have been given in accordance with the Company's Articles of Association and the Companies Act, 1965.

By Order of the Board

Lee Wee Hee (MAICSA 0773340)
Hung Siow Ping (MAICSA 7039825)
Company Secretaries

5 April 2011

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.

2. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

3. Where a member is an authorised nominee as defined under The Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.

4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.

5. To be valid, the form of proxy must be deposited at the Registered Office of the Company, Suite 5.11 & 5.12, 5th Floor Menara TJB, 9 Jalan Syed Mohd. Mufti, 80000 Johor Bahru, Johor not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.

CHAIRMAN'S STATEMENT

PERFORMANCE AND FINANCIAL REVIEW

Country View Berhad recorded a pre-tax loss of RM8.5 million compared to a pre-tax loss of RM1.1 million in the previous financial year.

Loss after tax for the financial year ended 30th November 2010 was RM8.20 million compared to the loss after tax of RM3.75 million registered in the previous financial year.

The Group's overall revenue decreased to RM23.26 million compared to RM51.5 million recorded in the previous financial year end.

The decrease in revenue and increase in pre-tax loss was mainly due to lesser units of properties sold coupled with higher administrative expenses and promotional expenses incurred for the development and launching of its new project, Taman Nusa Sentral, in Bandar Nusajaya. Taman Nusa Sentral was launched in October 2010 which was in the last quarter of the financial year 2010.

PROPERTY DEVELOPMENT

The year under review was a slow and quiet year for the Group. As stated in our last report, the Group adopted a cautious approach in respect of the year ended 30th November 2010, given the still fragile global recovery.

The Group focused on clearing its stocks of remaining development properties while gearing itself for the launch of its next major development project, Taman Nusa Sentral located within the Bandar Nusajaya Development region of Iskandar Malaysia. Close attention was paid to the timing of launching, pricing and design concepts to ensure maximum impact and success.

The new development project named Taman Nusa Sentral, Bandar Nusajaya was successfully launched in October 2010 during the last quarter of the financial year ended 30th November 2010 by Country View Resources Sdn. Bhd., a wholly owned subsidiary.

Phase 1 which comprised 312 units of double storey terrace houses with 3 types of design concepts, Summer Rose Type A, B and C series, attracted strong response and demand.

The Group's up-market bungalow development, Residence at The Peak by Country View Greens Sdn. Bhd., a wholly owned subsidiary, has witnessed encouraging response with recorded sales of 5 units out of a total 12 units as at end of February 2011.

PROSPECTS

Given the strong demand recorded for Phase 1 of Taman Nusa Sentral, Bandar Nusajaya, the Group is planning further launches at Taman Nusa Sentral for the coming financial year 2011.

Phase 2 comprising 271 units of double storey terrace houses is expected to be launched by the 2nd quarter of the financial year ending 2011. The Group also expects to launch the 1st phase of its commercial component comprised of 127 units of shop offices at Taman Nusa Sentral in the 3rd quarter of the financial year ending 2011.

Barring unforeseen circumstances, the Group is optimistic that the revenue and earnings from Phase 1 of Taman Nusa Sentral and the bungalow units, Residence At The Peak to be recognized progressively as their development percentage of completion progresses coupled with further launches of Phase 2 and the shop offices will significantly improve the Group's performance for the financial year ending 30th November 2011.

CHAIRMAN'S STATEMENT (Cont'd)

CORPORATE SOCIAL RESPONSIBILITY

"Corporate Social Responsibility is defined as open and transparent business practices that are based on ethical values and respect for the community, employees, the environment, shareholders and other stakeholders."

(Source:Bursa Malaysia Securities Berhad Corporate Social Responsibility Framework For Public Listed Companies Issued on 11th September 2006)

The principle and practice of corporate social responsibility as envisioned in the above definition has been observed & intertwined to varying degrees since the inception of the Country View Berhad Group except that these practices have not been reduced into a written document or framework.

Elements of Country View Berhad's principles and philosophy on corporate social responsibility are already reflected in the Group's mission statement published after the Group's listing on Bursa Malaysia Berhad in 2002, which emphasizes on striving to :

- Be ethical, efficient and effective in everything we do
- Provide excellent products and services to our customers.
- Enhance shareholders value
- Provide a conducive business environment for our employees to maximise their individual potential.
- Contribute to our community and enhance the quality of our society.
- Contribute to our country in supporting socio-economic development.

Country View Berhad has and will continue to conduct and enhance its business practices in an open and transparent manner based on good ethical and moral values with due consideration and respect to the community, employees, the environment, shareholders and other stakeholders.

The Board has also taken cognizance of the Sustainability Programme for Corporate Malaysia launched by YAB Prime Minister on 23rd November 2010 and the issuance by Bursa Malaysia Securities Berhad, of the Guide for Directors on Powering Business Sustainability. A sub-committee of the Board has been established to look further into implementing measures to enhance awareness of sustainability and embed sustainability practices within the Group at all levels of operation.

APPRECIATION

On behalf of the Board, I would like to thank all our shareholders, bankers, business partners, associates and our esteemed customers. Our appreciation also goes out to the relevant regulatory authorities, the various government agencies and local authorities. Our success would not have been possible without their continuous support and confidence in the Country View Group.

In closing, I would like to record my profound appreciation to my fellow colleagues on the Board for their counsel, and to the management team and all the members of the Country View family for their support, dedication and commitment throughout the year.

DATUK Ir. (Dr) MOHAMED AL AMIN BIN ABDUL MAJID JP
Executive Chairman

PROFILE OF DIRECTORS

DATUK Ir. (Dr) MOHAMED AL AMIN BIN ABDUL MAJID JP
55 years of age – Malaysian
Executive Chairman

He was appointed to the Board of Country View Berhad ("CVB") as the Executive Chairman on 1 February 2001. He qualified with a Diploma in Technology from Oxford College of Further Education and also holds a degree in Bachelor of Science in Civil Engineering from the University of Aston, Birmingham. He is also a Corporate Member of Institute of Engineers (IEM), Malaysia and a professional engineer (P.Eng). He was also conferred an Honorary Doctorate Degree – Doctor of Science from Aston University, United Kingdom.

He has extensive experience in business and corporate management which includes having served as Chairman for Gabongan Pemborong Bumiputra Perak Berhad and Zurich Insurance (M) Berhad. He is a Director of Ancom Berhad and Nylex (Malaysia) Berhad, both listed on Bursa Malaysia Securities Berhad. He is also the Chairman of Small Medium Industries Development Corporation (SMIDEC).

He also holds stewardship position in several private companies which are involved in a wide range of businesses such as construction, investment, distributorship, general trading and project management.

He attended four out of five board meetings held during the financial year ended 30 November 2010. He has no family relationship with any of the Directors and/or major shareholders of CVB. He has interests in certain companies carrying on similar businesses/trade as the CVB Group. During the financial year up to the date of this Report, he has not been involved in any new business which will give rise to competition/conflict with the current business of the Group. He has no convictions for offences within the past 10 years. He directly holds 950,000 ordinary shares of the Company.

LAW KIT TAT
50 years of age – Malaysian
Executive Director

He was appointed to the Board of Country View Berhad ("CVB") on 2 June 1986. He also holds directorships in all the subsidiaries of CVB. While he was doing his second year in Civil Engineering at the University of Sunderland (then known as Sunderland Polytechnic) in Sunderland, United Kingdom, he was requested to return to Malaysia to assist in his family's business.

He has extensive experience in the property development business through his involvement in the industry for the past 24 years.

He is also the advisor for the Johor Bahru's chapter of Malaysian Red Crescent Society since 1 January 1996. He is a director of Target Prestige Berhad, a non-listed public company and he also sits on the board of several other private limited companies.

He attended all the five board meetings held during the financial year ended 30 November 2010. He is the brother of Mr Law Kee Kong, a Non-Independent Non-Executive Director and major shareholder of CVB. He has interests in certain companies carrying on similar businesses/trade as the CVB Group. During the financial year up to the date of this Report, he has not been involved in any new business which will give rise to competition/conflict with the current business of the Group. He has no convictions for offences within the past 10 years. He directly holds 15,875,000 ordinary shares of the Company.

PROFILE OF DIRECTORS (Cont'd)

WONG CHEE SEAN @ WONG SEAN
41 years of age – Malaysian
Executive Director

He was appointed to the Board of Country View Berhad ("CVB") on 2 March 1993. He also sits on the Board of all CVB's subsidiaries and associated company. He is also a member of Remuneration Committee.

He graduated with a Bachelor of Science in Business Administration (majoring in International Business Marketing) from the San Francisco State University.

He has over 17 years of experience in the property development industry and is also actively involved in several other business ventures such as oil palm plantations, timber plantations, investment holding and investment in properties. He is currently a director of several other private limited companies. He does not hold directorship in any other public company.

He attended all the five board meetings held during the financial year ended 30 November 2010. He is the son of Mdm Hang Ah Jee @ Hung Ah Jee, a major shareholder of CVB. and also the cousin of Mdm Wong Joon Chin, an Executive Director of CVB. He has interests in certain companies carrying on similar businesses/trade as the CVB Group. During the financial year up to the date of this Report, he has not been involved in any new business which will give rise to competition/conflict with the current business of the Group. He has no convictions for offences within the past 10 years. He directly holds 10,608,736 ordinary shares of the Company.

WONG JOON CHIN
53 years of age – Malaysian
Executive Director

She was appointed to the Board of Country View Berhad ("CVB") on 30 May 1986. She has extensive experience in the property development industry and holds directorship in all the subsidiaries of CVB. She holds a Bachelor of Science (Hons) degree in Banking and International Finance from the City University in London, United Kingdom. She is presently a member of Risk Management Working Committee of the Company.

She also has extensive experience in business and is a director of Target Prestige Berhad, a non-listed public company. She also sits on the board of several other private limited companies.

She attended all the five board meetings held during the financial year ended 30 November 2010. She is the cousin of Mr Wong Chee Sean @ Wong Sean, an Executive Director and major shareholder of CVB and is the niece of Mdm Hang Ah Jee @ Hung Ah Jee, a major shareholder of CVB. She has interests in certain companies carrying on similar businesses/trade as the CVB Group. During the financial year up to the date of this Report, she has not been involved in any new business which will give rise to competition/conflict with the current business of the Group. She has no convictions for offences within the past 10 years. She directly holds 2,150,000 ordinary shares of the Company.

PROFILE OF DIRECTORS (Cont'd)

LAW KEE KONG
48 years of age – Malaysian
Non-Independent Non-Executive Director

He was appointed to the Board of Country View Berhad ("CVB") on 27 March 2002. He holds a Bachelor of Arts (majoring in Economics) from University of Manitoba, Canada. He is currently involved and sits on the Board of various family-controlled companies which are mainly engaged in the business of property investment and housing development.

He is presently a member of Audit Committee, Remuneration and Nomination Committees of CVB, He is a director of several other private limited companies. He does not hold directorship in any other public company.

He attended four out of five board meetings held during the financial year ended 30 November 2010. He is the younger brother of Mr Law Kit Tat, an Executive Director and major shareholder of CVB. He has interests in certain companies carrying on similar businesses/trade as the CVB Group. During the financial year up to the date of this Report, he has not been involved in any new business which will give rise to competition/conflict with the current business of the Group. He has no convictions for offences within the past 10 years. He directly holds 6,250,000 ordinary shares of the Company.

CHOONG SHIAU YOON
53 years of age – Malaysian
Senior Independent Non-Executive Director

He was appointed to the Board of Country View Berhad ("CVB") on 27 March 2002. He has been a member (Chartered Accountants) of the Malaysian Institute of Accountants since 1985. He is also a Fellow of the Association of Chartered Certified Accountants (ACCA) and a Fellow of the Malaysian Institute of Taxation. He also gained a Master of Science in Business Finance from Brunel University, London. He is presently the Chairman of the Audit Committee and Risk Management Working Committee and a member of the Nomination Committee of the Company.

He qualified as a member of ACCA in England in 1985, and continued to gain further experience and exposure in auditing and tax in England before enrolling for a Master of Science in Business Finance in September 1989. He returned to Malaysia after completing the Master of Science in October 1990, and joined KPMG in Johor Bahru in January 1991. After more than three years in KPMG, he left in 1994 to start his own practice in Johor Bahru until now.

His experience apart from auditing ranges from involvement in the capacity of reporting accountant for companies seeking listing on the Bursa Malaysia Securities Berhad, restructuring, engaging in mergers and takeovers and various aspects of tax and business consultancy. He is currently a director of a private limited company in Malaysia. He does not hold directorship in any other public company.

He attended all the five board meetings held during the financial year ended 30 November 2010. He has no family relationship with any of the Directors and/or major shareholder of CVB. He does not have any conflict of interest with CVB. He has no convictions for offences within the past 10 years. He does not hold any shares of the Company.

PROFILE OF DIRECTORS (Cont'd)

AZHAR BIN AZIZAN @ HARUN
48 years of age – Malaysian
Independent Non-Executive Director

He was appointed to the Board of Country View Berhad ("CVB") on 27 March 2002. He graduated from the University of Malaya with an LLB (Hons) degree in 1986. He was admitted as an Advocate and Solicitor of High Court of Malaya on 27 February 1987. In 1990, he obtained his Masters of Law degree with merit from King's College, University of London specialising in Corporate and Commercial Law. He has extensive experience as an Advocate & Solicitor and currently concentrates his practice in litigation matters involving shareholders right and remedies, corporate liquidation and receivership; corporate debts restructuring and building and construction claims.

He is presently a partner of a legal firm, Cheang & Ariff in Kuala Lumpur. He is also a member of Audit Committee and Risk Management Working Committee and also the Chairman of Remuneration and Nomination Committees of CVB. He is also a Director and the Non-Independent Non-Executive Chairman of Satang Holdings Berhad, a public company listed on Bursa Malaysia Securities Berhad.

He attended all the five board meetings held during the financial year ended 30 November 2010. He has no family relationship with any of the Directors and/or major shareholder of CVB. He does not have any conflict of interest with CVB. He has no convictions for offences within the past 10 years. He does not hold any shares of the Company.

CORPORATE GOVERNANCE STATEMENT

The Board of Country View Berhad subscribes to and supports the Malaysian Code on Corporate Governance (Revised 2007) (“Code”) as a minimum basis for practices on corporate governance. The Board has always supported appropriate standards of corporate governance to be practiced throughout the Group.

Corporate Governance within Country View Berhad

The Board of Country View Berhad (“CVB”) acknowledges that corporate governance is an ongoing process that from time to time requires reassessment and refinement.

The CVB Group was substantially in compliance with the principles of Corporate Governance and best practices provisions as set out in the Code throughout the financial year ended 30 November 2010.

Set out below is a statement of how CVB has applied the Principles of the Code and compliance with the Best Practices provisions.

DIRECTORS

The Board

The Board acknowledges the need for direction and control of the Group being firmly in its own hands. The Board reserves appropriate strategic, financial and organisational matters for its collective decision and monitoring. The Board meets at least 4 times a year, with additional meetings convened as and when necessary. All non-executive directors bring independent judgment to bear on issues of strategy, performance, resources and standards of conduct. 2 out of 7 members of the Board are independent in accordance with the definition provided in the Bursa Malaysia Securities Berhad’s Listing Requirements.

All Directors have attended and completed the Mandatory Accreditation Programme as prescribed by Bursa Malaysia Securities Berhad.

Under the revised Bursa Malaysia Listing Requirements, the Board has assumed the onus of determining or overseeing the training needs of its Directors.

To keep abreast of developments and trends the Directors are encouraged to attend training programme and seminars with each Director being required to attend a minimum of 2 days training programme.

During the financial year ended 30 November 2010, none of the Directors had attended any training or seminar due to the inability to schedule attendance of programmes as the timing of such programme coincided with pressing business commitments except Mr Choong Shiau Yoon who had attended the following seminars:-

a) Audit Oversight Board & Ethical Dimensions – credibility of accountants on 3 March 2010, organised by Malaysian Institute of Accountants.

b) National Tax Conference 2010 on 6 & 7 July 2010, organised by Chartered Tax Institute of Malaysia.

c) 2011 Budget Seminar – Highlights & Implications on 27 October 2010, organised by Chartered Tax Institute of Malaysia.

CORPORATE GOVERNANCE STATEMENT (Cont'd)

There were 5 Board Meetings held during the financial year ended 30 November 2010. Details of each Director's attendance are given below:

Directors	Total	Percentage of Attendance (%)
1. Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid JP	4/5	80
2. Law Kit Tat	5/5	100
3. Wong Chee Sean @ Wong Sean	5/5	100
4. Wong Joon Chin	5/5	100
5. Law Kee Kong	4/5	80
6. Choong Shiau Yoon	5/5	100
7. Azhar Bin Azizan @ Harun	5/5	100

All the Directors have complied with the minimum 50% attendance requirement at Board Meeting during the financial year as stipulated by the Listing Requirements of Bursa Malaysia Securities Berhad.

The Board has delegated specific responsibilities to other Board Committees, all of which have written constitutions and term of references. Standing committees of the Board include the Audit Committee, the Nomination Committee, the Remuneration Committee and Risk Management Working Committee.

Board Balance

The Board currently has 7 members, comprising of 2 independent non-executive directors, 1 non-independent non-executive director and 4 executive directors (including the Chairman). Together, the Directors bring wide business, regulatory, industry and financial experience relevant to the direction of the CVB Group. A brief description of the background of each Director is presented on pages 7 to 10 of this Annual Report.

Independence and balance of the Board is ensured through the presence of independent non-executive Directors of the caliber necessary to carry sufficient unbiased weight in Board decisions. Although all the Directors have an equal responsibility for the Group's operations, the roles of these independent directors is particularly important in ensuring that the strategies proposed by the executive management are fully discussed and examined, and take account of the long term interest of all shareholders, employees, customers, suppliers and the community.

The Board has identified Choong Shiau Yoon as the senior independent non-executive director.

Supply of information

The management has a responsibility and duty to provide the whole Board with all the information, of which it is aware, to facilitate the discharge of the Board's responsibilities. The Board therefore expects to receive all material information about the Group, its operating units, its activities and performance. As a general rule, papers on specific subjects are sent to the Board in advance so that time at the Board meeting can be conserved and used for focused discussion. All directors have the right and duty to make further enquiries where they consider this necessary.

All Directors have access to the advice and services of the Company Secretary and may take independent advice, at the Group's expense, in the furtherance of their duties if so required.

CORPORATE GOVERNANCE STATEMENT (Cont'd)

Appointments to the Board

A Board Nomination Committee, with appropriate terms of reference, was set up on 26 February 2003. The committee comprising wholly of non-executive directors, a majority of whom are independent, are as follows:

Board Nomination Committee

1. Azhar Bin Azizan @ Harun (Chairman)
2. Choong Shiau Yoon
3. Law Kee Kong

The Board Nomination Committee is responsible to assist the Board in reviewing its size and composition, and recommend to the Board, appointment of new Directors of the Company and Board Committees.

The Board, through the Board Nomination Committee will review annually its mix of skills and experience and other qualities, including core competencies which non-executive directors should bring to the Board.

The process of assessing the effectiveness of the Board as a whole, the Board Committees and the individual contribution of each Board members is carried out by the Nomination Committee. The ultimate decision for all matters, however lies with the Board as a whole.

