country view Berhad
(78320-K)

Annual Report 2011

www.countryview.com.my

Our Corporate Vision and Mission

Dear Valued Shareholders,

" On behalf of my colleagues on the Board of Country View Berhad, I am pleased to present the Company's Annual Report and the Financial Statements of the Company and the Group for the financial year ended 30th November 2011. "

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

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.

Annual Report Country View Berhad 2011

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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

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

country view Berhad
(78320-K)

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.)

100%
OWNED
SUBSIDIARIES

NOTICE OF 29TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 29th Annual General Meeting of the Company will be held at Hibiscus Room, Thistle Johor Bahru, Jalan Sungai Chat, 80100 Johor Bahru, Johor, Malaysia on Wednesday, 25 April 2012 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 2011 together with the Reports of the Directors and Auditors thereon. **[Resolution 1]**

2. To approve the payment of a sum totalling RM224,000 as Directors' fees for the financial year ended 30 November 2011 *(RM108,000 for 30 November 2010)* which represents an increase from the previous financial year. **[Resolution 2]**

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

   i. Azhar Bin Azizan @ Harun **[Resolution 3]**
   ii. Law Kee Kong **[Resolution 4]**
   iii. Wong Chee Sean @ Wong Sean **[Resolution 5]**

4. To re-appoint Messrs BDO as Auditors of the Company for the year ending 30 November 2012 and to authorise the Directors to fix their remuneration. **[Resolution 6]**

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

30 March 2012

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. Notwithstanding this, a member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of him at the Meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.

2. 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. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

3. 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.

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.

6. In respect of deposited securities, only members whose names appear on the Record of Depositors on 19 April 2012, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

CHAIRMAN'S STATEMENT

PERFORMANCE AND FINANCIAL REVIEW

The financial year ended 30 November 2011 has been an eventful and exciting year for the Group which has seen the strategies and continued perseverance over the past 3 years coming to fruition.

The Group registered a strong turnaround and recorded a profit before tax of RM11.8 million compared to a pre-tax loss of RM8.5 million in the previous financial year.

Profit after tax for the financial year ended 30 November 2011 was RM7.71 million compared to a loss after tax of RM8.20 million registered in the previous financial year.

The Group's revenue of RM96.3 million for the financial year ended 30 November 2011 registered an increase of RM73 million or 313% compared to RM23.3 million recorded in the previous financial year.

The increase in revenue and profit after tax was derived from the percentage of completion recognised and the increase in sales for the residential properties and triple storey shopoffices in Taman Nusa Sentral as well as the bungalow units, Residence at The Peak.

PROPERTY DEVELOPMENT

The year under review saw the Group capitalising on the momentum that had been set in motion during the tail end of the financial year ended 30 November 2010 when the Group launched the 1st phase of its development of Taman Nusa Sentral in Bandar Nusajaya.

The Group's focus and close attention to timing of launches, pricing and design concepts to ensure maximum impact and success proved justified. The excitement and euphoria emanating from the promotion and development of various catalytic projects in Iskandar Malaysia including Legoland Theme Park, EduCity, Southern Integrated Logistic Cluster (SILC), Columbia-Asia Private Hospital, the Johor Government's New Administrative Centre (Kota Iskandar), the new Coastal Highway linking Johor Bahru City to Nusajaya, etc, were contributing factors adding to the vibrancy and demand for the Group's properties in Taman Nusa Sentral.

Following the successful launch of Phase 1 of Taman Nusa Sentral in October 2010 which comprised of 312 units of double storey terrace houses, the Group launched two further phases of its residential component during the financial year.

Phase 2 comprised of 271 units of double storey terrace houses and was launched in June 2011 whilst Phase 3 comprised of 173 units of double storey terrace houses, was launched in November 2011.

The Group also launched Phase 1 and 2 of the commercial component of Taman Nusa Sentral comprised of 116 units of Triple Storey Shopoffice (TSSO) under Phase 1 and 98 units of TSSO under Phase 2.

All of the launches in Taman Nusa Sentral, Bandar Nusajaya, were well received and have registered strong sales.

The Group's up-market bungalow development, Residence At The Peak by Country View Greens Sdn. Bhd., a wholly owned subsidiary continued to record encouraging response.

CHAIRMAN'S STATEMENT (Cont'd)

PROSPECTS

The expected completion and opening of more catalytic projects in Iskandar Malaysia, better infrastructure and accessibility and the spill-over effects of better relationships with our neighbours, Singapore all augur well for the Group.