Subsequent to the close of the financial year, the Nomination Committee had carried out its annual process of evaluation and both the Nomination Committee and Board has concurred that the Board's dynamics are healthy and effective.

As part of the process in appointing new directors, the Board Nomination Committee will provide for adequate training and orientation of new directors on the business structure and management of the Group as well as the expectations of the Board with regards to their contributions to the Board and the Group.

Re-election

In accordance with the Company's Articles of Association, all directors are subject to election by shareholders at the first opportunity after their appointment. The Articles provides that one-third or the number nearest to one-third of the directors are subject to re-election by rotation at each Annual General Meeting provided always that all Directors, including the Managing Director, shall retire from office at least once every three (3) years but shall be eligible for re-election.

Directors' Remuneration

A Board Remuneration Committee with appropriate terms of reference was established by the Board on 26 February 2003. The committee comprising majority of non-executive directors, are as follows:

1. Azhar Bin Azizan @ Harun (Chairman)
2. Law Kee Kong
3. Wong Chee Sean @ Wong Sean

The Board Remuneration Committee is responsible for the following:

1. Reviewing the Company's directors overall performance and the level of remuneration of the member of the Board.

2. Recommending policy framework to the Board on all elements of remuneration, terms of employment, reward structure and fringe benefits for Executive Directors with the aim to attract, retain and motivate individual of the highest quality.

CORPORATE GOVERNANCE STATEMENT (Cont'd)

In respect of the non-executive directors, the level of remuneration reflects the experience and level of responsibilities undertaken and is a matter for consideration by the Board as a whole. The non-executive directors shall abstain from discussions pertaining to their own remuneration.

The details of the directors' remuneration for the financial year are summarised below:

Directors	Salaries and other emoluments (RM)	Fees (RM)	Bonus (RM)	Benefits-in-kind (RM)	Total (RM)
EXECUTIVE DIRECTORS	768,000	-	-	66,000	834,000
NON-EXECUTIVE DIRECTORS	-	108,000	-	-	108,000

The number of directors whose total remuneration fell within the following bands for the financial year was as follows:

Range of Remuneration	**No. of Directors Executive**	**No. of Directors Non-Executive**
Below RM50,000	0	3
RM50,001-RM100,000	0	0
RM100,001-RM150,000	0	0
RM150,001-RM200,000	2	0
RM200,001-RM250,000	1	0
RM250,001-RM300,000	1	0
	4	3

The disclosure of directors' remuneration is made in accordance with Appendix 9C, item 10 of the Bursa Malaysia Securities Berhad's Listing Requirements. This method of disclosure represents a deviation from the Best Practices set out in the Code, which suggests separate disclosure of each director's remuneration. The Board of Directors is of the opinion that separate disclosure will impinge upon the directors' right of privacy.

CORPORATE GOVERNANCE STATEMENT (Cont'd)

Shareholders

Dialogue between the Company and Investors

The Annual General Meeting will be the principal forum for dialogue with shareholders. To ensure that shareholders and investors are well informed of major developments of the Group, information is disseminated to shareholders and investors through various disclosures and announcements to Bursa Malaysia Securities Berhad which include quarterly financial results, as well through the annual report and where appropriate, circulars and press releases.

The Board will regularly review the above shareholder communications policy to ensure consistent and accurate information is provided to shareholders and fund managers on the Group and to provide prompt feedback to senior management on shareholders and investors' concerns and market perceptions thus ensuring effectiveness of the information dissemination.

The Group also maintains a website www.countryview.com.my for shareholders and public to access corporate information and new events related to the group.

Annual General Meeting

At the coming Annual General Meeting, the Board encourages shareholders to participate in the question and answer session. The Board of Directors will be available to respond to shareholders' questions during the meeting.

Each item of special business included in the notice of the meeting will be accompanied by a full explanation of the effects of a proposed resolution.

Accountability and Audit

Financial reporting

In presenting the annual financial statements and quarterly announcements to shareholders, the directors aim to present a balanced and understandable assessment of the Group's position and prospect. This also applies to other price-sensitive public reports and reports to regulators.

Internal Control

The Board has outsourced its internal audit functions with the objective of assisting the Audit Committee to discharge its duties and responsibilities more effectively.

The Statement on Internal Control set out on page 21 of this Annual Report provides an overview of the Group's approach in maintaining a sound system of internal control to safeguard shareholders' investment and the Group's assets.

For the financial year ended 30 November 2010, the amount of fees paid in respect of the internal audit services provided was RM55,000.

Relationship with the Auditors

Through the Board Audit Committee, the Group has established transparent and appropriate relationship with the Group's Auditors.

A report of the Board Audit Committee is provided on page 17 of this Annual Report.

ADDITIONAL COMPLIANCE INFORMATION

To comply with the Listing Requirements, the following additional information is provided:

1. **Utilisation of proceeds**

   There were no proceeds raised by the Company during the financial year.

2. **Share buybacks**

   During the financial year, there were no share buybacks by the Company.

3. **Options, warrant or convertible securities**

   There were no options, warrants or convertible securities issued during the financial year.

4. **American Depository Receipt (ADR) or Global Depository Receipt (GDR) programme**

   During the financial year under review, the Company did not sponsor any ADR or GDR programme.

5. **Impositions of sanctions/penalties**

   There were no material sanctions or penalties imposed on the Company and its subsidiaries, Directors, and management by the relevant regulatory bodies during the financial year.

6. **Non-audit fees**

   There were no non-audit fees paid to BDO by the Company and its subsidiaries during the financial year ended 30 November 2010.

7. **Profit estimate, forecast or projection**

   The Company did not release any profit estimate, forecast or projection during the financial year.

8. **Profit guarantee**

   There was no profit guarantee given by the Company in respect of the financial year.

9. **Material contracts**

   There were no material contracts (not being contracts entered into in the ordinary course of business) either subsisting as at the financial year end or entered into since the end of the previous financial year entered into by the Company and subsidiaries which involved the interests of the Directors and major shareholders.

10. **Contract relating to loan**

    There were no contracts relating to loan by the Company and its subsidiaries in respect of the preceding item.

11. **Revaluation of landed properties**

    The Group does not adopt any revaluation policy on the landed properties.

AUDIT COMMITTEE REPORT

COMPOSITION AND MEETING

The Audit Committee comprises of two Independent Non-Executive Directors and one Non-Independent Non-Executive Director who are as follows:

1.	Choong Shiau Yoon	~	Chairman, Senior Independent Non-Executive Director
2.	Azhar Bin Azizan @ Harun	~	Independent Non-Executive Director
3.	Law Kee Kong	~	Non-Independent Non-Executive Director

The Audit Committee convened 5 meetings during the financial year ended 30 November 2010 (i.e. 27 January 2010; 19 March 2010, 28 April 2010, 28 July 2010 and 27 October 2010), which were attended by all the members except the meeting on 27 October 2010 where Mr Law Kee Kong was absent.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE

The activities of the Audit Committee during the financial year under review are summarised as follows:

1. Reviewed and recommended the unaudited interim quarterly financial reports and the annual audited financial statements for the Board's approval prior to their release to Bursa Malaysia Securities Berhad.
2. Reviewed the results of the External Auditors' audit report.
3. Reviewed the audit strategy and plan of the external auditors.
4. Discussed the updates of new developments in accounting standards issued by The Malaysian Accounting Standards Board.
5. Reviewed the Company's Internal Auditors' report on the Company's control weaknesses and recommended the necessary actions for the Board's consideration.
6. Reviewed and recommended the appointment and audit fee of the external auditors for the Board's consideration.
7. Reviewed the Audit Committee Report and Statement on Internal Control before recommending for Board approval for the purpose of inclusion in the Annual Report.
8. Reviewed the Group's Policy on authority limits and recommended the necessary amendment to the Board for approval.
9. Reviewed and recommended to the Board, the appointment of new auditors in place of the existing auditors who had tendered their resignation as external auditors.
10. Reviewed related party transactions.

INTERNAL AUDIT FUNCTION

The internal audit function of the Group was outsourced to a professional services firm to assume the responsibilities of the internal audit function and to assist the Audit Committee in reviewing the adequacy and effectiveness of the internal control system of the Group.

During the financial year, the outsourced internal audit function provided reasonable assurance to the Audit Committee through the effective and efficient execution of an internal audit plan approved by the Audit Committee. Internal audit visits which were scheduled for audit execution during the financial year have been completed according to the approved internal audit plan.

AUDIT COMMITTEE REPORT (Cont'd)

TERMS OF REFERENCE

Composition

1. The Audit Committee shall be appointed by the Board of Directors and shall comprise of a minimum of three (3) Directors subject to a maximum of five (5) Directors or such number as may be determined by the Board of Directors from time to time.

2. All the audit committee member must be non-executive directors, with a majority of them being independent directors;

3. The members of Audit Committee shall elect a Chairman from among themselves who shall be an Independent Director; and

4 At least one (1) member of the Audit Committee:-

   i) must be a member of the Malaysian Institute of Accountants ("MIA"), or

   ii) if he is not a member of the MIA, he must have at least 3 years' working experience and:-

      a) he must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act, 1967; or

      b) he must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act, 1967; or

   iii) Fulfils such other requirements as prescribed or approved by the Exchange.

5. No Alternate Director shall be appointed as a member of the Audit Committee.

Policy

It is the policy of Country View Berhad ("CVB") to establish an Audit Committee to provide assistance to the Board in relation to fulfilment of the Board's statutory as well as fiduciary responsibilities and ensure that the internal and external audit functions of the CVB Group are being carried out adequately and effectively.

Functions

The Audit Committee shall review, report and make recommendations to the Board on the following matters:

1. The appointment of the external auditors, the audit fee and any questions of re-appointment, resignation or dismissal.

2. To discuss with the external auditors, before the audit commences, the nature and scope of the audit.

3. To review with the external auditors:-

   - the audit plan;
   - his evaluation of the system of internal controls;
   - his audit report;
   - his management letter and management's response;
   - the assistance given by the Company's employees to the external auditors;
   - to discuss problems and reservations arising from the interim and final audit, and any matter the auditors may wish to discuss (in the absence of management where necessary).

AUDIT COMMITTEE REPORT (Cont'd)

4. To review:-

    - the Annual Financial Statements of the Company and the Group and thereafter to submit them to the Directors of the Company;
    - the quarterly results and year-end financial statements of the Company and Group prior to the approval of the Board of Directors, focusing particularly on:-
        i) changes in or implementation of major accounting policies changes and practices;
        ii) significant and unusual events; and
        iii) compliance with accounting standards and other legal requirements.
    - any related party transaction and conflict of interest situation that may arise within the Company or Group including any transaction, procedure or course of conduct that raises questions of management integrity.

5. In relation to the internal audit function where it exists:-

    - review the adequacy of the scope, functions, competency and resources of the internal audit functions and that it has the necessary authority to carry out its works;
    - review the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
    - review any appraisal or assessment of the performance of members of the internal audit function;
    - approve any appointment or termination of senior staff members of the internal audit function; and
    - inform itself of changes in personnel of the internal audit staff members and make available the opportunity for resigning staff members to submit his reason for resigning.

6. To propose best practices on disclosure in financial results and annual reports of the Company in line with the principles and spirit set out in the Malaysian Code of Corporate Governance (Revised 2007), other applicable laws, rules, directives and guidelines.

Authority

The Audit Committee is authorised by the Board to:-

a) investigate any matter or activity within its terms of reference;
b) have the resources which are required to perform its duties;
c) have full and unrestricted access to any information pertaining to the Company and Group;
d) have direct communication channels with the external auditors, and person(s) carrying out the internal audit function or activity (if any);
e) obtain independent professional or other advice when needed and to secure the attendance of third parties with relevant experience and expertise if it considers this necessary; and
f) convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees of the Company whenever deemed necessary.

AUDIT COMMITTEE REPORT (Cont'd)

Procedure of Audit Committee

1. The Committee may meet together for the despatch of business, adjourn and subject to Articles 121 to 123 otherwise regulate their meetings as they think fit, provided that the Committee shall meet at least four (4) times in a calendar year.

2. Any member of the Committee may at any time and the Secretary shall on such request summon a meeting of the Committee.

3. At least seven (7) days notice of a meeting of the Committee shall be given to all Committee Members in writing at his last known address or other address given by him for the purpose. The Committee Members may meet on shorter notice and waive notice of any meetings as they deem necessary subject to the consent and agreement of all Committee Members.

   The quorum necessary for the transaction of business shall be two (2) comprised of a majority of Independent Directors.

4. Questions arising at any meeting shall be determined by a majority of votes of the members present, and in the case of an equality of votes, the Chairman shall have a second or casting vote.

5. The external auditors may request a meeting if they consider that one is necessary and the Chairman upon such request will convene a meeting for the purpose.

   The external auditors are entitled to written notice of any meetings of the Committee at the same time as members of the Committee and shall have the right to appear and be heard at any meetings of the Committee.

   The Committee shall meet with the external auditors at least once a year and if deemed necessary without the presence of any executive Board member.

6. The Financial Controller/ Head of Finance, the Head of Internal Audit (where such function exists) shall normally attend meetings or be excluded at the discretion of the Chairman. The Chairman shall, where he deems appropriate, invite any other Board members, employees, third party professionals and/or any person(s) with the relevant experience and expertise to attend any meetings of the Committee.

7. The Committee shall cause minutes to be duly entered into books provided for the purposes:-

   a) of the names of all committee members and other participants at each meeting of the Committee;
   b) of all resolutions and proceedings of committee meetings;
   c) of all orders, recommendations and reports made by the Committee.

   Such minutes shall be signed by the Chairman of the Committee at which the proceedings were held or by the Chairman of the next succeeding meeting, and if so signed, shall be conclusive evidence without any further proof of the facts therein stated.

8. The books containing the Minutes of proceedings of the Committee shall be kept by the Company at the Registered Office of the Company subject to the provisions of the Companies Act, 1965, relating to keeping of Minutes of the Board of Directors and any Committee of the Board of Directors.

STATEMENT ON INTERNAL CONTROL

Introduction

The Malaysian Code on Corporate Governance (Revised 2007), stipulates that the Board of Directors ("Board") of listed companies should maintain a sound system of internal control to safeguard shareholders' investment and the Group's assets.

The Board of Country View Berhad ("CVB") is pleased to provide the following Statement on Internal Control which outlines the nature and scope of internal control of the Group during the year pursuant to Rule 15.26(b) of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") for the Main Market and the Statement on Internal Control: Guidance for Directors of Public Listed Companies.

Board Responsibility

The Board recognises the importance of sound internal control and risk management systems as a platform to good corporate governance. The Board acknowledges its overall responsibility for CVB Group's system of internal control and risk management, which includes the establishment of an appropriate control environment and framework, as well as for reviewing the integrity, effectiveness and adequacy of these systems to ensure that the Group's assets and the shareholders' interests are safeguarded.

Due to inherent limitations in any system of internal control, such a system is designed to manage rather than eliminate the risk that may impede the achievement of CVB Group's business objectives. Hence, the system of internal control put in place can only provide reasonable and not absolute assurance against material misstatement or loss.

Risk Management Framework

The Board acknowledges that all areas of the Group's activities involve some degree of risks and recognises that it is essential to maintain effective risk management system as part of good business management practice to facilitate the achievement of the Group's business objectives. Key management staff and Heads of Department are empowered with the responsibility of identifying and managing risks related to their functions/departments within defined parameters and standards. At periodic management meetings, such risks identified and the related internal controls are communicated to the Executive Directors and Senior Management. In addition, significant risks identified are brought to the attention of the Board at their scheduled meetings.

During the year, the Risk Management Working Committee reviewed on the existence of new risks and assessed the relevance of the Group's existing key risk profile. Significant risks that may affect the Group's business objectives are assessed in terms of possibility of occurrence and the impact on the Group. Based on the Group's risk profile, resources are being allocated to mitigate the significant risks identified.

The abovementioned risk management practices of the Group serves as the ongoing process to identify, assess and manage significant risks.

STATEMENT ON INTERNAL CONTROL (Cont'd)

Key Internal Control Processes

The Board is committed towards maintaining an effective control environment and structure to facilitate the proper conduct of the Group's businesses. The key processes that have been established in reviewing the adequacy and integrity of the system of internal controls include the following:

1. The Group has a well-defined organisational structure with clear lines of accountability, approval and procedures to provide a clear reporting hierarchy within the organisation in facilitating proper decision making at the appropriate authority levels of Management including matters that require Board's approval;

2. The Executive Directors ("EDs") and General Manager ("GM") are responsible for the conduct of daily operations and the performance of the Group's businesses through review of performance and operational reports, as well as their involvement in the day-to-day affairs of the Group;

3. The quarterly and annual financial statements containing key financial results and comparisons are presented to the Board for their review and approval. Periodic budgeting and forecasting are performed and deviation from budgets/forecast is reported to the Board on a quarterly basis;

4. Review and assessment to the Group's strategic direction are discussed during the Board meetings, after taking into consideration of changes in the market conditions and key business risks, where applicable.

5. Ad-hoc and scheduled meetings are held at operational and management levels to identify, discuss and resolve business and operational issues;

6. Audit Committee of the Company examines the adequacy and effectiveness of the Group's system of internal control via the review of reports it receives from: internal audit function, external auditors and Management;

7. The internal audit function of the Group is presently outsourced to a professional services firm to review the adequacy and effectiveness of the Group's internal control system and to monitor compliances with established policies and procedures of the Group. The areas of review are set out in a risk-based internal audit plan which has been approved by the Audit Committee; and

8. Staff Handbook has been established at Group level. Staff are guided on where and how they can contribute their knowledge and skills.

Review of The Statement By External Auditors

In accordance with Rule 15.23 of Bursa Securities' Listing Requirements for the Main Market, the external auditors have performed a review on the statement on internal control for its inclusion into the annual report of the Company for the financial year ended 30 November 2010, and reported to the Board that nothing has come to their attention that cause them to believe that this statement is inconsistent with their understanding of the processes the Board have adopted in review of the adequacy and integrity of the internal control of the Group.

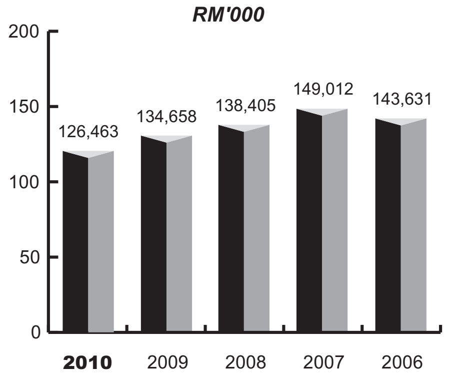
Conclusion

The Board endeavours to maintain adequate system of internal control to safeguard the interest of the Group and to facilitate the evolution of its businesses. Therefore, the Board will, when necessary, put in place appropriate action plans to further enhance the Group's system of internal control and risk management systems to meet the changing and challenging business environment.

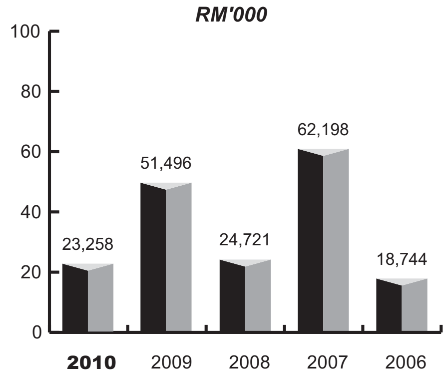
FIVE YEARS FINANCIAL HIGHLIGHTS

	2010	2009	2008	2007	2006
Paid-up capital (RM'000)	100,000	100,000	100,000	100,000	100,000
Shareholders' funds (RM'000)	126,463	134,658	138,405	149,012	143,631
NTA (RM'000)	126,463	134,658	138,405	149,012	143,631
NTA per share (sen)	126	135	138	149	144
Revenue (RM'000)	23,258	51,496	24,721	62,198	18,744
(Loss)/Profit before taxation (RM'000)	(8,545)	(1,051)	(11,060)	5,736	(16,255)
(Loss)/Profit after taxation (RM'000)	(8,195)	(3,747)	(10,607)	5,381	(14,603)
Earnings per share (sen)	(8.20)	(3.75)	(10.61)	5.38	(14.60)
Pretax profit/(loss) margin (%)	(36.74)	(2.04)	(44.74)	9.22	(86.7)
Current ratio	3.23	1.47	2.26	2.11	2.22
Return on capital employed (%)	(6.76)	(0.78)	(7.99)	3.85	(11.3)
Total borrowings (RM'000)	104,769	99,467	106,226	108,998	124,359
Gearing (times)	0.83	0.74	0.77	0.73	0.87
Gross dividend per share (sen)	-	-	-	-	-
Gross dividend cover (number of times)	-	-	-	-	-

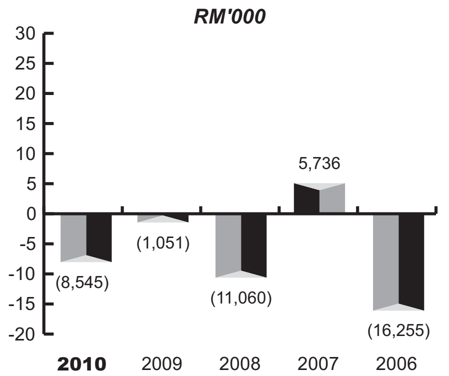
SHAREHOLDERS' FUNDS



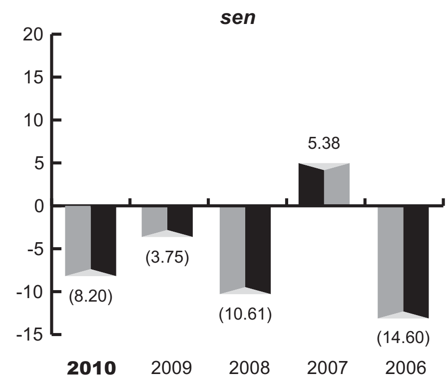
REVENUE



(LOSS)/PROFIT BEFORE TAXATION



EARNINGS PER SHARE



ANALYSIS OF SHAREHOLDINGS

Share Capital as at 28 February 2011

Authorised Capital	:	RM500,000,000.00
Issued and Fully Paid up Capital	:	RM100,000,000.00
Class of Shares	:	Ordinary Shares of RM1.00 each
Voting Rights	:	One (1) vote per Ordinary Share

Distribution of Shareholders as at 28 February 2011

No. of Holders	Size of the Shareholdings	Total Holdings	%
3	Less than 100	101	0.0001
733	100 to 1,000	614,700	0.6147
187	1,001 to 10,000	748,499	0.7485
39	10,001 to 100,000	1,115,900	1.1159
37	100,001 to less than 5% of issued shares	51,415,814	51.4158
6	5% and above of issued shares	46,104,986	46.1050
1,041	**Total**	**100,000,000**	**100**

List of Thirty Largest Shareholders as at 28 February 2011
(As per Record of Depositors)

No.	Name of Holders	No. of Shares	%
1.	Jalur Bahagia Sdn. Bhd.	9,350,000	9.3500
2.	Hang Ah Jee @ Hung Ah Jee	8,796,250	8.7963
3.	Neoasas Teknik Sdn. Bhd.	8,500,000	8.5000
4.	Law Kit Tat	7,725,000	7.7250
5.	Law Kee Kong	6,250,000	6.2500
6.	EB Nominees (Tempatan) Sendirian Berhad pledged securities account for Wong Chee Sean @ Wong Sean	5,483,736	5.4837
7.	Kho Kwok, Kwan Ying	4,250,000	4.2500
8.	Wong Chee Sean @ Wong Sean	3,425,000	3.4250
9.	Tan Chee Kwang	3,400,000	3.4000
10.	EB Nominees (Tempatan) Sendirian Berhad pledged securities account for Law Kit Tat	3,000,000	3.0000
11.	Jimmy Purwonegoro	2,571,200	2.5712
12.	Yee Gee Min	2,320,014	2.3200
13.	A.A. Anthony Nominees (Asing) Sdn. Bhd. pledged securities account for Kong Fu Tak	2,157,600	2.1576
14.	Wong Joon Chin	2,150,000	2.1500
15.	MAYBAN Nominees (Tempatan) Sdn. Bhd. pledged securities account for Law Kit Tat	2,000,000	2.0000
16.	Chan Teng Hon	1,985,134	1.9851
17.	Lau Eng @ Lam Eng	1,980,000	1.9800
18.	ALLIANCEGROUP Nominees (Tempatan) Sdn. Bhd. pledged securities account for Wong Chee Sean @ Wong Sean	1,700,000	1.7000
19.	CIMSEC Nominees (Tempatan) Sdn. Bhd. EON Finance Berhad for Mohd Adnan Bin Mohd Nor	1,650,000	1.6500

ANALYSIS OF SHAREHOLDINGS (Cont'd)

List of Thirty Largest Shareholders as at 28 February 2011 (cont'd)
(As per Record of Depositors)

No.	Name of Holders	No. of Shares	%
20.	Mayban Nominees (Tempatan) Sdn Bhd pledged securities account for Law Kit Tat	1,650,000	1.6500
21.	Lee Hin Meng @ Lee Sing Lee	1,630,000	1.6300
22.	Sadiah Binti Suleiman	1,530,000	1.5300
23.	ALLIANCEGROUP Nominees (Tempatan) Sdn. Bhd. pledged securities account for Law Kit Tat	1,500,000	1.5000
24.	ALLIANCEGROUP Nominees (Tempatan) Sdn. Bhd. pledged securities account for Chan Teng Hon	1,466,666	1.4667
25.	OSK Nominees (Asing) Sdn Berhad pledged securities account for Khiu Kuet-Vin	1,380,900	1.3809
26.	Lai Boo Luck	1,340,000	1.3400
27.	Khiu Kuet-Vin	1,324,000	1.3240
28.	How Keng Chee	1,211,900	1.2119
29.	Syarikat Ajaib Jaya Sdn. Bhd.	1,189,000	1.1890
30.	Mohamed Al Amin Bin Abdul Majid	950,000	0.9500

Substantial Shareholders (Excluding Bare Trustees) as at 28 February 2011
(As per the Register of Substantial Shareholders)

No.	Name of Shareholders	No. of Shares			
		Direct Interest	%	Deemed Interest	%
1.	Law Kit Tat	15,875,000	15.88	-	-
2.	Wong Chee Sean @ Wong Sean	10,608,736	10.61	-	-
3.	Jalur Bahagia Sdn. Bhd.	9,350,000	9.35	-	-
4.	Hang Ah Jee @ Hung Ah Jee	8,796,250	8.80	-	-
5.	Neoasas Teknik Sdn. Bhd.	8,500,000	8.50	-	-
6.	Law Kee Kong	6,250,000	6.25	-	-
7.	Sadiah Binti Suleiman	1,530,000	1.53	17,850,000[a]	17.85
8.	Munawir Bin Khadri	-	-	8,500,000[b]	8.50
9.	Haliah Binti Khadri	-	-	9,350,000[c]	9.35

Note

a. Deemed interested by virtue of her substantial shareholdings in Jalur Bahagia Sdn. Bhd. and Neosas Teknik Sdn. Bhd. by virtue of Section 6A of the Companies Act, 1965.

b. Deemed interested by virtue of his substantial shareholdings in Neosas Teknik Sdn. Bhd. by virtue of Section 6A of the Companies Act, 1965.

c. Deemed interested by virtue of her substantial shareholdings in Jalur Bahagia Sdn. Bhd. by virtue of Section 6A of the Companies Act, 1965.

ANALYSIS OF SHAREHOLDINGS (Cont'd)

Directors' Shareholdings as at 28 February 2011
(As per the Register of Directors' Shareholdings)

No.	Name of Directors	No. of Shares			
		Direct Interest	%	Deemed Interest	%
1	Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid	950,000	0.95	-	-
2.	Law Kit Tat	15,875,000	15.88	-	-
3.	Wong Chee Sean @ Wong Sean	10,608,736	10.61	-	-
4.	Wong Joon Chin	2,150,000	2.15	-	-
5.	Law Kee Kong	6,250,000	6.25	-	-
6.	Choong Shiau Yoon	-	-	-	-
7.	Azhar Bin Azizan @ Harun	-	-	-	-

GROUP PROPERTIES
As At 30 November 2010

Location	Tenure	Land area	Usage	Net book value as at 30 November 2010 (RM'000)	Year of acquisition
Taman Universiti, Skudai, Johor Lots 244, 1050 and 3056 to 3058 in Mukim of Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	2.14 acres	On-going mixed development project	1,825	1984
HS(D) 10783 PT 10457, Mukim of Serendah, Daerah Hulu Selangor, Selangor Darul Ehsan	99 years leasehold interest expiring on 4 January 2095	364.80 acres	Future development land	54,173	1997
HS(D) 1875/97 and 1876/97 PT Nos. 4182 & 4183, Mukim of Padang Meha, Daerah Kulim, Kedah Darul Aman	Freehold	550.73 acres	Future development land	26,667	2000
Nusa Bestari Jaya, Bandar Nusajaya, Johor Bahru HS(D) 257246 & 257247 PTD 71043 & 71044, Mukim of Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	1.00 acres	On-going mixed development Land	1,693	2001
Nusa Indah, Bandar Nusajaya, Johor Bahru HS(D) 317217 PTD 116769, Mukim of Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	4.21 acres	On-going mixed development project	5,205	2001
HS(D) 21525 PTB 11080 and HS(D) 21516 PTB 11081, Bandar Johor Bahru, Daerah Johor Bahru, Johor Darul Takzim	Freehold	84,499 sq. ft.	On-going residential bungalow development land	9,979	2005
Plot E-2, comprising whole of HS(D) 317247 PTD116774 and part of HS(D) 317251 PTD 116778; Plot E-4, forming part of HS(D) 317216 PTD 116768; and HSD (D) 317215 PTD116767, all in Mukim of Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	313.17 acres	Future development land	129,737	2005

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS

The Directors are required by the Companies Act, 1965 ("the Act") to prepare financial statements which give a true and fair view of the state of affairs of the Company and the Group at the end of the financial year and of the results and cash flows of the Company and the Group for the financial year.

In preparing the financial statements for the year ended 30 November 2010, the Directors have:

- considered the applicable approved Financial Reporting Standards in Malaysia.
- adopted and consistently applied appropriate accounting policies.
- made judgements and estimates that are prudent and reasonable.
- prepared financial statements on the going concern basis as the Directors have a reasonable expectation, having made enquiries that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future.

The Directors have responsibility for ensuring that the Company and the Group keep accounting records which disclose with reasonable accuracy the financial position of the Company and the Group and which enable them to ensure that the financial statements comply with the Act.

The Directors have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

DIRECTORS' AND AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 NOVEMBER 2010

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DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 30 November 2010.

PRINCIPAL ACTIVITIES

The principal activities of the Company are property development, investment holding and property investment. The principal activities of the subsidiaries are set out in Note 9 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Loss for the financial year	8,195	2,635

DIVIDEND

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend any dividend payment in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year.

ISSUE OF SHARES AND DEBENTURES

There were no issues of any new shares or debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued ordinary shares of the Company during the financial year.

DIRECTORS

The Directors who have held office since the date of the last report are:

Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid
Law Kit Tat
Wong Chee Sean @ Wong Sean
Wong Joon Chin (F)
Law Kee Kong
Choong Shiau Yoon
Azhar Bin Azizan @ Harun

DIRECTORS' REPORT (Cont'd)

DIRECTORS' INTERESTS

The Directors holding office at the end of the financial year and their beneficial interests in the ordinary shares of the Company and its related corporations during the financial year ended 30 November 2010 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965 were as follows:

	-- Number of ordinary shares of RM1.00 each --			
	Balance as at 1.12.2009	**Bought**	**Sold**	**Balance as at 30.11.2010**
Shares in the Company				
Datuk Ir. (Dr) Mohamed Al Amin Bin Abdul Majid	950,000	-	-	950,000
Law Kit Tat	15,875,000	-	-	15,875,000
Wong Chee Sean @ Wong Sean	10,608,736	-	-	10,608,736
Wong Joon Chin (F)	2,150,000	-	-	2,150,000
Law Kee Kong	6,250,000	-	-	6,250,000

By virtue of their interest in the ordinary shares of the Company, the above Directors are also deemed to have interests in the ordinary shares of all the subsidiaries to the extent that the Company has an interest.

None of the other Directors holding office at the end of the financial year held any interest in ordinary shares and options over ordinary shares in the Company and its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director, or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest except for any benefits which may be deemed to have arisen from those transactions as disclosed in Note 37 to the financial statements.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

(a) Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and have satisfied themselves that there are no known bad debts to be written off and that adequate allowance had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.

DIRECTORS' REPORT (Cont'd)

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (cont'd)

(I) AS AT THE END OF THE FINANCIAL YEAR (cont'd)

(b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

(c) The Directors are not aware of any circumstances:

(i) which would necessitate the writing off of bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent; or

(ii) which would render the value attributed to current assets in the financial statements of the Group and of the Company misleading; and

(iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

(d) In the opinion of the Directors:

(i) there has not arisen any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and

(ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet its obligations as and when they fall due.

(III) AS AT THE DATE OF THIS REPORT

(e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.

(f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.

(g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

AUDITORS

The auditors, BDO, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors.

Wong Joon Chin (F)
Director

Wong Chee Sean @ Wong Sean
Director

Johor Bahru
8 March 2011

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 36 to 95 have been drawn up in accordance with applicable approved Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 November 2010 and of the results of the operations of the Group and of the Company and of the cash flows of the Group and of the Company for the financial year then ended.

On behalf of the Board,

Wong Joon Chin (F)
Director

Wong Chee Sean @ Wong Sean
Director

Johor Bahru
8 March 2011

STATUTORY DECLARATION

I, Ong Seng Piow, being the officer primarily responsible for the financial management of Country View Berhad, do solemnly and sincerely declare that the financial statements set out on pages 36 to 95 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly)
declared by the abovenamed at)
Johor Bahru, Johor this)
8 March 2011) **Ong Seng Piow**

Before me:

Rusly B. Mohd Yunus P.I.S.
(No. J112)

Commissioner for Oaths

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15 Jalan Dato' Abdullah Tahir
80300 Johor Bahru
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Malaysia

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COUNTRY VIEW BERHAD

Report on the Financial Statements

We have audited the financial statements of Country View Berhad which comprise the balance sheets as at 30 November 2010, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 36 to 95.

The financial statements of the Group and of the Company as at 30 November 2009 were audited by another firm of chartered accountants whose report dated 19 March 2010 expressed an unqualified opinion on those statements.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with applicable approved Financial Reporting Standards in Malaysia and the provisions of the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance 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 our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with applicable approved Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company as at 30 November 2010 and of the results of the operations of the Group and of the Company and of the cash flows of the Group and of the Company for the financial year then ended.

BDO

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COUNTRY VIEW BERHAD (cont'd)

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

(a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries have been properly kept in accordance with the provisions of the Act.

(b) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

(c) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

The supplementary information set out in Note 18(c) to the financial statements is disclosed to meet the requirement of Bursa Malaysia Securities Berhad and is not part of the financial statements. The Directors are responsible for the preparation of the supplementary information in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad. In our opinion, the supplementary information is prepared, in all material respects, in accordance with the MIA Guidance and the directive of Bursa Malaysia Securities Berhad.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO
AF : 0206
Chartered Accountants

Hiew Kim Loong
2858/08/12 (J)
Chartered Accountant

Johor Bahru
8 March 2011

BALANCE SHEETS
AS AT 30 NOVEMBER 2010

		Group		Company	
		2010	2009	**2010**	2009
	Note	**RM'000**	RM'000	**RM'000**	RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	**7**	**2,220**	241	**425**	14
Land held for property development	**8**	**80,840**	180,990	**-**	-
Investments in subsidiaries	**9**	**-**	-	**12,650**	12,650
Investments in associate	**10**	**-**	-	**-**	-
Deferred tax assets	**11**	**3,900**	3,193	**-**	-
		86,960	184,424	**13,075**	12,664
Current assets					
Property development costs	**12**	**139,358**	28,593	**-**	-
Inventories	**13**	**9,720**	12,323	**2,099**	4,277
Trade and other receivables	**14**	**11,711**	25,503	**209,634**	206,450
Current tax assets		**405**	84	**57**	57
Cash and cash equivalents	**16**	**1,891**	3,402	**93**	98
		163,085	69,905	**211,883**	210,882
TOTAL ASSETS		**250,045**	254,329	**224,958**	223,546
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	**17**	**100,000**	100,000	**100,000**	100,000
Reserves	**18**	**26,463**	34,658	**24,563**	27,198
TOTAL EQUITY		**126,463**	134,658	**124,563**	127,198
LIABILITIES					
Non-current liability					
Borrowings	**19**	**73,142**	72,243	**65,907**	63,883
Current liabilities					
Trade and other payables	**25**	**18,802**	20,041	**6,464**	6,467
Provision for liabilities	**26**	**11**	11	**-**	-
Borrowings	**19**	**31,627**	27,224	**28,024**	25,998
Current tax liabilities		**-**	152	**-**	-
		50,440	47,428	**34,488**	32,465
TOTAL LIABILITIES		**123,582**	119,671	**100,395**	96,348
TOTAL EQUITY AND LIABILITIES		**250,045**	254,329	**224,958**	223,546

The accompanying notes form an integral part of the financial statements.

INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2010

	Note	Group 2010 RM'000	Group 2009 RM'000	Company 2010 RM'000	Company 2009 RM'000
Revenue	**29**	**23,258**	51,496	**2,182**	422
Cost of sales	**30**	**(17,710)**	(40,641)	**(1,257)**	(455)
Gross profit/(loss)		**5,548**	10,855	**925**	(33)
Other income		**728**	429	**149**	15
Marketing and promotion expenses		**(2,113)**	(1,186)	**(73)**	(14)
Administrative expenses		**(10,564)**	(8,956)	**(2,519)**	(2,319)
Finance costs	**31**	**(2,144)**	(2,193)	**(787)**	(998)
Loss before tax	**32**	**(8,545)**	(1,051)	**(2,305)**	(3,349)
Taxation	**33**	**350**	(2,696)	**(330)**	(1,677)
Loss for the financial year		**(8,195)**	(3,747)	**(2,635)**	(5,026)
Loss per ordinary share attributable to equity holders of the Company (sen):					
- Basic	**34**	**(8.20)**	(3.75)		

The accompanying notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2010

	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total Equity RM'000
Group				
Balance as at 1 December 2008	100,000	124	38,281	138,405
Loss for the financial year	-	-	(3,747)	(3,747)
Balance as at 30 November 2009	100,000	124	34,534	134,658
Balance as at 1 December 2009	**100,000**	**124**	**34,534**	**134,658**
Loss for the financial year	**-**	**-**	**(8,195)**	**(8,195)**
Balance as at 30 November 2010	**100,000**	**124**	**26,339**	**126,463**
Company				
Balance as at 1 December 2008	100,000	124	32,100	132,224
Loss for the financial year	-	-	(5,026)	(5,026)
Balance as at 30 November 2009	100,000	124	27,074	127,198
Balance as at 1 December 2009	**100,000**	**124**	**27,074**	**127,198**
Loss for the financial year	**-**	**-**	**(2,635)**	**(2,635)**
Balance as at 30 November 2010	**100,000**	**124**	**24,439**	**124,563**

The accompanying notes form an integral part of the financial statements.

CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2010

	Note	Group 2010 RM'000	Group 2009 RM'000	Company 2010 RM'000	Company 2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Loss before tax		**(8,545)**	(1,051)	**(2,305)**	(3,349)
Adjustments for :					
Allowance for doubtful debts no longer required		**-**	(1)	**-**	-
Depreciation of property, plant and equipment	7	**523**	340	**80**	30
Gain on disposal of property, plant and equipment		**(385)**	-	**(85)**	-
Interest income		**(121)**	(241)	**(4)**	(3)
Interest expenses	31	**2,144**	2,193	**787**	998
Reversal of inventories written down		**-**	(230)	**-**	(230)
Operating (loss)/profit before changes in working capital		**(6,384)**	1,010	**(1,527)**	(2,554)
Changes in working capital:					
Property development costs		**(10,615)**	1,623	**-**	-
Inventories		**2,603**	3,874	**2,178**	455
Trade and other receivables		**13,880**	(14,398)	**158**	10,476
Trade and other payables		**(1,239)**	11,069	**(358)**	(10,118)
Cash (used in)/generated from operations		**(1,755)**	3,178	**451**	(1,741)
Tax paid		**(849)**	(421)	**(330)**	-
Tax refunded		**20**	1,275	**-**	-
Net cash (used in)/ from operating activities		**(2,584)**	4,032	**121**	(1,741)
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received		**23**	11	**1**	3
Placement of deposits		**(20)**	-	**-**	-
Proceeds from disposal of property, plant and equipment		**385**	-	**85**	-
Purchase of property, plant and equipment	7(a)	**(334)**	(18)	**(73)**	(2)
Net cash from/(used in) investing activities		**54**	(7)	**13**	1
CASH FLOWS FROM FINANCING ACTIVITIES					
Drawdown of borrowings		**11,180**	1,122	**9,900**	-
Interest paid		**(2,144)**	(2,193)	**(787)**	(998)
Repayment to subsidiaries		**-**	-	**(3,342)**	(38)
Repayment from subsidiaries		**-**	-	**356**	9,874
Repayment of borrowings		**(12,575)**	(8,042)	**(11,139)**	(7,399)
Repayment of finance lease creditors		**(391)**	(179)	**(50)**	-
Net cash (used in)/ from financing activities		**(3,930)**	(9,292)	**(5,062)**	1,439
Net decrease in cash and cash equivalents		**(6,460)**	(5,267)	**(4,928)**	(301)
Cash and cash equivalents at beginning of financial year		**(559)**	4,708	**(3,604)**	(3,303)
Cash and cash equivalents at end of financial year	16(d)	**(7,019)**	(559)	**(8,532)**	(3,604)

The accompanying notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

The registered office of the Company is located at Suite 5.11 & 5.12, 5th Floor, Menara TJB, 9, Jalan Syed Mohd. Mufti, 80000 Johor Bahru, Johor.

The principal place of business of the Company is located at Unit 26-01, Mail Box 261, Menara Landmark, No.12, Jalan Ngee Heng, 80000 Johor Bahru, Johor.

The financial statements are presented in Ringgit Malaysia (“RM”), which is also the functional currency of the Company. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 8 March 2011.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are property development, investment holding and property investment. The principal activities of the subsidiaries are set out in Note 9 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with applicable approved Financial Reporting Standards (“FRSs”) and the provisions of the Companies Act, 1965 in Malaysia.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention except as otherwise stated in the financial statements.

The preparation of financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and contingent liabilities. In addition, the Directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 6 to the financial statements. Although these estimates and assumptions are based on the Directors’ best knowledge of events and actions, actual results could differ from those estimates.

4.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries made up to the end of the financial year using the purchase method of accounting.

Under the purchase method of accounting, the cost of business combination is measured at the aggregate of fair values at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.2 Basis of consolidation (cont'd)

At the acquisition date, the cost of business combination is allocated to identifiable assets acquired, liabilities assumed and contingent liabilities in the business combination which are measured initially at their fair values at the acquisition date. The excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If the cost of business combination is less than the interest in the net fair value of the identifiable assets, liabilities and contingent liabilities, the Group will:

(a) reassess the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the business combination; and

(b) recognise immediately in profit or loss any excess remaining after that reassessment.

Where a business combination includes more than one exchange transaction, any adjustment to the fair values of the subsidiary's identifiable assets, liabilities and contingent liabilities relating to previously held interests of the Group is accounted for as a revaluation.

Subsidiaries are consolidated from the acquisition date, which is the date on which the Group effectively obtains control, until the date on which the Group ceases to control the subsidiaries. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the existence and effect of potential voting rights that are currently convertible or exercisable are taken into consideration.

Intragroup balances, transactions and unrealised gains and losses on intragroup transactions are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. If a subsidiary uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to its financial statements in preparing the consolidated financial statements.

The gain or loss on disposal of a subsidiary, which is the difference between the net disposal proceeds and the Group's share of its net assets as of the date of disposal including the carrying amount of goodwill and the cumulative amount of any exchange differences that relate to the subsidiary, is recognised in the consolidated income statement.

4.3 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost. Cost includes expenditures that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when the asset is acquired, if applicable.

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the asset and which has different useful life, is depreciated separately.

After initial recognition, property, plant and equipment are stated at cost less any accumulated depreciation and any accumulated impairment losses.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.3 Property, plant and equipment and depreciation (cont'd)

Depreciation is calculated to write off the cost of the assets to their residual values on a straight line basis over their estimated useful lives. The principal annual depreciation periods and rates are as follows:

Furniture & fittings	15 %
Office equipment	15 %
Renovation	15 %
Motor vehicles	20 %
Site & sport equipment	15 %

At each balance sheet date, the carrying amount of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (see Note 4.8 to the financial statements on impairment of assets).

The residual values, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amounts is included in the income statements.

4.4 Leases and hire purchase

(a) Finance leases and hire purchase

Assets acquired under finance leases and hire purchase which transfer substantially all the risk and rewards of ownership to the Group are recognised initially at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the leases, if this is practicable to determine; if not, the Group's incremental borrowing rate is used. Any initial direct costs incurred by the Group are added to the amount recognised as an asset. The assets are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities. The property, plant and equipment capitalised are depreciated on the same basis as owned assets.

The minimum lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charges are recognised in profit or loss over the period of the lease term so as to produce a constant periodic rate of interest on the remaining lease and hire purchase liabilities.

(b) Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.5 Property development activities

(a) Land held for property development

Land held for property development is stated at cost less impairment losses, if any. Such land is classified as non-current asset when no significant development work has been carried out or where development activities are not expected to be completed within the normal operating cycle.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(b) Property development costs

Property development costs comprise all cost that are directly attributable to the development activities or that can be allocated on a reasonable basis to such activities. They comprised the cost of land under development, construction costs and other related development costs common to the whole project including professional fees, stamp duties, commissions, conversion fees and other relevant levies as well as borrowing costs.

Property development costs not recognised as an expense are recognised as an asset measured at the lower of cost and net realisable value.

When revenue recognised in income statements exceeds progress billings to purchasers, the balance is classified as accrued billings under current assets. When progress billings exceed revenue recognised in income statements, the balance is classified as progress billings under current liabilities.

4.6 Construction contracts

Contract costs comprise costs related directly to the specific contract and those that are attributable to the contract activity in general and can be allocated to the contract and such other costs that are specifically chargeable to the customer under the terms of the contract.

When the total costs incurred on construction contracts plus recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers for contract work. When progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is classified as amount due to customers for contract work.

4.7 Investments

(a) Subsidiaries

A subsidiary is an entity in which the Group and the Company has power to control the financial and operating policies so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

An investment in subsidiary, which is eliminated on consolidation, is stated in the Company's separate financial statements at cost less impairment losses, if any. On disposal of such an investment, the difference between the net disposal proceeds and its carrying amount is included in income statements.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.7 Investments (cont'd)

(b) Associate

An associate is an entity over which the Group and the Company have significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

In the Company's separate financial statements, an investment in associate is stated at cost less impairment losses, if any.

An investment in associate is accounted for in the consolidated financial statements using the equity method of accounting. The investment in associate in the consolidated balance sheet is initially recognised at cost and adjusted thereafter for the post acquisition change in the Group's share of net assets of the investments.

The interest in the associate is the carrying amount of the investment in the associate under equity method together with any long term interest that, in substance, form part of the Group's net investment in the associate.

The Group's share of the profit or loss of the associate during the financial year is included in the consolidated financial statements, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. Distributions received from the associate reduce the carrying amount of the investment. Adjustments to the carrying amount may also be necessary for changes in the Group's proportionate interest in the associate arising from changes in the associate's equity that have not been recognised in the associate's income statements. Such changes include those arising from the revaluation of property, plant and equipment and from foreign exchange translation differences. The Group's share of those changes is recognised directly in equity of the Group.

Unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate.

When the Group's share of losses in the associate equals to or exceeds its interest in the associate, the carrying amount of that interest is reduced to nil and the Group does not recognise further losses unless it has incurred legal or constructive obligations or made payments on its behalf.

The most recent available financial statements of the associate are used by the Group in applying the equity method. When the reporting dates of the financial statements are not coterminous, the share of results is arrived at using the latest audited financial statements for which the difference in reporting dates is no more than three months. Adjustments are made for the effects of any significant transactions or events that occur between the intervening period.

Upon disposal of an investment in associate, the difference between the net disposal proceeds and its carrying amount is included in income statements.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.8 Impairment of assets

The carrying amounts of the Group's assets, except for financial assets (excluding investments in subsidiaries and associate) and inventories, assets arising from construction contract, property development costs, deferred tax assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

The recoverable amount of an asset is estimated for an individual asset. Where it is not possible to estimate the recoverable amount of the individual asset, the impairment test is carried out on the cash generating unit ("CGU") to which the asset belongs.

The recoverable amount of an asset or CGU is the higher of its fair value less cost to sell and its value in use.

In estimating the value in use, the estimated future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. An impairment loss is recognised in income statements when the carrying amount of the asset or the CGU, exceeds the recoverable amount of the asset or the CGU. The total impairment loss is allocated to the assets of the CGU on pro-rata basis of the carrying amount of each asset in the CGU.

The impairment loss is recognised in income statements immediately.

An impairment loss for asset is reversed if, and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Such reversals are recognised as income immediately in income statements.

4.9 Inventories

Inventories of completed development properties are stated at the lower of cost and net realisable value. Cost is determined on a specific identification basis and includes land, all direct building costs and other related development costs.

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

4.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, an equity instrument of another enterprise, a contractual right to receive cash or another financial asset from another enterprise, or a contractual right to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially favourable to the Group.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.10 Financial instruments (cont'd)

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or a contractual obligation to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially unfavourable to the Group.

4.10.1 Financial instruments recognised on the balance sheets

Financial instruments are recognised on the balance sheet when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, losses and gains relating to a financial instrument or a component that is a financial liability shall be recognised as income or expense in income statements. Distributions to holders of an equity instrument are debited directly to equity, net of any related tax effect. Financial instruments are offset when the Company has a legally enforceable right to offset and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

(a) Receivables

Trade and other receivables, including amounts owing by an associate and related parties, are carried at anticipated realisable value. These receivables are not held for trading purposes.

Bad debts are written off to the income statement in the period in which they are identified. An estimate is made for doubtful debts based on a review of all outstanding amounts at the balance sheet date.

(b) Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, deposits with banks and other short term, highly liquid investments, which are readily convertible to cash and are subject to insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts, if any.

(c) Payables

Liabilities for trade and other amounts payable, including any amounts owing to and associate and related parties, are measured at cost. Payables are recognised when there is a contractual obligation to deliver cash or another financial asset to another entity.

(d) Interest bearing loans and borrowings

All interest bearing loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.10 Financial instruments (cont'd)

4.10.1 Financial instruments recognised on the balance sheets (cont'd)

(e) Equity instruments

Ordinary shares are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit. Otherwise they are charged to income statements.

Dividends to shareholders are recognised in equity in the period in which they are declared.

4.11 Employee benefits

4.11.1 Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as expenses in the financial year when employees have rendered their services to the Group.

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

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

4.11.2 Defined contribution plans

The Company and its subsidiaries makes contributions to a statutory provident fund. The contributions are recognised as a liability after deducting any contribution already paid and as an expense in the period in which the employees render their services.

4.12 Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount of a provision will be discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision will be reversed.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.13 Income tax

Income taxes include all domestic taxes on taxable income. Taxes in the income statement comprise current tax and deferred tax.

(a) Current tax

Current tax is the amount of income taxes payable or receivable in respect of the taxable profit or loss for a period.

Current tax for the current and prior periods is measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted by the balance sheet date.

(b) Deferred tax

Deferred tax is recognised in full using the liability method on temporary differences arising between the carrying amount of an asset or liability in the balance sheet and its tax base.

Deferred tax is recognised for all temporary differences, unless the deferred tax arises from goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit.

A deferred tax asset is recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilised. The carrying amount of a deferred tax asset is reviewed at each balance sheet date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profits will be available, such reductions will be reversed to the extent of the taxable profit.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority.

Deferred tax will be recognised as income or expense and included in the profit or loss for the period unless the tax relates to items that are credited or charged, in the same or a different period, directly to equity, in which case the deferred tax will be charged or credited directly to equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.14 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

In the acquisition of subsidiaries by the Group under business combinations, contingent liabilities assumed are measured initially at their fair value at the acquisition date.

4.15 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of discounts and rebates.

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Company and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be reliably measured and specific recognition criteria have been met for each of the Group's activities as follows:

(a) Construction contracts

Profit from contract works are recognised on a percentage of completion method. Percentage of completion is determined on the proportion of contract costs incurred for work performed to date against total estimated costs where the outcome of the project can be estimated reliably.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract cost are recognised as an expense in the period in which they are incurred.

(b) Property development

Property development revenue is recognised in respect of all development units that have been sold. Revenue recognition commences when the sale of the development unit is effected, upon the commencement of development and construction activities and when the financial outcome can be reliably estimated. The attributable portion of property development cost is recognised as an expense in the period in which the related revenue is recognised. The amount of such revenue and expenses recognised is determined by reference to the stage of completion of development activity at the balance sheet date. The stage of completion is measured by reference to the proportion that property development costs incurred for work performed to date bear to the estimated total property development cost.

Any expected loss on a development project is recognised as an expense immediately, including costs to be incurred over the defects liability period.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.15 Revenue recognition (cont'd)

(c) Service

Revenue in respect of the rendering of services is recognised when the stage of completion at the balance sheet date and the cost incurred can be reliably measured. The stage of completion is determined by the services performed to date as a percentage of total services to be performed.

(d) Interest income

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

(e) Rental income

Rental income is recognised on an accrual basis unless collectibility is in doubt.

4.16 Borrowing costs

All borrowing costs are recognised in the income statements in the period in which they are incurred.

4.17 Operating segments

During the previous financial year, segment reporting was presented based on business segments of the Group. Business segments provide products or services that are subject to risks and returns that are different from those of other business segments.

Following the adoption of FRS 8 operating segments during the current financial year, operating segments are defined as components of the Group that:

(a) Engages in business activities from which it may earn revenues and incur expense (including revenues and expenses relating to transactions with other components of the Group);

(b) Whose operating results are regularly reviewed by the Group's chief operating decision maker (i.e. the Group's General Manager) in making decisions about resources to be allocated to the segment and assessing its performance; and

(c) For which discrete financial information is available.

An operating segment may engage in business activities for which it has yet to earn revenues.

The Group reports separately information about each operating segment that meets any of the following quantitative thresholds:

(a) Its reported revenue, including both sales to external customers and intersegment sales or transfers, is ten (10) percent or more of the combined revenue, internal and external, of all operating segments.

(b) The absolute amount of its reported profit or loss is ten (10) per cent or more, in absolute amount of:

   (i) the combined reported profit of all operating segments that did not report a loss; and

   (ii) the combined reported loss of all operating segments that reported a loss.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.17 Operating segments (cont'd)

(c) The assets are ten (10) per cents or more of the combined assets of all operating segments.

Operating segments that do not meet any of the quantitative thresholds may be considered reportable, and separately disclosed, if the management believes that information about the segment would be useful to users of the financial statements.

Total external revenue reported by operating segments shall constitute at least seventy five (75) percent of the Group's revenue.

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS

5.1 New FRS adopted during the current financial year

FRS 8 and the consequential amendments resulting from FRS 8 are mandatory for annual financial periods beginning on or after 1 July 2009.

FRS 8 sets out the requirements for the disclosure of information on the Group's operating segments, products and services, the geographical areas in which it operates and its customers.

The requirements of this Standard are based on the information about the components of the Group that management uses to make decisions about operating matters. This Standard requires the identification of operating segments on the basis of internal reports that are regularly reviewed by the Group's chief operating decision maker in order to allocate resources to the segment and assess its performance, as elaborated in Note 4.17 to the financial statements.

The Group concluded that the operating segments defined by the Group under FRS 8 were the same as the business segments defined previously under FRS 114_{2004}. Likewise, the measures used to assess the performance of the segments correspond to those previously presented under FRS 114_{2004}. Consequently, the adoption of FRS 8 has no significant impact on the presentation of the Group's reportable segments.

5.2 Early adoption of new FRS

During the financial year, the Company early adopted FRS 4 *Insurance Contracts* in accordance with the transitional provisions in paragraphs 41 to 45 of FRS 4. These transitional provisions require the following:

(i) Simultaneous adoption of *Financial Guarantee Contracts* (Amendments to IAS 39 and IFRS 4) issued by the International Accounting Standards Board ('IASB') in August 2005. This pronouncement permits the accounting policy choice of scoping financial guarantee contracts in accordance with FRS 139 *Financial Instruments: Recognition and Measurement*, or as insurance contracts in accordance with FRS 4; and

(ii) The disclosure requirements in FRS 4 need not apply to comparative information that relates to annual periods beginning before 1 January 2010.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.2 Early adoption of new FRS (cont'd)

Consequentially, the Company designates corporate guarantees given to banks for credit facilities granted to subsidiaries, if any, as insurance contracts as defined in FRS 4. The Company recognises these insurance contracts as recognised insurance liabilities when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

At every reporting date, the Company shall assess whether its recognised insurance liabilities are adequate, using current estimates of future cash flows under its insurance contracts. If this assessment shows that the carrying amount of the insurance liabilities is inadequate, the entire deficiency shall be recognised in income statements.