Given the strong demand and impressive sales recorded for the Group's properties, going forward and barring unforeseen circumstances, the Group is confident that the revenue and earnings from its projects at Taman Nusa Sentral and Residence At The Peak will continue to drive the Group's performance for the financial year ending 30 November 2012.

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 Securities 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.

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 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
56 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, United Kingdom from which he was also conferred an Honorary Doctorate Degree – Doctor of Science. He is also a Corporate Member of Institute of Engineers (IEM), Malaysia and a professional engineer (PE).

He has served Perbadanan Kemajuan Negeri Perak (PKNP) as a Project Engineer in 1979 and was later appointed as Executive Director of Maju Bangun Sdn Bhd, a subsidiary of PKNP.

He currently holds various positions in a few listed and non-listed companies, namely as Executive Chairman of Nylex (M) Berhad and Redberry Sdn Bhd; as Chairman of Nexbis Limited (Listed on Australian Stock Exchange), as Director of Ancom Berhad and MCIS Zurich Insurance Bhd.

He was appointed Chairman of SME Corporate Malaysia (formerly known as Small and Medium Industries Development Corporation), an important government agency in the development and enhancement of small and medium enterprises in Malaysia under the Ministry of International Trade and Industry since October 2006.

Datuk Ir (Dr) Mohamed Al Amin has been appointed by the Prime Minister as Council Member of National Information Technology Council (NITC), an organisation that strategically manages ICT in the interest of the nation in Oct 2010.

He attended all the five board meetings held during the financial year ended 30 November 2011. 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
51 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 25 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 in the board of several other private limited companies.

He attended all the five board meetings held during the financial year ended 30 November 2011. 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
42 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 18 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 2011. 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
54 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 in the board of several other private limited companies.

She attended all the five board meetings held during the financial year ended 30 November 2011. 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
49 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 all the five board meetings held during the financial year ended 30 November 2011. 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
54 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 Chartered Tax Institute of Malaysia ("CTIM"). 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. 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 2011. 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
49 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 Master 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 Non-Independent Non-Executive Director and Chairman of the Board of Destini Berhad (formerly known as Satang Holdings Berhad), a public company listed on the Main Market of Bursa Malaysia Securities Berhad.

He attended all the five board meetings held during the financial year ended 30 November 2011. 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 2011.

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 2011, 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) National Tax Conference 2011 held on 19 & 20 July 2011, organised by Lembaga Hasil Dalam Negeri, Malaysia and Chartered Tax Institute of Malaysia.

b) 2012 Budget Seminar held on 20 October 2011, organised by Association of Chartered Certified Accountants.

Subsequent to the financial year end, all directors attended an in-house half day seminar titled 2012 Amendments to Listing Requirements & Corporate Governance Blueprint conducted by Epsilon Advisory Services Sdn. Bhd. on 12 January 2012.

CORPORATE GOVERNANCE STATEMENT (Cont'd)

There were 5 Board Meetings held during the financial year ended 30 November 2011. 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	5/5	100
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	5/5	100
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 closed 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	755,000	-	-	82,000	837,000
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	2	0
RM150,001-RM200,000	0	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 22 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 2011, the amount of fees paid in respect of the internal audit services provided was RM 54,000.

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 in page 18 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, its directors and management by the relevent regulatory authorities during the financial year other than as disclosed as follows:-

   a. On 19 December 2011, Country View Resources Sdn Bhd, a wholly owned subsidiary, was penalised by Majlis Perbandaran Johor Bahru Tengah for the sum of RM4,582.60 for failure to obtain temporary permit before the commencement of the project's showhouses in Taman Nusa Sentral and RM18,721.50 for failure to obtain temporary permit before erecting the proper signage, hoarding board, site office and workers cabin, store, showers and toilets for the construction site in Taman Nusa Sentral.

   b. Encik Azhar Bin Azizan @ Harun an Independent Non-Executive Director was publicly reprimanded and fined a sum of RM30,000 on 30 June 2011 by Bursa Malaysia Securities Berhad for breach of paragraph 15.09(1) and 16.13(h) of the Main Market Listing Requirements while acting in his capacity as a Non-Independent Non-Executive Director of Destini Berhad (formerly known as Satang Holdings Berhad).

      On 10 February 2012, Bursa Malaysia Securities Berhad publicly reprimanded Destini Berhad (formerly known as Satang Holdings Berhad) for breach of paragraph 9.16(1)(a) of the Main Market Listing Requirements of which Encik Azhar Bin Azizan @ Harun is a Non-Independent Non-Executive Director.