5.3 New FRS and amendments to FRS not adopted

a) FRS 7 *Financial Instruments: Disclosures* and the consequential amendments resulting from FRS 7 are mandatory for annual financial periods beginning on or after 1 January 2010. FRS 7 replaces the disclosure requirements of the existing FRS 132 *Financial Instruments: Disclosure and Presentation*.

   This Standard applies to all risks arising from a wide array of financial instruments and requires the disclosure of the significance of financial instruments for the Group's financial position and performance.

b) FRS 123 *Borrowing Costs* and the consequential amendments resulting from FRS 123 are mandatory for annual periods beginning on or after 1 January 2010.

   This Standard removes the option of immediately recognising as an expense borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset. However, capitalisation of borrowing costs is not required for assets measured at fair value, and inventories that are manufactured or produced in large quantities on a repetitive basis, even if they take a substantial period of time to get ready for use or sale.

   The Group does not expect any impact on the financial statements arising from the adoption of this Standard.

c) FRS 139 *Financial Instruments: Recognition and Measurement* and the consequential amendments resulting from FRS 139 are mandatory for annual financial periods beginning on or after 1 January 2010.

   This Standard establishes the principles for the recognition and measurement of financial assets and financial liabilities including circumstances under which hedge accounting is permitted. By virtue of the exemption provided under paragraph 103AB of FRS139, the impact of applying FRS 139 on the financial statements upon first adoption of the FRS as required by paragraph 30(b) of FRS 108 is not disclosed.

d) Amendments to FRS 2 *Share-based Payment: Vesting Conditions and Cancellations* are mandatory for annual financial periods beginning on or after 1 January 2010.

   These amendments clarify that vesting conditions comprise service conditions and performance conditions only. Cancellations by parties other than the Group are accounted for in the same manner as cancellations by the Group itself and features of a share-based payment that are non-vesting conditions are included in the grant date fair value of the share-based payment.

   These amendments are not relevant to the Group's operations.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

e) Amendments to FRS 1 *First-time Adoption of Financial Reporting Standards* and FRS 127 *Consolidated and Separate Financial Statements*: *Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate* is mandatory for annual periods beginning on or after 1 January 2010.

These amendments allow first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The cost method of accounting for an investment has also been removed pursuant to these amendments.

The Group does expect any impact on the financial statements arising from the adoption of these amendments.

f) IC Interpretation 9 *Reassessment of Embedded Derivatives* is mandatory for annual financial periods beginning on or after 1 January 2010.

This Interpretation prohibits the subsequent reassessment of embedded derivatives unless there is a change in the terms of the host contract that significantly modifies the cash flows that would otherwise be required by the host contract.

The Group does not expect any impact on the financial statements arising from the adoption of this Interpretation.

g) IC Interpretation 10 *Interim Financial Reporting and Impairment* is mandatory for annual financial periods beginning on or after 1 January 2010.

This Interpretation prohibits the reversal of an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost.

The Group does not expect any impact on the financial statements arising from the adoption of this Interpretation.

h) IC Interpretation 11 FRS 2 – *Group and Treasury Share Transactions* is mandatory for annual periods beginning on or after 1 January 2010.

This Interpretation requires share-based payment transactions in which the Company receives services from employees as consideration for its own equity instruments to be accounted for as equity-settled, regardless of the manner of satisfying the obligations to the employees.

If the Company grants rights to its equity instruments to the employees of its subsidiaries, this Interpretation requires the Company to recognise the equity reserve for the obligation to deliver the equity instruments when needed whilst the subsidiaries shall recognise the remuneration expense for the services received from employees.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

i) IC Interpretation 11 *FRS 2 – Group and Treasury Share Transactions* is mandatory for annual periods beginning on or after 1 January 2010.

If the subsidiaries grant rights to equity instruments of the Company to its employees, this Interpretation requires the Company to account for the transaction as cash-settled, regardless of the manner the subsidiaries obtain the equity instruments to satisfy its obligations.

The Group does not expect any impact on the financial statements arising from the adoption of this Interpretation.

j) IC Interpretation 13 *Customer Loyalty Programmes* is mandatory for annual periods beginning on or after 1 January 2010.

This Interpretation requires the separation of award credits as a separately identifiable component of sales transactions involving the award of free or discounted goods or services in the future. The fair value of the consideration received or receivable from the initial sale shall be allocated between the award credits and the other components of the sale.

If the Group supplies the awards itself, the consideration allocated to the award credits shall only be recognised as revenue when the award credits are redeemed. If a third party supplies the awards, the Group shall assess whether it is acting as a principal or agent in the transaction.

If the Group is acting as the principal in the transaction, it shall measure its revenue as the gross consideration allocated to the award credits. If the Group is acting as an agent, it shall measure its revenue as the net amount retained on its own account, and recognise the net amount as revenue when the third party becomes obliged to supply the awards and entitled to receive the consideration for doing so.

This IC Interpretation is not relevant to the Group's operations.

k) IC Interpretation 14 *FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction* is mandatory for annual periods beginning on or after 1 January 2010.

This Interpretation applies to all post-employment defined benefits and other long-term employee defined benefits. This Interpretation clarifies that an economic benefit is available if the Group can realise it at some point during the life of the plan or when the plan liabilities are settled, and that it does not depend on how the Group intends to use the surplus.

A right to refund is available to the Group in stipulated circumstances and the economic benefit available shall be measured as the amount of the surplus at the end of the reporting period less any associated costs. If there are no minimum funding requirements, the economic benefit available shall be determined as a reduction in future contributions as the lower of the surplus in the plan and the present value of the future service cost to the Group. If there is a minimum funding requirement for contributions relating to the future accrual of benefits, the economic benefit available shall be determined as a reduction in future contributions at the present value of the estimated future service cost less the estimated minimum funding required in each financial year.

This IC Interpretation is not relevant to the Group's operations.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

l) FRS 101 *Presentation of Financial Statements* is mandatory for annual periods beginning on or after 1 January 2010.

FRS 101 sets out the overall requirements for the presentation of financial statements, guidelines for their structure and minimum requirements for their content.

This Standard introduces the titles 'statement of financial position' and 'statement of cash flows' to replace the current titles 'balance sheet' and 'cash flow statement' respectively. A new statement known as the 'statement of comprehensive income' is also introduced in this Standard whereby all non-owner changes in equity are required to be presented in either one statement of comprehensive income or in two statements (i.e. a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity.

This Standard also introduces a new requirement to present a statement of financial position as at the beginning of the earliest comparative period if there are applications of retrospective restatements that are defined in FRS 108, or when there are reclassifications of items in the financial statements.

Additionally, FRS 101 requires the disclosure of reclassification adjustments and income tax relating to each component of other comprehensive income, and the presentation of dividends recognised as distributions to owners together with the related amounts per share in the statement of changes in equity or in the notes to the financial statements.

This Standard introduces a new requirement to disclose information on the objectives, policies and processes for managing capital based on information provided internally to key management personnel as defined in FRS 124 *Related Party Disclosures*. Additional disclosures are also required for puttable financial instruments classified as equity instruments.

Apart from the new presentation and disclosure requirements described, the Group does not expect any other impact on the financial statements arising from the adoption of this Standard.

m) Amendments to FRS 139, FRS 7 and IC Interpretation 9 are mandatory for annual periods beginning on or after 1 January 2010.

These amendments permit reclassifications of non-derivative financial assets (other than those designated at fair value through profit or loss upon initial recognition) out of the fair value through profit or loss category in rare circumstances. Reclassifications from the available-for-sale category to the loans and receivables category are also permitted provided there is intention and ability to hold that financial asset for the foreseeable future. All of these reclassifications shall be subjected to subsequent reassessments of embedded derivatives.

These amendments also clarifies the designation of one-sided risk in eligible hedged items and streamlines the terms used throughout the Standards in accordance with the changes resulting from FRS 101.

By virtue of the exemptions provided under paragraphs 103AB of FRS 139 and 44AB of FRS 7, the impact of applying these amendments on the consolidated financial statements upon first adoption of the FRS 139 and FRS 7 respectively as required by paragraph 30(b) of FRS108 are not disclosed. However, the Group does not expect any impact on the consolidated financial statements arising from the adoption of the amendments to IC Interpretation 9.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

n) Amendments to FRS 132 *Financial Instruments: Presentation* is mandatory for annual periods beginning on or after 1 January 2010.

These amendments require certain puttable financial instruments, and financial instruments that impose an obligation to deliver to counterparties a pro rata share of the net assets of the entity only on liquidation to be classified as equity.

Puttable financial instruments are defined as financial instruments that give the holder the right to put the instrument back to the issuer for cash, or another financial asset, or are automatically put back to the issuer upon occurrence of an uncertain future event or the death or retirement of the instrument holder.

Presently, the Group does not expect any impact on the consolidated financial statements arising from the adoption of this Standard. However, the Group is in the process of assessing the impact of this Standard in conjunction with the implementation of FRS 139 and would only be able to provide further information in the interim financial statements followed by the next annual financial statements.

o) *Improvements to FRSs (2009)* are mandatory for annual periods beginning on or after 1 January 2010.

Amendment to FRS 5 *Non-current Assets Held for Sale and Discontinued Operations* clarifies that the disclosure requirements of this Standard specifically apply to non-current assets (or disposal groups) classified as held for sale or discontinued operations.

Amendment to FRS 8 clarifies the consistency of disclosure requirement for information about profit or loss, assets and liabilities.

Amendment to FRS 107 *Statement of Cash Flows* clarifies the classification of cash flows arising from operating activities and investing activities. Cash payments to manufacture or acquire assets held for rental to others and subsequently held for sale, and the related cash receipts, shall be classified as cash flows from operating activities. Expenditures that result in a recognised asset in the statement of financial position are eligible for classification as cash flows from investing activities.

Amendment to FRS 108 clarifies that only Implementation Guidance issued by the MASB that are integral parts of FRSs is mandatory.

Amendment to FRS 110 *Events after the Reporting Period* clarifies the rationale for not recognising dividends declared after the reporting period but before the financial statements are authorised for issue.

Amendment to FRS 116 *Property, Plant and Equipment* removes the definition pertaining the applicability of this Standard to property that is being constructed or developed for future use as investment property but do not yet satisfy the definition of 'investment property' in FRS 140 *Investment Property*. This amendment also replaces the term 'net selling price' with 'fair value less costs to sell', and clarifies that proceeds arising from routine sale of items of property, plant and equipment shall be recognised as revenue in accordance with FRS 118 *Revenue* rather than FRS 5.

Amendment to FRS 117 *Leases* removes the classification of leases of land and of buildings, and instead, requires assessment of classification based on the risks and rewards of the lease itself.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

o) *Improvements to FRSs (2009)* are mandatory for annual periods beginning on or after 1 January 2010. (cont'd)

Amendment to FRS 118 clarifies reference made on the term 'transaction costs' to the definition in FRS 139.

Amendment to FRS 119 *Employee Benefits* clarifies the definitions in this Standard by consistently applying settlement dates within twelve (12) months in the distinction between short-term employee benefits and other long-term employee benefits. This amendment also provides additional explanations on negative past service cost and curtailments.

Amendment to FRS 120 *Accounting for Government Grants and Disclosure of Government Assistance* streamlines the terms used in this Standard in accordance with the new terms used in FRS 101.

Amendment to FRS 123 clarifies that interest expense calculated using the effective interest rate method described in FRS 139 qualifies for recognition as borrowing costs.

Amendment to FRS 127 *Consolidated and Separate Financial Statements* clarifies that investments measured at cost shall be accounted for in accordance with FRS 5 when they are held for sale in accordance with FRS 5.

Amendment to FRS 128 *Investments in Associates* clarifies that investments in associates held by venture capital organisations, or mutual funds, unit trusts and similar entities shall make disclosures on the nature and extent of any significant restrictions on the ability of associates to transfer funds to the investor in the form of cash dividends, or repayment of loans or advances. This amendment also clarifies that impairment loss recognised in accordance with FRS 136 *Impairment of Assets* shall not be allocated to any asset, including goodwill, that forms the carrying amount of the investment. Accordingly, any reversal of that impairment loss shall be recognised in accordance with FRS 136.

Amendment to FRS 129 *Financial Reporting in Hyperinflationary Economies* streamlines the terms used in this Standard in accordance with the new terms used in FRS 101. This amendment also clarifies that assets and liabilities that are measured at fair value are exempted from the requirement to apply historical cost basis of accounting.

Amendment to FRS 131 *Interests in Joint Ventures* clarifies that venturers' interests in jointly controlled entities held by venture capital organisations, or mutual funds, unit trusts and similar entities shall make disclosures on related capital commitments. This amendment also clarifies that a listing and description of interests in significant joint ventures and the proportion of ownership interest held in jointly controlled entities shall be made.

Amendment to FRS 134 Interim Financial Reporting clarifies the need to present basic and diluted earnings per share for an interim period when the entity is within the scope of FRS 133 Earnings per Share.

Amendment to FRS 136 clarifies the determination of allocation of goodwill to each cash-generating unit whereby each unit shall not be larger than an operating segment as defined in FRS 8 before aggregation. This amendment also requires additional disclosures if the fair value less costs to sell is determined using discounted cash flow projections.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

o) *Improvements to FRSs (2009)* are mandatory for annual periods beginning on or after 1 January 2010. (cont'd)

Amendment to FRS 138 *Intangible Assets* clarifies the examples provided in this Standard in measuring the fair value of an intangible asset acquired in a business combination. This amendment also removes the statement on the rarity of situations whereby the application of the amortisation method for intangible assets results in a lower amount of accumulated amortisation than under the straight line method.

Amendment to FRS 140 clarifies that properties that are being constructed or developed for future use as investment property are within the definition of 'investment property'. This amendment further clarifies that if the fair value of such properties cannot be reliably determinable but it is expected that the fair value would be readily determinable when construction is complete, the properties shall be measured at cost until either its fair value becomes reliably determinable or construction is completed, whichever is earlier.

Amendments to FRS 5, FRS 120, FRS 129, FRS 131, FRS 136, FRS 138 and FRS 140 are not relevant to the Group.

The Group does not expect any significant impact on the consolidated financial statements arising from the adoption of other Amendments.

p) Amendments to FRS 132 is mandatory for annual periods beginning on or after 1 January 2010 and 1 March 2010 in respect of the transitional provisions in accounting for compound financial instruments and classification of rights issues respectively.

These amendments remove the transitional provisions in respect of accounting for compound financial instruments issued before 1 January 2003 pursuant to FRS 132_{2004} *Financial Instruments: Disclosure and Presentation*. Such compound financial instruments shall be classified into its liability and equity components when FRS 139 first applies.

The amendments also clarifies that rights, options or warrants to acquire a fixed number of the Group's own equity instruments for a fixed amount of any currency shall be classified as equity instruments rather than financial liabilities if the Group offers the rights, options or warrants pro rata to all of its own existing owners of the same class of its own non-derivative equity instruments.

The Group does not expect any impact on the financial statements arising from the adoption of these amendments.

q) Amendments to FRS 139 is mandatory for annual periods beginning on or after 1 January 2010.

These amendments remove the scope exemption on contracts for contingent consideration in a business combination. Accordingly, such contracts shall be recognised and measured in accordance with the requirements of FRS 139.

The Group does not expect any impact on the financial statements arising from the adoption of these amendments.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

r) FRS 1 *First-time Adoption of Financial Reporting Standards* is mandatory for annual periods beginning on or after 1 July 2010.

This Standard supersedes the existing FRS 1 and shall be applied when the Group adopts FRSs for the first time via the explicit and unreserved statement of compliance with FRSs. An opening FRS statement of financial position shall be prepared and presented at the date of transition to FRS, whereby:

(i) All assets and liabilities shall be recognised in accordance with FRSs;

(ii) Items of assets and liabilities shall not be recognised if FRSs do not permit such recognition;

(iii) All recognised assets and liabilities shall be measured in accordance with FRSs.

All resulting adjustments shall therefore be recognised directly in retained earnings at the date of transition to FRSs.

The Group does not expect any impact on the financial statements arising from the adoption of this Standard.

s) FRS 3 *Business Combinations* is mandatory for annual periods beginning on or after 1 July 2010.

This Standard supersedes the existing FRS 3 and now includes business combinations involving mutual entities and those achieved by way of contract alone. Any non-controlling interest in an acquiree shall be measured at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The time limit on the adjustment to goodwill due to the arrival of new information on the crystallisation of deferred tax benefits shall be restricted to the measurement period resulting from the arrival of the new information. Contingent liabilities acquired arising from present obligations shall be recognised, regardless of the probability of outflow of economic resources.

Acquisition-related costs shall be accounted for as expenses in the periods in which the costs are incurred and the services are received. Consideration transferred in a business combination, including contingent consideration, shall be measured and recognised at fair value at acquisition date.

In business combinations achieved in stages, the acquirer shall remeasure its previously held equity interest at its acquisition date fair value and recognise the resulting gain or loss in profit or loss.

The Group does not expect any impact on the financial statements arising from the adoption of this Standard.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

t) FRS 127 *Consolidated and Separate Financial Statements* is mandatory for annual periods beginning on or after 1 July 2010.

This Standard supersedes the existing FRS 127 and replaces the current term 'minority interest' with a new term 'non-controlling interest' which is defined as the equity in a subsidiary that is not attributable, directly or indirectly, to a parent. Accordingly, total comprehensive income shall be attributed to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. If the Group loses control of a subsidiary, any gains or losses are recognised in profit or loss and any investment retained in the former subsidiary shall be measured at its fair value at the date when control is lost.

The Group does not expect any impact on the financial statements arising from the adoption of this Standard.

u) Amendments to FRSs are mandatory for annual periods beginning on or after 1 July 2010.

Amendments to FRS 2 *Share-based Payments* clarifies that transactions in which the Group acquired goods as part of the net assets acquired in a business combination or contribution of a business on the formation of a joint venture are excluded from the scope of this Standard.

Amendments to FRS 5 clarifies that non-current asset classified as held for distribution to owners acting in their capacity as owners are within the scope of this Standard. The amendment also clarifies that in determining whether a sale is highly probable, the probability of shareholders' approval, if required in the jurisdiction, shall be considered. In a sale plan involving loss of control of a subsidiary, all assets and liabilities of that subsidiary shall be classified as held for sale, regardless of whether the Group retains a non-controlling interest in its former subsidiary after the sale. Discontinued operations information shall also be presented. Non-current asset classified as held for distribution to owners shall be measured at the lower of its carrying amount and fair value less costs to distribute.

Amendments to FRS 138 clarifies that the intention of separating an intangible asset is irrelevant in determining the identifiability of the intangible asset. In a separate acquisition and acquisition as part of a business combination, the price paid by the Group reflects the expectations of the Group of an inflow of economic benefits, even if there is uncertainty about the timing or the amount of the inflow. Accordingly, the probability criterion is always considered to be satisfied for separately acquired intangible assets. The useful life of a reacquired right recognised as an intangible asset in a business combination shall be the remaining contractual period of the contract in which the right was granted, and do not include renewal periods. In the case of a reacquired right in a business combination, if the right is subsequently reissued to a third party, the related carrying amount shall be used in determining the gain or loss on reissue.

Amendments to IC Interpretation 9 clarifies that embedded derivatives in contracts acquired in a business combination, combination of entities or business under common controls, or the formation of a joint venture are excluded from this Interpretation.

These amendments are not relevant to the Group's operations.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

v) IC Interpretation 12 *Service Concession Arrangements* is mandatory for annual periods beginning on or after 1 July 2010.

This Interpretation applies to operators for public-to-private service concession arrangements, whereby infrastructure within the scope of this Interpretation shall not be recognised as property, plant and equipment of the operator. The operator shall recognise and measure revenue in accordance with FRS 111 *Construction Contracts* and FRS 118 for the services performed. The operator shall also account for revenue and costs relating to construction or upgrade services in accordance with FRS 111.

Consideration received or receivable by the operator for the provision of construction or upgrade services shall be recognised at its fair value. If the consideration consists of an unconditional contractual right to receive cash or another financial asset from the grantor, it shall be classified as a financial asset. Conversely, if the consideration consists of a right to charge users of the public service, it shall be classified as an intangible asset.

This IC Interpretation is not relevant to the Group's operations.

w) IC Interpretation 16 *Hedges of a Net Investment in a Foreign Operation* is mandatory for annual periods beginning on or after 1 July 2010.

This Interpretation applies to hedges undertaken on foreign currency risk arising from net investments in foreign operations and the Group wishes to qualify for hedge accounting in accordance with FRS 139.

Hedge accounting is applicable only to the foreign exchange differences arising between the functional currency of the foreign operation and the functional currency of any parent (immediate, intermediate or ultimate parent) of that foreign operation. An exposure to foreign currency risk arising from a net investment in a foreign operation may qualify for hedge accounting only once in the consolidated financial statements.

Hedging instruments designated in the hedge of a net investment in a foreign operation may be held by any companies within the Group, as long as the designation, documentation and effectiveness requirements of FRS 139 are met.

This IC Interpretation is not relevant to the Group's operations.

x) IC Interpretation 17 *Distributions of Non-cash Assets to Owners* is mandatory for annual periods beginning on or after 1 July 2010.

This Interpretation applies to non-reciprocal distributions of non-cash assets by the Group to its owners in their capacity as owners, as well as distributions that give owners a choice of receiving either non-cash assets or a cash alternative. This Interpretation also applies to distributions in which all owners of the same class of equity instruments are treated equally.

The liability to pay a dividend shall be recognised when the dividend is appropriately authorised and is no longer at the discretion of the Group. The liability shall be measured at the fair value of the assets to be distributed. If the Group gives its owners a choice of receiving either a non-cash asset or a cash alternative, the dividend payable shall be estimated by considering the fair value of both alternatives and the associated probability of the owners' selection.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

x) IC Interpretation 17 *Distributions of Non-cash Assets to Owners* is mandatory for annual periods beginning on or after 1 July 2010. (cont'd)

At the end of each reporting period, the carrying amount of the dividend payable shall be remeasured and any changes shall be recognised in equity. At the settlement date, any difference between the carrying amounts of the assets distributed and the carrying amount of the dividend payable shall be recognised in profit or loss.

This IC Interpretation is not relevant to the Group's operations.

y) Amendment to FRS 1 *Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters* is mandatory for annual periods beginning on or after 1 January 2011.

This amendment permits a first-time adopter of FRSs to apply the exemption of not restating comparatives for the disclosures required in Amendments to FRS.

The Group does not expect any impact on the financial statements arising from the adoption of this amendment.

z) Amendments to FRS 1 *Additional Exemptions for First-time Adopters* are mandatory for annual periods beginning on or after 1 January 2011.

These amendments permits a first-time adopter of FRSs to apply the exemption of not restating the carrying amounts of oil and gas assets determined under previous GAAP.

The Group does not expect any impact on the financial statements arising from the adoption of these amendments.

aa) Amendments to FRS 7 *Improving Disclosures about Financial Instruments* are mandatory for annual periods beginning on or after 1 January 2011.

These amendments require enhanced disclosures of fair value of financial instruments based on the fair value hierarchy, including the disclosure of significant transfers between Level 1 and Level 2 of the fair value hierarchy as well as reconciliations for fair value measurements in Level 3 of the fair value hierarchy.

By virtue of the exemption provided under paragraph 44G of FRS 7, the impact of applying these amendments on the financial statements upon first adoption of FRS 7 as required by paragraph 30(b) of FRS 108 are not disclosed.

bb) Amendments to FRS 2 *Group Cash-settled Share-based Payment Transactions* are mandatory for annual periods beginning on or after 1 January 2011.

These amendments clarify the scope and the accounting for group cash-settled share-based payment transactions in the separate financial statements of the entity receiving the goods or services when that entity has no obligation to settle the share-based payment transaction.

Consequently, IC Interpretation 8 *Scope of FRS 2* and IC Interpretation 11 have been superseded and withdrawn.

The Group does not expect any impact on the financial statements arising from the adoption of these amendments.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

cc) IC Interpretation 4 *Determining whether an Arrangement contains a Lease* is mandatory for annual periods beginning on or after 1 January 2011.

This Interpretation requires the determination of whether an arrangement is, or contains, a lease based on an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and whether the arrangement conveys a right to use the asset. This assessment shall be made at the inception of the arrangement and subsequently reassessed if certain condition(s) in the Interpretation is met.

The Group does not expect any material impact on the financial statements arising from the adoption of this amendment because there are no arrangements dependent on the use of specific assets in the Group.

dd) IC Interpretation 18 *Transfers of Assets from Customers* is mandatory for annual periods beginning on or after 1 January 2011.

This Interpretation applies to agreements in which an entity receives from a customer an item of property, plant and equipment that must be used to either connect the customer to a network or to provide the customer with ongoing access to a supply of goods or services. The entity receiving the transferred item is required to assess whether the transferred item meets the definition of an asset set out in the Framework. The credit entry would be accounted for as revenue in accordance with FRS 118.

The Group does not expect any impact on the financial statements arising from the adoption of this IC Interpretation because there are no such arrangements in the Group.

ee) *Improvements to FRSs (2009)* are mandatory for annual periods beginning on or after 1 January 2011.

Amendments to FRS 1 clarify that FRS 108 does not apply to changes in accounting policies made upon adoption of FRSs until after the first FRS financial statements have been presented. If changes in accounting policies or exemptions in this FRS are used, an explanation of such changes together with updated reconciliations shall be made in each interim financial report. Entities whose operations are subject to rate regulation are permitted the use of previously revalued amounts as deemed cost. The Group does not expect any impact on the financial statements arising from the adoption of these amendments.

Amendments to FRS 3 clarify that for each business combination, the acquirer shall measure at the acquisition date non-controlling interests that consists of the present ownership interests and entitle holders to a proportionate share of the entity's net assets in the event of liquidation. Un-replaced and voluntarily replaced share-based payment transactions shall be measured using the market-based measurement method in accordance with FRS 2 at the acquisition date. The Group does not expect any impact on the consolidated financial statements arising from the adoption of these amendments.

Amendments to FRS 7 clarify that quantitative disclosures of risk concentrations are required if the disclosures made in other parts of the financial statements are not readily apparent. The disclosure on maximum exposure to credit risk is not required for financial instruments whose carrying amount best represents the maximum exposure to credit risk. The Group expects to improve the disclosures on maximum exposure to credit risk upon adoption of these amendments.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

ee) *Improvements to FRSs (2009)* are mandatory for annual periods beginning on or after 1 January 2011. (cont'd)

Amendments to FRS 101 clarify that a statement of changes in equity shall be presented as part of a complete set of financial statements. The Group does not expect any impact on the financial statements arising from the adoption of these amendments.

Amendments to FRS 121 *The Effects of Changes in Foreign Exchange Rates* clarify that the accounting treatment for cumulative foreign exchange differences in other comprehensive income for the disposal or partial disposal of a foreign operation shall be applied prospectively. The Group does not expect any impact on the financial statements arising from the adoption of these amendments.

Amendments to FRS 128 clarify that the accounting treatment for the cessation of significant influence over an associate shall be applied prospectively. The Group does not expect any impact on the consolidated financial statements arising from the adoption of these amendments.

Amendments to FRS 131 clarify that the accounting treatment for the cessation of joint control over an entity shall be applied prospectively. The Group does not expect any impact on the consolidated financial statements arising from the adoption of these amendments.

Amendments to FRS 132 clarify that contingent consideration from a business combination that occurred before the effective date of the revised FRS 3 of 1 July 2010 shall be accounted for prospectively. The Group does not expect any impact on the financial statements arising from the adoption of these amendments.

Amendments to FRS 134 clarify that updated information on significant events and transactions since the end of the last annual reporting period shall be included in the Group's interim financial report. Although the Group does not expect any impact on the financial statements rising from the adoption of these amendments, it is expected that additional disclosures would be made in the quarterly interim financial statements of the Group.

Amendments to FRS 139 clarify that contingent consideration from a business combination that occurred before the effective date of the revised FRS 3 of 1 July 2010 shall be accounted for prospectively. The Group does not expect any impact on the financial statements arising from the adoption of these amendments.

Amendments to IC Interpretation 13 clarify that the fair value of award credits takes into account, amongst others, the amount of the discounts or incentives that would otherwise be offered to customers who have not earned award credits from an initial sale. The Group does not expect any impact on the financial statements arising from the adoption of these amendments.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

ff) Amendments to IC Interpretation 14 *FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction* are mandatory for annual periods beginning on or after 1 July 2011.

These amendments clarify that if there is a minimum funding requirement for contributions relating to future service, the economic benefit available as a reduction in future contributions shall include any amount that reduces future minimum funding requirement contributions for future service because of the prepayment made.

These amendments are not relevant to the Group's operations.

gg) IC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments* is mandatory for annual periods beginning on or after 1 July 2011.

This Interpretation applies to situations when equity instruments are issued to a creditor to extinguish all or part of a recognised financial liability. Such equity instruments shall be measured at fair value, and the difference between the carrying amount of the financial liability extinguished and the consideration paid shall be recognised in profit or loss.

The Group does not expect any impact on the financial statements arising from the adoption of this Interpretation.

hh) IC Interpretation 15 *Agreements for the Construction of Real Estate* is mandatory for annual periods beginning on or after 1 January 2012.

This Interpretation applies to the accounting for revenue and associated expenses by entities undertaking construction or real estate directly or via subcontractors. Within a single agreement, the Group may contract to deliver goods or services in addition to the construction of real estate. Such an agreement shall therefore, be split into separately identifiable components.

An agreement for the construction of real estate shall be accounted for in accordance with FRS 111 if the buyer is able to specify the major structural elements of the design of the real estate before construction begins and/or specify major structural changes once construction is in progress. Accordingly, revenue shall be recognised by reference to the stage of completion of the contract.

An agreement for the construction of real estate in which buyers only have limited ability to influence the design of the real estate or to specify only minor variations to the basic designs is an agreement for the sale of goods in accordance with FRS 118. Accordingly, revenue shall be recognised by reference to the criteria in paragraph 14 of FRS 118 (e.g. transfer of significant risks and rewards, no continuing managerial involvement nor effective control, reliable measurement, etc.).

At the end of the reporting period, the Group recognises revenue and associated costs from the construction of real estate by reference to the stage of completion of the construction works. The Group is in the process of assessing the impact of implementing this Interpretation since the effects would only be observable for the financial year ending 30 November 2011.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENTS TO FRS (cont'd)

5.3 New FRS and amendments to FRS not adopted (cont'd)

ii) FRS 124 *Related Party Disclosures* and the consequential amendments to FRS 124 are mandatory for annual periods beginning on or after 1 January 2012.

This revised Standard simplifies the definition of a related party and eliminates certain inconsistencies within the superseded version. In addition to this, transactions and balances with government-related entities are broadly exempted from the disclosure requirements of the Standard.

The Group does not expect any impact on the financial statements arising from the adoption of this Standard.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

6.1 Critical judgements made in applying accounting policies

The following is judgment made by the management in the process of applying the Group's accounting policies that has a significant effect on the amounts recognised in the financial statements.

Contingent liabilities

The determination of treatment of contingent liabilities is based on management's view of the expected outcome of the contingencies for matters in the ordinary course of the business.

6.2 Key sources of estimation uncertainty

The following key assumptions concerning the future and the other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Useful lives of property, plant and equipment

The Group estimates the useful lives of property, plant and equipment at the time the assets are acquired based on historical experience, the expected usage, wear and tear of the assets, and technical obsolescence arising from changes in the market demands or service output of the assets. The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to changes in factors mentioned above. Changes in these factors could impact the useful lives and the residual values of the assets, therefore future depreciation charges could be revised.

(b) Recognition of revenue from property development

The Group recognises property development revenue and expenses in the income statements by using the "percentage of completion" method. The stage of completion is determined by the proportion of property development costs incurred for work performed up to the balance sheet date over the estimated total property development costs.

Significant judgements are required in determining the stage of completion, the extent of the property development costs incurred, the estimated total property development revenue and costs, as well as the recoverability of the development projects. In making the judgement, the Group evaluates based on past experience and by relying on the work of specialists.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

6.2 Key sources of estimation uncertainty (cont'd)

(c) Income taxes

Judgement is required in determining the capital allowances and deductibility of certain expenses when estimating the provision for income taxes. There were transactions during the ordinary course of business for which the ultimate tax determination of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax in the period in which the outcome is known.

(d) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses, unabsorbed capital allowances and other temporary deductible differences to the extent that it is probable that taxable profits will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(e) Fair value of borrowings

The fair values of borrowings are estimated by discounting future contractual cash flows at the current market interest rates available to the Company for similar financial instruments. It is assumed that the effective interest rates approximate the current market interest rates available to the Group based on its size and its business risk.

(f) Allowance for doubtful debts

The Group makes allowance for doubtful debts based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. An analysis of historical bad debt, customer creditworthiness, current economic trends and changes in customer payment terms are performed when making a judgement to evaluate the adequacy of the allowance for doubtful debts of receivables. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

7. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.12.2009 RM'000	Additions RM'000	Depreciation charges for the financial year RM'000	Balance as at 30.11.2010 RM'000
Carrying amount				
Furniture & fittings	**6**	**-**	**(6)**	**-**
Office equipment	**102**	**22**	**(47)**	**77**
Renovation	**34**	**-**	**(32)**	**2**
Motor vehicles	**98**	**2,480**	**(437)**	**2,141**
Site & sport equipment	**1**	**-**	**(1)**	**-**
	241	**2,502**	**(523)**	**2,220**

Group	[----------------- At 30.11.2010 Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000 -------------------]
Furniture & fittings	**388**	**(388)**	**-**
Office equipment	**986**	**(909)**	**77**
Renovation	**604**	**(602)**	**2**
Motor vehicles	**4,126**	**(1,985)**	**2,141**
Site & sport equipment	**41**	**(41)**	**-**
	6,145	**(3,925)**	**2,220**

Group	Balance as at 1.12.2008 RM'000	Additions RM'000	Depreciation charges for the financial year RM'000	Balance as at 30.11.2009 RM'000
Carrying amount				
Furniture & fittings	43	-	(37)	6
Office equipment	149	18	(65)	102
Renovation	94	-	(60)	34
Motor vehicles	274	-	(176)	98
Site & sport equipment	3	-	(2)	1
	563	18	(340)	241

Group	[----------------- At 30.11.2009 Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000 -------------------]
Furniture & fittings	388	(382)	6
Office equipment	964	(862)	102
Renovation	604	(570)	34
Motor vehicles	3,212	(3,114)	98
Site & sport equipment	41	(40)	1
	5,209	(4,968)	241

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Company	Balance as at 1.12.2009 RM'000	Additions RM'000	Depreciation charges for the financial year RM'000	Balance as at 30.11.2010 RM'000
Carrying amount				
Furniture & fittings	1	-	-	1
Office equipment	10	-	(4)	6
Renovation	3	-	(2)	1
Motor vehicles	-	491	(74)	417
Site & sport equipment	-	-	-	-
	14	491	(80)	425

Company	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
	[----------------- At 30.11.2010	-------------------	]
Furniture & fittings	195	(194)	1
Office equipment	446	(440)	6
Renovation	217	(216)	1
Motor vehicles	1,030	(613)	417
Site & sport equipment	26	(26)	-
	1,914	(1,489)	425

Company	Balance as at 1.12.2008 RM'000	Additions RM'000	Depreciation charges for the financial year RM'000	Balance as at 30.11.2009 RM'000
Carrying amount				
Furniture & fittings	17	-	(16)	1
Office equipment	12	2	(4)	10
Renovation	13	-	(10)	3
Motor vehicles	-	-	-	-
Site & sport equipment	-	-	-	-
	42	2	(30)	14

Company	Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
	[----------------- At 30.11.2009	-------------------	]
Furniture & fittings	195	(194)	1
Office equipment	446	(436)	10
Renovation	217	(214)	3
Motor vehicles	1,086	(1,086)	-
Site & sport equipment	26	(26)	-
	1,970	(1,956)	14

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

(a) During the financial year, the Group and the Company made the following cash payments to purchase property, plant and equipment:

	Group		Company	
	2010 RM'000	2009 RM'000	**2010 RM'000**	2009 RM'000
Purchase of property, plant and equipment	**2,502**	18	**491**	2
Financed by finance lease creditors	**(2,168)**	-	**(418)**	-
Cash payments on purchase of property, plant and equipment	**334**	18	**73**	2

(b) As of 30 November 2010, the carrying amount of the property, plant and equipment of the Group and of the Company under finance lease arrangements are as follows: -

	Group		Company	
	2010 RM'000	2009 RM'000	**2010 RM'000**	2009 RM'000
Motor vehicles	**2,137**	98	**417**	-

Details of the terms and conditions of the finance lease arrangements are disclosed in Note 22 and Note 39 to the financial statements.

(c) As at 30 November 2010, property, plant and equipment of the Group and of the Company have been pledged to financial institutions for borrowings granted to the Company.

8. LAND HELD FOR PROPERTY DEVELOPMENT

Group	**Balance as at 1.12.2009 RM'000**	**Additions RM'000**	**Transfer to property development cost (Note 12) RM'000**	**Balance as at 30.11.2010 RM'000**
Carrying amount				
Freehold land, at cost	**117,039**	**3,049**	**(93,771)**	**26,317**
Leasehold land, at cost	**53,698**	**-**	**-**	**53,698**
Development expenditures	**10,253**	**10,120**	**(19,548)**	**825**
	180,990	**13,169**	**(113,319)**	**80,840**

Group	Balance as at 1.12.2008 RM'000	Additions RM'000	Balance as at 30.11.2009 RM'000
Carrying amount			
Freehold land, at cost	117,039	-	117,039
Leasehold land, at cost	53,698	-	53,698
Development expenditure	6,147	4,106	10,253
	176,884	4,106	180,990

(a) As at 30 November 2010, freehold land has been charged to financial institutions for credit facilities granted to the Group as disclosed in Notes 20, 21, 23, and 24 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

8. LAND HELD FOR PROPERTY DEVELOPMENT (cont'd)

(b) Included in the land held for property development is the following charges incurred during the financial year:

Group	2010 RM'000	2009 RM'000
Interest expenses	-	4,125

In previous year, interest was capitalised in land held for property development at rates ranging from 6.12% to 8.25% per annum.