6. **Non-audit fees**

   There were no non-audit fees paid to Messrs BDO by the Company and its subsidiaries during the financial year ended 30 November 2011.

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.

ADDITIONAL COMPLIANCE INFORMATION (Cont'd)

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. **Employee Share Scheme**

    The were no employee share schemes implemented or in operation during the financial year.

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 held 5 meetings during the financial year ended 30 November 2011 (i.e. 26 January 2011; 8 March 2011, 27 April 2011, 25 July 2011 and 24 October 2011), which were attended by all the members.

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 Related Party Transactions.
10. Met with the External Auditors without the presence of Executive Board members and management on two occasions.

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, 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

Pursuant to paragraph 15.26 (b) of Bursa Malaysia's Listing Requirements for the Main Market and as guided by the Bursa Malaysia's Statement on Internal Control: Guidance for Directors of Public Listed Companies ('the Guidance"), the Board of Directors ("the Board") of Country View Berhad is pleased to include a statement on the state of the Group's internal control for the financial year ended 30 November 2011.

Board Responsibility

The Board acknowledges its overall responsibility for the Group's system of internal control and risk management, which includes the establishment of an appropriate control environment and framework, and the review of its integrity, effectiveness and adequacy with the view to ensure that the Group's assets and shareholders' interests are safeguarded.

Due to the inherent limitations in any system of internal control, such system put in place by Management can only manage rather than eliminate all risks that may impede the achievement of the Group's business objectives or goals. Therefore, such system of internal control can only provide reasonable and not absolute assurance against material misstatement or loss.

Risk Management Framework

The Board acknowledges that it is essential to maintain effective risk management system. The Risk Management Working Committee ("RMWC") comprising key management staff and Heads of Department convened periodic management meetings during the financial year to review the risks faced by the Group and to ensure that the existing mitigation actions are adequate.

During the year, the RMWC reviewed the existence of new risks and 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 their occurrence and the impact on the Group's business/ goals. Based on the risk profile, resources are being allocated to mitigate the significant risks identified.

The abovementioned risk management practices of the Group serves as the on-going process used to identify, evaluate and manage significant risks.

Key Internal Control Processes

1. Internal Audit

   The Group's Internal Audit function, which is outsourced to a professional services firm, is an integral part of the assurance mechanism in ensuring that the Group system of internal control are adequate and effective. The internal audit function reports directly to the Audit Committee.

   A risk based internal audit plan is tabled to the Audit Committee for review and approval on an annual basis and the internal audit function executes the audits based on the approved plan. The results of the audit reviews are periodically reported to the Audit Committee. Although a number internal control weaknesses were identified, none of the weaknesses have resulted in any material losses that would require separate disclosure in this annual report.

STATEMENT ON INTERNAL CONTROL (Cont'd)

Key Internal Control Processes (Cont'd)

2. Reporting and Review

   The Group maintains formal and structured lines of reporting and responsibilities within the Group. A reporting hierarchy has been established for review and approval process within the Group.

   Information is provided to the Senior Management and the Board via monthly and quarterly management reports respectively. This is to ensure that matters that require the Board and Senior Management's attention are highlighted for review, deliberation and decision on a timely basis.

   Ad-hoc and scheduled meetings are held at operational and management levels to identify operational issues discuss and review the business plans, budgets, financial and operational performances of the Group. The quarterly financial statements containing key financial results and comparisons are tabled to the Board for their review.

3. Audit Committee

   The Audit Committee reviews the internal audit report, quarterly financial reports and annual financial statements to examine the adequacy and effectiveness of the Group's internal control system. Discussions with the Board were held to deliberate on necessary action and mandate changes where necessary.

4. Management Structure

   The daily running of the business is entrusted to the Executive Director and his Management team. Under the purview of the Executive Director, the heads of each operating subsidiary and department of the Group are empowered with the responsibility of managing their respective operations.

5. Internal Policies and Procedures

   Policy and Procedures, handbook, guidelines and authority limits are established for Executive Directors and Management within the Group in respect of day-to-day operations.

6. External Audit

   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 financial year ended 30 November 2011, 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 reviewing the adequacy and integrity of the internal control system of the Group.