9. INVESTMENT IN SUBSIDIARIES

	Company 2010 RM'000	Company 2009 RM'000
Unquoted equity shares, at cost	12,650	12,650

The details of the subsidiaries, which are all incorporated in Malaysia, are as follows:

Name of company	Interest in equity held by Company 2010	Interest in equity held by Company 2009	Principal activities
Country View Avenue Sdn. Bhd.	100%	100%	Dormant
Country View Construction Sdn. Bhd.	100%	100%	Construction
Country View Equities Sdn. Bhd.	100%	100%	Property development
Country View Greens Sdn. Bhd.	100%	100%	Property development
Country View Land Sdn. Bhd.	100%	100%	Property development
Country View Property Management Sdn. Bhd.	100%	100%	Property management
Country View Properties Sdn. Bhd.	100%	100%	Property development
Country View Resources Sdn. Bhd.	100%	100%	Property development
Country View Ventures Sdn. Bhd.	100%	100%	Investment holding

10. INVESTMENT IN ASSOCIATE

	Group 2010 RM'000	Group 2009 RM'000
Unquoted equity shares, at cost	720	720
Share of post acquisition losses	(720)	(720)
	-	-

The details of the associate, which is incorporated in Malaysia, are as follows:

	Interest in equity held by a subsidiary 2010	Interest in equity held by a subsidiary 2009	Principal activity
Associate of Country View Ventures Sdn. Bhd.			
Optima Bestari Sdn. Bhd.#	24%	24%	Property development

\# - Associate not audited by BDO, Malaysia.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

10. INVESTMENT IN ASSOCIATE (cont'd)

The financial statements of Optima Bestari Sdn. Bhd. have a financial year end of 31 December 2010 to conform with its investor's financial year end. In applying the equity method of accounting, the financial statements of Optima Bestari Sdn. Bhd. for the financial period ended 30 November 2010 have been used and appropriate adjustments have been made for the effects of significant transactions between 30 November 2010 and 31 December 2010.

The summarised financial information of the associate is as follows:

	2010 RM'000	2009 RM'000
Assets and liabilities		
Current assets / Total assets	**1**	1
Current liabilities	**(1,302)**	(1,302)
Non-current liabilities	**(449)**	(440)
Total liabilities	**(1,751)**	(1,742)
Results		
Revenue	**-**	-
Loss for the year	**9**	8

The unrecognised share of losses of the associate for the current financial year amounted to approximately RM2,000 (2009: RM2,000). As at 30 November 2010, the cumulative unrecognised share of losses of the associate amounted to RM420,000 (2009: RM418,000).

11. DEFERRED TAX ASSETS

(a) The deferred tax assets and liabilities are made up of the following:

	Group		**Company**	
	2010 RM'000	2009 RM'000	**2010 RM'000**	2009 RM'000
Balance as at 1 December 2009/2008	**3,193**	5,325	**-**	1,677
Recognised in the income statements (Note 33)	**707**	(2,132)	**-**	(1,677)
Balance as at 30 November 2010/2009	**3,900**	3,193	**-**	-
Presented after appropriate offsetting:				
Deferred tax assets, net	**3,918**	3,208	**-**	-
Deferred tax liabilities, net	**(18)**	(15)	**-**	-
	3,900	3,193	**-**	-

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

11. DEFERRED TAX ASSETS (cont'd)

(b) The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group

	Unabsorbed capital allowances RM'000	Unused tax losses RM'000	Other deductible temporary differences RM'000	Total RM'000
At 1 December 2009	**-**	**180**	**3,028**	**3,208**
Recognised in the income statements	**19**	**689**	**2**	**710**
At 30 November 2010	**19**	**869**	**3,030**	**3,918**
At 1 December 2008	48	2,305	3,002	5,355
Recognised in the income statements	(48)	(2,125)	26	(2,147)
At 30 November 2009	-	180	3,028	3,208

Deferred tax liability of the Group

	Property, plant and equipment RM'000
At 1 December 2009	**(15)**
Recognised in the income statements	**(3)**
At 30 November 2010	**(18)**
At 1 December 2008	(30)
Recognised in the income statements	15
At 30 November 2009	(15)

Deferred tax assets of the Company

	Unabsorbed capital allowances RM'000	Unused tax losses RM'000	Total RM'000
At 1 December 2008	30	1,647	1,677
Recognised in the income statement	(30)	(1,647)	(1,677)
At 30 November 2009	-	-	-

(c) The amounts of temporary differences for which no deferred tax asset have been recognised in the balance sheets are as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	**2010 RM'000**	2009 RM'000
Unused tax losses	**30,951**	26,774	**17,045**	14,988
Unabsorbed capital allowances	**194**	169	**191**	120
	31,145	26,943	**17,236**	15,108

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits of the subsidiaries will be available against which the deductible temporary differences can be utilised.

The unused tax losses and unabsorbed capital allowances do not expire under the current tax legislation.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

12. PROPERTY DEVELOPMENT COSTS

	Group	
	2010	2009
	RM'000	RM'000
At 1 December 2009/2008:		
- Freehold land	**22,174**	32,349
- Development expenditure	**42,808**	63,765
	64,982	96,114
Less:		
Reversal in development expenditure of completed properties during the year:		
- Freehold land	**(5,525)**	(10,134)
- Development expenditure	**(37,189)**	(52,519)
	(42,714)	(62,653)
Add:		
Cost incurred during the financial year:		
- Development expenditure	**13,473**	31,775
Less:		
Transfer to inventories		
- Freehold land	**(24)**	(41)
- Development expenditure	**(460)**	(213)
	(484)	(254)
Add:		
Transfer from Land Held For Property Development (Note 8)		
- Freehold land	**93,771**	-
- Development expenditure	**19,548**	-
	113,319	-
Less:		
Costs charged to income statement:		
- As at 1 December 2009/2008	**(36,389)**	(61,792)
- Completed projects during the financial year	**42,714**	62,653
- Recognised during the financial year	**(15,543)**	(37,250)
At 30 November 2010/2009	**(9,218)**	(36,389)
At 30 November 2010/2009	**139,358**	28,593

Included in the property development costs are the following charges incurred during the financial year:

Group	**2010 RM'000**	2009 RM'000
Interest expenses	**5,009**	786

Interest is capitalised in property development cost at rates ranging from 6.15% to 7.8% (2009: 6.12% to 8.25%) per annum.

Freehold land of the Group with carrying amounts of RM110,396,000 (2009: RM22,174,000) have been charged to financial institutions for credit facilities granted to the Group as disclosed in Notes 20, 21, 23, and 24 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

13. INVENTORIES

	Group		Company	
	2010	2009	**2010**	2009
At cost	**RM'000**	RM'000	**RM'000**	RM'000
Completed properties held for sales	**9,720**	12,323	**2,099**	4,277

Inventories of the Group and of the Company of RM9,611,000 (2009: RM12,215,000) and RM1,991,000 (2009: RM4,169,000) respectively have been pledged to financial institutions as security for facilities granted to the Group and the Company as disclosed in Notes 20, 21, 23, and 24 to the financial statements.

14. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2010	2009	**2010**	2009
	RM'000	RM'000	**RM'000**	RM'000
Trade receivables				
Third parties	**8,536**	8,803	**288**	447
Less: Allowance for doubtful debts	**(44)**	(44)	**(18)**	(18)
	8,492	8,759	**270**	429
Accrued billings in respect of property development	**1,921**	16,014	**-**	-
Amount due from a customer for contract work (Note 15)	**271**	44	**-**	-
	10,684	24,817	**270**	429
Other receivables				
Amount owing by subsidiaries				
- interest bearing	**-**	-	**85,699**	75,179
- non-interest bearing	**-**	-	**123,409**	130,587
Deposits and prepayments	**1,027**	686	**256**	255
Amount owing by a shareholder of an associate	**750**	750	**-**	-
Less: Allowance for doubtful debts	**(750)**	(750)	**-**	-
	-	-	**-**	-
	1,027	686	**209,364**	206,021
	11,711	25,503	**209,634**	206,450

(a) The normal trade credit terms of the trade receivables granted by the Group and the Company range from 14 days to 90 days (2009: 14 days to 90 days).

(b) Amounts owing by subsidiaries represent advances and payments made on behalf, which are unsecured, interest-free and repayable on demand except for advances of RM85,699,000 (2009: RM75,179,000) which bear interest at rate ranging from of 6.15% to 7.8% (2009: 6.12% to 8.25%) per annum. The amounts are repayable in cash and cash equivalents.

(c) Amount owing by a shareholder of an Associate represents advances, which is unsecured, interest-free, and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

15. AMOUNT DUE FROM/(TO) A CUSTOMER FOR CONTRACT WORKS

Group	2010 RM'000	2009 RM'000
Aggregate costs incurred to date	**2,917**	1,422
Add: Attributable profits	**115**	54
	3,032	1,476
Less: Progress billings	**(3,140)**	(1,432)
	(108)	44
Analysed as:		
Amount due from a customer for contract works (Note 14)	**271**	44
Amount due to a customer for contract works (Note 25)	**(379)**	-
	(108)	44

16. CASH AND CASH EQUIVALENTS

	Group		Company	
	2010 RM'000	2009 RM'000	**2010 RM'000**	2009 RM'000
Cash and bank balances	**1,562**	3,082	**5**	13
Deposits with licensed banks	**329**	320	**88**	85
	1,891	3,402	**93**	98

(a) Included in the Group's and the Company's cash and bank balances are RM1,468,000 (2009: RM2,980,000) and RM2,000 (2009: RM2,000) respectively held under the Housing Development Account pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966, (as amended by the Housing Developers (Housing Development Account) (Amendment), Regulations, 2002), which are not available for general use by the Group and the Company.

(b) Included in Group's and Company's deposits with licensed banks are RM329,000 (2009: RM320,000) and RM88,000 (2009: RM85,000) respectively, which are pledged to a bank for credit facilities granted to the Company and third party as security for bank guarantee respectively (Notes 24 and 28).

(c) Included in bank balances of the Group is RM44,000 (2009: RM24,000), which had been earmarked as security for performance guarantee given to third parties (Note 28).

(d) For the purpose of the cash flow statements, cash and cash equivalents comprise the following as at the balance sheets date:

	Group		Company	
	2010 RM'000	2009 RM'000	**2010 RM'000**	2009 RM'000
Cash and bank balances	**1,562**	3,082	**5**	13
Deposits with licensed banks	**329**	320	**88**	85
As reported in balance sheet	**1,891**	3,402	**93**	98
Less: Deposits pledged to licensed banks	**(373)**	(344)	**(88)**	(85)
Bank overdrafts included in borrowings (Note 19)	**(8,537)**	(3,617)	**(8,537)**	(3,617)
	(7,019)	(559)	**(8,532)**	(3,604)

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

17. SHARE CAPITAL

	2010 Number of shares '000	**2010** RM'000	2009 Number of shares '000	2009 RM'000
Ordinary shares of RM1.00 each:				
Authorised	**500,000**	**500,000**	500,000	500,000
Issued and fully paid:	**100,000**	**100,000**	100,000	100,000

18. RESERVES

	Group **2010** RM'000	Group 2009 RM'000	Company **2010** RM'000	Company 2009 RM'000
Non-distributable:				
Share premium	**124**	124	**124**	124
Distributable:				
Retained earnings	**26,339**	34,534	**24,439**	27,074
	26,463	34,658	**24,563**	27,198

(a) Share premium represents premium arising from the issuance of shares.

(b) Retained earnings

Effective 1 January 2008, the Company is given the option to make an irrevocable election to move to a single tier system or to continue to use its tax credit under Section 108 of the Income Tax Act, 1967 for the purpose of dividend distribution until the tax credit is fully utilised or latest, by 31 December 2013.

The Company has decided not to make this election and has sufficient tax credit under Section 108 of the Income Tax Act, 1967 and balance in the tax exempt account to frank the payment of dividends out of its entire retained earnings without incurring additional tax liabilities.

(c) Supplementary information on realised and unrealised profits or losses

The retained earnings as at the end of the reporting period may be analysed as follows:

	2010 Group RM'000	**2010** Company RM'000
Total retained earnings before consolidation adjustments		
- Realised	**22,822**	**24,439**
- Unrealised	**3,900**	**-**
	26,722	**24,439**
Less: Consolidation adjustments	**(383)**	**-**
Total retained earnings per financial statements	**26,339**	**24,439**

The above note has been prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants ("MIA Guidance") and the directive of Bursa Malaysia Securities Berhad.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

19. BORROWINGS – SECURED

	Group		Company	
	2010	2009	**2010**	2009
	RM'000	RM'000	**RM'000**	RM'000
Current liabilities				
Bank overdrafts	**8,537**	3,617	**8,537**	3,617
Bridging loans	**2,402**	1,680	**-**	1,680
Finance lease creditors	**441**	157	**78**	-
Revolving credits	**12,959**	12,877	**12,959**	12,877
Term loans	**7,288**	8,893	**6,450**	7,824
	31,627	27,224	**28,024**	25,998
Non-current liabilities				
Bridging loans	**-**	2,322	**-**	1,200
Finance lease creditors	**1,539**	47	**290**	-
Revolving credits	**2,167**	8,083	**2,167**	8,083
Term loans	**69,436**	61,791	**63,450**	54,600
	73,142	72,243	**65,907**	63,883
Total borrowings				
Bank overdrafts (Note 20)	**8,537**	3,617	**8,537**	3,617
Bridging loans (Note 21)	**2,402**	4,002	**-**	2,880
Finance lease creditors (Note 22)	**1,980**	204	**368**	-
Revolving credits (Note 23)	**15,126**	20,960	**15,126**	20,960
Term loans (Note 24)	**76,724**	70,684	**69,900**	62,424
	104,769	99,467	**93,931**	89,881

Information on financial risks of borrowings is disclosed in Note 39 to the financial statements.

20. BANK OVERDRAFTS - SECURED

The bank overdrafts of the Group and Company are secured by legal charges over certain property, plant and equipment, property development costs and inventories of the Group as referred to in Notes 8, 12 and 13 to the financial statements.

21. BRIDGING LOANS

The bridging loans of the Group are secured by the following:

(a) Legal charges over certain property, plant and equipment, property development costs and inventories of the Group as disclosed in Notes 8, 12 and 13 to the financial statements; and

(b) Debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiaries.

The bridging loans are repayable in various quarterly instalments ranging from RM739,000 to RM924,000 or from redemption proceeds of development properties sold, whichever is earlier.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

22. FINANCE LEASE CREDITORS

	Group		Company	
	2010	2009	**2010**	2009
	RM'000	RM'000	**RM'000**	RM'000
Minimum finance lease payments:				
- not later than one year	**543**	183	**95**	-
- later than one year but not later than five years	**1,691**	55	**315**	-
Total minimum finance lease payments	**2,234**	238	**410**	-
Less: Future interest charges	**(254)**	(34)	**(42)**	-
Present value of finance lease payments	**1,980**	204	**368**	-
Repayable as follows:				
Non-current liabilities				
- later than one year and not later than five years	**441**	157	**78**	-
- later than five years	**1,539**	47	**290**	-
	1,980	204	**368**	-

23. REVOLVING CREDITS

The revolving credits of the Company are secured by the following:

(a) Legal charges over certain property, plant and equipment, property development costs and inventories of the Group as disclosed in Notes 8, 12 and 13 to the financial statements; and

(b) Debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiaries.

Revolving credit of RM3,126,000 is repayable by way of redemption of development properties sold or subject to progressive reduction in the limits. Based on the present terms of the credit facility, the revolving credit limit is expected to be reduced by RM959,000 in the next financial year.

24. TERM LOANS

The term loans of the Group are secured by the following:

(a) Legal charges over certain of the Group's freehold land and building as disclosed in Notes 8, 12 and 13 to the financial statements;
(b) Debentures by way of fixed and floating charges over the present and future assets of the Company and certain subsidiaries;
(c) Fixed deposits (Note 16);
(d) Corporate guarantee of the Company; and
(e) Jointly guaranteed by certain Directors.

The term loans are repayable by instalment commencing in March 2011 and followed by thirty six (36) monthly instalments or from the redemption of development properties sold, whichever is earlier.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

25. TRADE AND OTHER PAYABLES

	Group		Company	
	2010 RM'000	2009 RM'000	**2010 RM'000**	2009 RM'000
Current				
Trade payables				
Third parties	**12,598**	16,312	**302**	339
Amounts owing to subsidiaries	**-**	-	**189**	198
Amount due to a customer for contract work (Note 15)	**379**	-	**-**	-
Progress billings in respect of property development	**2,355**	-	**-**	-
	15,332	16,312	**491**	537
Other payables				
Amounts owing to subsidiaries	**-**	-	**4,516**	4,161
Accruals	**3,470**	3,729	**1,457**	1,769
	3,470	3,729	**5,973**	5,930
	18,802	20,041	**6,464**	6,467

(a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and the Company range from one month to three months (2009: one month to three months).

(b) Amount owing to subsidiaries are unsecured, interest-free and payable upon demand in cash and cash equivalents.

26. PROVISION FOR LIABILITIES

This represents the provision for liquidated ascertained damages.

Group	**2010 RM'000**	2009 RM'000
At 1 December 2009/2008	**11**	11
Provision made	**29**	-
Amount utilised	**(29)**	-
As 30 November 2010/2009	**11**	11

Provision for liquidated ascertained damages is in respect of projects undertaken by a wholly owned subsidiary of the Group. The provision is recognised for expected liquidated ascertained damages claims based on the applicable sale and purchase agreements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

27. COMMITMENTS

Operating lease commitments

The Group as lessee

The Group had entered into non-cancellable operating lease agreements for shop-office, office buildings and office equipment, resulting in future rental commitments.

The lease terms do not contain restrictions on the Group's activities concerning dividends or additional debt. Certain lease terms entered into by the Group include restrictions on further leasing. The Group has aggregate future minimum lease commitment as at the balance sheets date as follows:

Group	**2010 RM'000**	2009 RM'000
Not later than one year	**1,905**	1,688
Later than one year and not later than five years	**1,938**	308
	3,843	1,996

28. CONTINGENT LIABILITIES

	Group		**Company**	
	2010 RM'000	2009 RM'000	**2010 RM'000**	2009 RM'000
Secured				
Performance guarantees given to third parties, which are secured by:				
Fixed deposits of the Company with a licensed bank (Note 16)	**13**	13	**13**	13
Earmark of cash at bank of a subsidiary company (Note 16)	**44**	24	**-**	-
Unsecured				
Claims by house buyer for late delivery	**96**	-	**-**	-
Potential liability/loss arising from the put option offered to purchasers of properties under a sale promotion of a property development project. The Options are valid for a period of 2 year and expiring on 13 December 2012	**16,732**	16,732	**-**	-
Corporate guarantees given to a licensed bank for banking facilities granted to subsidiaries	**-**	-	**15,475**	15,475

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

29. REVENUE

	Group		Company	
	2010	2009	**2010**	2009
	RM'000	RM'000	**RM'000**	RM'000
Property development	**23,258**	51,496	**2,182**	422

30. COST OF SALES

	Group		Company	
	2010	2009	**2010**	2009
	RM'000	RM'000	**RM'000**	RM'000
Property development costs	**15,543**	36,513	**-**	-
Cost of inventories	**2,167**	4,128	**1,257**	455
	17,710	40,641	**1,257**	455

31. FINANCE COSTS

	Group		Company	
	2010	2009	**2010**	2009
	RM'000	RM'000	**RM'000**	RM'000
Interest expenses on:				
- Bank overdrafts	**733**	282	**309**	282
- Bridging loans	**45**	116	**-**	-
- Finance lease creditors	**94**	30	**13**	-
- Revolving credits	**1,184**	1,354	**404**	586
- Term loans	**88**	411	**61**	130
	2,144	2,193	**787**	998

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

32. LOSS BEFORE TAX

		Group		Company	
		2010	2009	**2010**	2009
	Note	**RM'000**	RM'000	**RM'000**	RM'000
Loss before tax is arrived at after charging:					
Auditors' remuneration:					
- statutory audit:					
- current year		**90**	88	**34**	34
- under provision in prior year		**16**	4	**8**	2
- other services		**3**	21	**3**	10
Depreciation of property, plant and equipment	7	**523**	340	**80**	30
Interest expenses	31	**2,144**	2,193	**787**	998
Office rental		**455**	465	**217**	227
Rental of premises paid according to rental return agreements		**1,573**	1,595	**-**	-
And crediting:					
Allowance for doubtful debts no longer required		**-**	1	**-**	-
Gain on disposal of property, plant and equipment		**385**	-	**85**	-
Interest income received from:					
- fixed deposit		**32**	11	**4**	3
- housing development accounts		**40**	60	**-**	-
- late payment charges		**49**	170	**-**	-
Rental income		**55**	51	**6**	6
Reversal of inventories written down		**-**	230	**-**	230

33. TAXATION

	Group		Company	
	2010	2009	**2010**	2009
	RM'000	RM'000	**RM'000**	RM'000
Current tax expense				
- current year	**2**	564	**-**	-
- prior year	**355**	-	**330**	-
	357	564	**330**	-
Deferred tax (Note 11)				
- current year	**(704)**	2,132	**-**	1,677
- prior year	**(3)**	-	**-**	-
	(707)	2,132	**-**	1,677
	(350)	2,696	**330**	1,677

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

33. TAXATION (cont'd)

The numerical reconciliation between the tax expense and the product of accounting loss multiplied by the applicable tax rates of the Group and of the Company are as follows:

	Group		Company	
	2010	2009	**2010**	2009
	RM'000	RM'000	**RM'000**	RM'000
Loss before tax	**(8,545)**	(1,051)	**(2,305)**	(3,349)
Tax calculated using Malaysian tax rate of 25% (2009 : 25%)	**(2,136)**	(263)	**(576)**	(837)
Non deductible expenses	**404**	120	**65**	49
Non taxable income	**(21)**	(57)	**(21)**	(57)
Utilisation of previously unrecognised tax losses	**(154)**	(1)	**-**	-
Reversal of deferred tax assets	**-**	1,675	**-**	1,677
Deferred tax assets not recognised during the financial year	**1,205**	1,222	**532**	845
	(702)	2,696	**-**	1,677
Under/(Over) provision of:				
- current tax expense in prior year	**355**	-	**330**	-
- deferred tax in prior year	**(3)**	-	**-**	-
	(350)	2,696	**330**	1,677

Tax savings of the Group are as follows:

	Group	
	2010	2009
	RM'000	RM'000
Arising from utilisation of previously unrecognised tax losses	**154**	1

34. LOSS PER ORDINARY SHARE

Basic loss per ordinary share for the financial year is calculated by dividing the loss for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2010	2009
Loss attributable to equity holders of the Company (RM'000)	**(8,195)**	(3,747)
Weighted average number of ordinary shares in issue ('000)	**100,000**	100,000
Basic loss per share (sen)	**(8.20)**	(3.75)

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

35. EMPLOYEE BENEFITS

	Group		Company	
	2010 RM'000	2009 RM'000	**2010 RM'000**	2009 RM'000
Wages and salaries	**3,303**	3,151	**1,251**	1,207
Contribution to defined contribution plan	**380**	363	**148**	149
Other benefits	**127**	122	**6**	47
	3,810	3,636	**1,405**	1,403

Included in the employee benefits of the Group and of the Company are Executive Directors' remuneration of RM768,000 (2009: RM778,000) (Note 36).

36. DIRECTORS' AND KEY MANAGEMENT'S REMUNERATION

	Group		Company	
Directors' of the Company	**2010 RM'000**	2009 RM'000	**2010 RM'000**	2009 RM'000
Executive:				
- Salaries and other emoluments	**768**	778	**768**	778
- Benefit-in-kind	**66**	34	**26**	34
Non-executive				
- Fees	**108**	108	**108**	108
	942	920	**902**	920

The number of Directors whose total remuneration fell within the following bands during the financial year is as follows:

	Executive Directors		Non-Executive Directors	
Range of Remuneration	**2010 No.**	2009 No.	**2010 No.**	2009 No.
<RM50,000	**-**	-	**3**	3
RM50,001 – RM100,000	**-**	-	**-**	-
RM100,001 – RM150,000	**-**	-	**-**	-
RM150,001 – RM200,000	**2**	2	**-**	-
RM200,001 – RM250,000	**1**	1	**-**	-
RM250,001 – RM300,000	**1**	1	**-**	-
	4	4	**3**	3

Remuneration of Directors and other members of key management during the year was as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	**2010 RM'000**	2009 RM'000
Non-Executive Directors	**108**	108	**108**	108
Executive Directors	**834**	812	**794**	812
Other members of key management	**684**	589	**334**	167
	1,626	1,509	**1,236**	1,087

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

37. RELATED PARTY DISCLOSURES

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other parties.

The Company has controlling related party relationship with its direct and indirect subsidiaries.

Related parties of the Group include:

(i) Direct and indirect subsidiaries as disclosed in Note 9 to the financial statements; and

(ii) Key management personnel which comprises persons (including the Directors of the Company) having authority and responsibility for planning, directing and controlling of the Group directly or indirectly.

(b) Significant balances with related parties as at balance sheets date are disclosed in Notes 14 and 25 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

37. RELATED PARTY DISCLOSURES (cont'd)

(c) The Group and the Company had the following transactions with related parties during the financial year.

	Group		Company	
	2010	2009	**2010**	2009
	RM'000	RM'000	**RM'000**	RM'000
Transactions with Directors of the Company, major shareholders of the Company and persons connected to the Directors/major shareholders of the Company:				
(i) Rental return paid to an Executive Director of the Company	**27**	27	**-**	-
(ii) Rental return paid to an Executive Director/major shareholder of the Company	**121**	121	**-**	-
(iii) Rental return paid to a major shareholder of the Company and a person connected to an Executive Director/major shareholder of the Company	**60**	60	**-**	-
(iv) Rental return paid to persons connected to an Executive Director/major shareholder of the Company; and a non-independent non-executive Director /major shareholder of the Company	**587**	587	**-**	-
Transactions with key management personnel of the Company and persons connected to key management personnel of the Company				
Rental return paid to a key management personnel and a person connected to key management personnel of the Company	**56**	56	**-**	-
Transactions with a subsidiary				
Country View Property Management Sdn. Bhd. Property management services	**-**	-	**50**	80

(d) The related party transactions described above were carried out on mutually agreed and negotiated terms.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

37. RELATED PARTY DISCLOSURES (cont'd)

(e) Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity, directly and indirectly, including any director (whether executive or otherwise) of the Group.

The remuneration of Directors and other key management personnel are disclosed in Note 36 to the financial statements.

38. OPERATING SEGMENTS

The Group adopts business segments analysis as its primary reporting format. No geographical segment analysis is reported as the Group only operates in Malaysia. Inter-segment pricing is determined based on terms mutually agreed between the respective companies. Segment revenues, expenses, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise tax recoverable, income tax liabilities, deferred tax assets and liabilities. Segment capital expenditure is the total cost incurred during the year to acquire segment assets that are expected to be used for more than one period.

The Group's major business segments are as follows:

(a) Property development
- Development of residential and commercial properties;

(b) Construction
- Building and infrastructure construction works;

(c) Investment holding
- Investing in subsidiaries and associate which are long term in nature; and

(d) Property management
- Provision of maintenance and safety services, project management and property maintenance.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

38. OPERATING SEGMENTS (cont'd)

2010	Property Development RM'000	Construction RM'000	Investment Holding RM'000	Property Management RM'000	Total RM'000
Total revenue	23,258	1,555	-	241	25,054
Inter-segment revenue	-	(1,555)	-	(241)	(1,796)
Revenue from external customers	23,258	-	-	-	23,258
Interest income	121	-	-	-	121
Finance costs	(2,144)	-	-	-	(2,144)
Net finance expense	(2,023)	-	-	-	(2,023)
Depreciation	517	1	-	5	523
Segment loss before income tax	(8,376)	(5)	(6)	(98)	(8,485)
Taxation	350	-	-	-	350
Segment loss after income tax	(8,026)	(5)	(6)	(98)	(8,135)
Assets					
Current tax assets	389	16	-	-	405
Deferred tax assets	3,900	-	-	-	3,900
Segment assets	244,412	1,292	1	35	245,740
					250,045
Liabilities					
Segment liabilities	120,399	1,015	1,543	625	123,582
Other information					
Capital expenditure	2,502	-	-	-	2,502

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

38. OPERATING SEGMENTS (cont'd)

2009	Property Development RM'000	Construction RM'000	Investment Holding RM'000	Property Management RM'000	Total RM'000
Total Revenue	51,496	1,477	-	277	53,250
Inter-segment revenue	-	(1,477)	-	(277)	(1,754)
Revenue from external customers	51,496	-	-	-	51,496
Interest income	241	-	-	-	241
Finance costs	(2,193)	-	-	-	(2,193)
	(1,952)	-	-	-	(1,952)
Depreciation	332	2	-	6	340
Segment loss before income tax	(888)	(1)	(6)	(102)	(997)
Tax expense	(2,696)	-	-	-	(2,696)
Segment loss after income tax	(3,584)	(1)	(6)	(102)	(3,693)
Assets					
Current tax assets	84	-	-	-	84
Deferred tax assets	3,193	-	-	-	3,193
Segment assets	250,971	62	19	-	251,052
					254,329
Liabilities					
Current tax payables	152	-	-	-	152
Segment liabilities	116,688	572	1,538	721	119,519
					119,671
Other information					
Capital expenditure	18	-	-	-	18
Non-cash expenses other than depreciation	(231)	-	-	-	(231)

Reconciliation of reportable segment profit or loss to the Group's corresponding amounts are as follows:

Loss for the financial year	2010 RM'000	2009 RM'000
Total loss for reportable segments	**(8,485)**	(997)
Elimination of inter-segment profits	**(60)**	(54)
Loss before tax	**(8,545)**	(1,051)
Taxation	**350**	(2,696)
Loss for the financial year	**(8,195)**	(3,747)

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

39. FINANCIAL INSTRUMENTS

(a) Financial risk management objective and policies

Exposure to credit, interest rate and liquidity risk arises in the normal course of the Group and the Company's businesses. The Group and the Company have risk management policies and guidelines which sets out their overall business strategies, their tolerance to risk and their general risk management philosophy.

(i) Credit risk

The Group's and the Company's primary exposure to credit risk arise from trade receivables. The receivables are monitored on an ongoing basis via Group's management monitoring and reporting procedures and necessary action will be taken for any long outstanding debt noted.

The Group is exposed to credit related losses in the event of non-performance by counterparties, but it does not expect any counterparties to fail to meet their obligations given the Group's policy of selecting only counterparties with high credit ratings.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial assets.

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of financial assets recognised in the balance sheets.

(ii) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's interest rate risk arises primarily from interest bearing borrowings. Borrowings at floating rates exposed the Group to cash flow interest rate risk. The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate borrowings.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial risk management objective and policies (cont'd)

(ii) Interest rate risk (cont'd)

The following table sets out the carrying amounts, the weighted average effective annual interest rate ("WAEAIR") as at the balance sheet date and the remaining maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk:

Group 2010	**Note**	**WAEAIR %**	**Within 1 year RM'000**	**1 - 2 years RM'000**	**2 -3 years RM'000**	**3 - 4 years RM'000**	**4 - 5 years RM'000**	**Total RM'000**
Fixed rate instruments								
Deposits with licensed banks	16	**2.94**	**329**	**-**	**-**	**-**	**-**	**329**
Finance lease creditors	22	**4.97**	**(441)**	**(430)**	**(446)**	**(472)**	**(191)**	**(1,980)**
Floating rate instruments								
Bank overdrafts	19	**7.72**	**(8,537)**	**-**	**-**	**-**	**-**	**(8,537)**
Bridging loans	19	**7.53**	**(2,402)**	**-**	**-**	**-**	**-**	**(2,402)**
Revolving credits	19	**6.51**	**(12,959)**	**(2,000)**	**(167)**	**-**	**-**	**(15,126)**
Term loans	19	**7.10**	**(7,288)**	**(5,462)**	**(15,075)**	**(47,019)**	**(1,880)**	**(76,724)**
2009								
Fixed rate instruments								
Deposits with licensed banks	16	2.83	320	-	-	-	-	320
Finance lease creditors	22	3.50	(157)	(40)	(7)	-	-	(204)
Floating rate instruments								
Bank overdrafts	19	7.20	(3,617)	-	-	-	-	(3,617)
Bridging loans	19	6.53	(1,680)	(2,322)	-	-	-	(4,002)
Revolving credits	19	6.53	(12,877)	(3,000)	(5,083)	-	-	(20,960)
Term loans	19	6.94	(8,893)	(16,684)	(45,107)	-	-	(70,684)

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial risk management objective and policies (cont'd)

(ii) Interest rate risk (cont'd)

Company 2010	Note	WAEAIR %	Within 1 year RM'000	1 - 2 years RM'000	2 -3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	Total RM'000
Fixed rate instruments								
Amounts owing from subsidiaries	14	**7.10**	**85,699**	**-**	**-**	**-**	**-**	**85,699**
Deposits with licensed banks	16	**2.50**	**88**	**-**	**-**	**-**	**-**	**88**
Finance lease creditors	22	**3.14**	**(78)**	**(82)**	**(86)**	**(91)**	**(31)**	**(368)**
Floating rate instruments								
Bank overdrafts	19	**7.72**	**(8,537)**	**-**	**-**	**-**	**-**	**(8,537)**
Revolving credits	19	**6.51**	**(12,959)**	**(2,000)**	**(167)**	**-**	**-**	**(15,126)**
Term loans	19	**7.06**	**(6,450)**	**(3,450)**	**(13,200)**	**(46,800)**	**-**	**(69,900)**
2009								
Fixed rate instruments								
Amounts owing from subsidiaries	14	6.94	75,179	-	-	-	-	75,179
Deposits with licensed banks	16	3.50	85	-	-	-	-	85
Floating rate instruments								
Bank overdrafts	19	7.20	(3,617)	-	-	-	-	(3,617)
Bridging loans	19	6.62	(1,680)	(1,200)	-	-	-	(2,880)
Revolving credits	19	6.53	(12,877)	(3,000)	(4,917)	(166)	-	(20,960)
Term loans	19	6.94	(7,824)	(14,200)	(17,500)	(20,250)	(2,650)	(62,424)

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2010 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(a) Financial risk management objective and policies (cont'd)

(iii) Liquidity and cash flow risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash and available banking facilities to meet its working capital requirements. In addition, the Group strives to maintain bank borrowings at a reasonable level to its overall debt position.

(b) The carrying amounts of the financial instruments of the Group and of the Company as at the balance sheet date approximate their fair values due to the relatively short term maturity of the financial instruments except as set out below:

	Group		Company	
	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000
At 30 November 2010				
Recognised				
Finance lease creditors	**1,539**	**1,515**	**290**	**288**
Revolving credits	**2,167**	**2,159**	**2,167**	**2,159**
Term loans	**69,436**	**68,844**	**63,450**	**62,987**
Unrecognised				
Put option (Note 28)	**-**	**162**	**-**	**-**
At 30 November 2009				
Recognised				
Bridging loans	2,322	2,170	1,200	1,124
Finance lease creditors	47	44	-	-
Revolving credits	8,083	7,700	8,083	7,700
Term loans	61,791	57,399	54,600	50,794
Unrecognised				
Put option (Note 28)	-	196	-	-

The fair value of bridging loans, finance lease creditors, revolving credits and term loans had been determined using discounted cash flows technique. The discount rate used is based on market related rate for similar instruments at the balance sheets date.

The fair value of put option had been determined using Black-Scholes option pricing model.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2010 (cont'd)

40. COMPARATIVE FIGURES

The following comparative figures have been restated to conform with the current year's presentation:

	As previously reported RM'000	Reclassification RM'000	Restated RM'000
INCOME STATEMENTS			
Group			
Marketing and promotion expenses	-	1,186	1,186
Administrative expenses	10,142	(1,186)	8,956
Company			
Marketing and promotion expenses	-	14	14
Administrative expenses	2,333	(14)	2,319
CASH FLOW STATEMENTS			
Group			
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest income	(11)	(230)	(241)
Trade and other receivables	(14,628)	230	(14,398)
Cash and cash equivalents at beginning of financial year	5,052	(344)	4,708
Cash and cash equivalents at end of financial year	(215)	(344)	(559)
Company			
Cash and cash equivalents at beginning of financial year	(3,218)	(85)	(3,303)
Cash and cash equivalents at end of financial year	(3,519)	(85)	(3,604)

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PROXY FORM

countryview Berhad (78320-K)

I/We (full name in block letters)..
of (address)...
being a member/members of Country View Berhad, hereby appoint (full name)..
of (address)...
or failing him (full name)...
of (address)...
as my/our proxy to vote for me/us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held at Hibiscus Room, Thistle Johor Bahru, Jalan Sungai Chat, 80100 Johor Bahru, Johor, Malaysia on Thursday, 28th April 2011 at 10.00 am, and at every adjournment thereof, to vote as indicated below in respect of the following Resolutions:

		FOR	AGAINST
Ordinary Resolution 1	Receive the Audited Financial Statements and Reports		
Ordinary Resolution 2	Approval of Directors' Fees		
Ordinary Resolution 3	Re-election of Mr. Law Kit Tat		
Ordinary Resolution 4	Re-election of Mr. Choong Shiau Yoon		
Ordinary Resolution 5	Re-appointment of Auditors		

(Please indicate with an "X" in the space provided above on how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain from voting at his discretion)

Dated this...................... day of.................... 2011

No. of Shares held :	

Signature of Member(s)

Notes:

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote in his stead. A proxy may but need not be a member of the Company and the provisions of Section 149(1)(b) of the Companies Act, 1965 shall not apply to the Company.

2. Where a member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his holdings to be represented by each proxy.

3. Where a member is an authorised nominee as defined under The Securities Industry (Central Depositories) Act, 1991, it may appoint at least one proxy in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.

4. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised.

5. To be valid, the form of proxy must be deposited at the Registered Office of the Company, Suite 5.11 & 5.12, 5th Floor Menara TJB, 9 Jalan Syed Mohd. Mufti, 80000 Johor Bahru, Johor not less than forty-eight (48) hours before the time for holding the Meeting or any adjournment thereof.

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STAMP

The Company Secretary
COUNTRY VIEW BERHAD (78320-K)
Suite 5.11 & 5.12
5th Floor Menara TJB
9 Jalan Syed Mohd. Mufti
80000 Johor Bahru, Johor

FOLD HERE

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