Conclusion

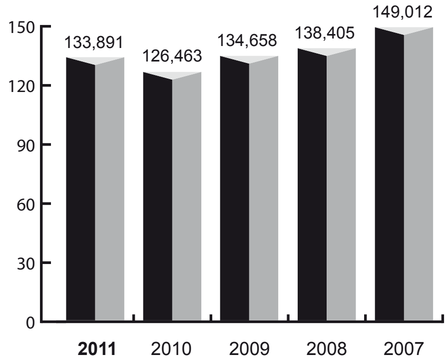
The Board recognises the necessity to continuously improve the system of internal control and risk management practices to safeguard shareholders' investments and the Group's assets. Therefore, the Group will continuously evolve to meet the changing and challenging business environment and put in place appropriate action plans to further enhance the system of internal control if necessary.

FIVE YEARS FINANCIAL HIGHLIGHTS

	2011	2010	2009	2008	2007
Paid-up capital (RM'000)	100,000	100,000	100,000	100,000	100,000
Shareholders' funds (RM'000)	133,891	126,463	134,658	138,405	149,012
NTA (RM'000)	133,891	126,463	134,658	138,405	149,012
NTA per share (sen)	134	126	135	138	149
Revenue (RM'000)	96,297	23,258	51,496	24,721	62,198
Profit/(loss) before taxation (RM'000)	11,763	(8,545)	(1,051)	(11,060)	5,736
Profit/(loss) after taxation (RM'000)	7,708	(8,195)	(3,747)	(10,607)	5,381
Earnings per share (sen)	7.71	(8.20)	(3.75)	(10.61)	5.38
Pretax profit/(loss) margin (%)	12.22	(36.74)	(2.04)	(44.74)	9.22
Current ratio	2.49	3.23	1.47	2.26	2.11
Return on capital employed (%)	8.79	(6.76)	(0.78)	(7.99)	3.85
Total borrowings (RM'000)	119,698	104,769	99,467	106,226	108,998
Gearing (times)	0.89	0.83	0.74	0.77	0.73

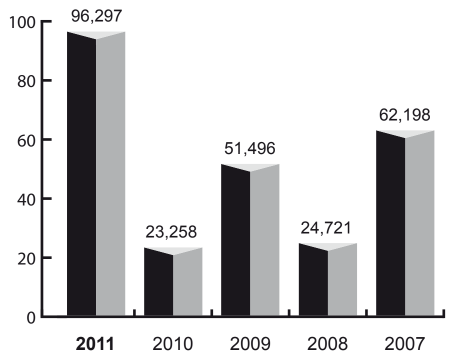
SHAREHOLDERS' FUNDS

RM'000



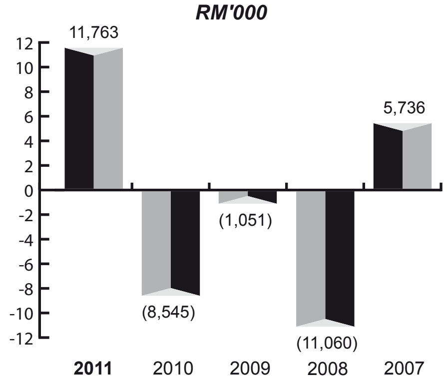
REVENUE

RM'000



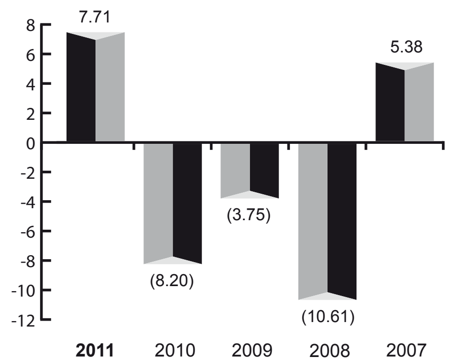
PROFIT/(LOSS) BEFORE TAXATION

RM'000



EARNINGS PER SHARE

sen



ANALYSIS OF SHAREHOLDINGS

Share Capital as at 29 February 2012

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 29 February 2012

No. of Holders	Size of the Shareholdings	Total Holdings	%
3	Less than 100	101	0.0001
716	100 to 1,000	598,099	0.5881
168	1,001 to 10,000	666,500	0.6665
39	10,001 to 100,000	1,133,500	1.1335
38	100,001 to less than 5% of issued shares	51,496,814	51.4968
6	5% and above of issued shares	46,104,986	46.1050
970	**Total**	**100,000,000**	**100**

List of Thirty Largest Shareholders as at 29 February 2012
(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.	Lau Eng @ Lam Eng	1,980,000	1.9800
17.	Chan Teng Hon	1,942,634	1.9426
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 29 February 2012 (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.	ALLIANCEGROUP Nominees (Tempatan) Sdn. Bhd. pledged securities account for Law Kit Tat	1,500,000	1.5000
23.	ALLIANCEGROUP Nominees (Tempatan) Sdn. Bhd. pledged securities account for Chan Teng Hon	1,466,666	1.4667
24.	OSK Nominees (Asing) Sdn Berhad pledged securities account for Khiu Kuet-Vin	1,419,300	1.4193
25.	Lai Boo Luck	1,340,000	1.3400
26.	Khiu Kuet-Vin	1,324,000	1.3240
27.	How Keng Chee	1,211,900	1.2119
28.	Syarikat Ajaib Jaya Sdn. Bhd.	1,189,000	1.1890
29.	Sadiah Binti Suleiman	1,030,000	1.0300
30.	Mohamed Al Amin Bin Abdul Majid	950,000	0.9500

Substantial Shareholders (Excluding Bare Trustees) as at 29 February 2012
(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	1,030,000	1.03	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 29 February 2012
(As per the Register of Directors' Shareholdings)

No.	Name of Shareholders	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 2011

Location	Tenure	Land area	Usage	Net book value as at 30 November 2011 (RM'000)	Year of acquisition
Taman Universiti, Skudai, Johor HS(D) 354264 PTD 43856, Mukim of Pulai, Daerah Johor Bahru, Johor Darul Takzim	Freehold	1.72 acres	On-going mixed development project	1,247	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	54,189	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	26,688	2000
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	58,234 sq. ft.	On-going residential bungalow development land	10,610	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	148,056	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 2011, 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.


HNU 9249

Directors' Report And Audited Financial Statements For The Year Ended 30 November 2011

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 30 November 2011.

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
Profit for the financial year	7,708	112

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 payment of dividend 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 of its related corporations during the financial year ended 30 November 2011 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 1.12.2010	**Bought**	**Sold**	**Balance as at 30.11.2011**
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 interests 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 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 statements of comprehensive income and statements of financial position 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 provision for doubtful debts and have satisfied themselves that all known bad debts had been written off and that provision need not be made for doubtful debts; and

(ii) to ensure that any current assets other than debts, 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 render the amounts written off for bad debts inadequate to any material extent or necessitate the making of provision for doubtful debts in the financial statements of the Group and of the Company; 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 (12) 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.

EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

Event subsequent to the end of reporting period is disclosed in Note 41 to the financial statements.

DIRECTORS' REPORT (Cont'd)

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
1 March 2012

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 39 to 122 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 financial position of the Group and of the Company as at 30 November 2011 and of the financial performance and 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
1 March 2012

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 39 to 122 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)
1 March 2012) **Ong Seng Piow**

Before me:

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

Commissioner for Oaths

BDO

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15 Jalan Dato' Abdullah Tahir
80300 Johor Bahru
Johor Darul Ta'zim
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 statements of financial position as at 30 November 2011 of the Group and of the Company, and the statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 39 to 121.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements that give a true and fair view in accordance with applicable approved Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia, and for such internal control as the Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on 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 of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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 financial position of the Group and of the Company as of 30 November 2011 and of the financial performance and 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.

Other Reporting Responsibilities

The information set out in Note 43 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

Law Kian Huat
2855/06/12 (J)
Chartered Accountant

Johor Bahru
1 March 2012

STATEMENTS OF FINANCIAL POSITION AS AT 30 NOVEMBER 2011

	Note	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	7	**1,709**	2,220	**321**	425
Land held for property development	8	**80,877**	80,840	**-**	-
Investments in subsidiaries	9	**-**	-	**12,650**	12,650
Investment in associate	10	**-**	-	**-**	-
Deferred tax assets	11	**2,381**	3,900	**-**	-
		84,967	86,960	**12,971**	13,075
Current assets					
Property development costs	12	**158,501**	139,358	**-**	-
Inventories	13	**7,049**	9,720	**1,554**	2,099
Trade and other receivables	14	**42,611**	11,711	**223,092**	209,634
Current tax assets		**485**	405	**208**	57
Cash and cash equivalents	16	**7,975**	1,891	**7**	93
		216,621	163,085	**224,861**	211,883
TOTAL ASSETS		**301,588**	250,045	**237,832**	224,958
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	17	**100,000**	100,000	**100,000**	100,000
Reserves	18	**33,891**	26,463	**24,675**	24,563
TOTAL EQUITY		**133,891**	126,463	**124,675**	124,563
LIABILITIES					
Non-current liabilities					
Borrowings	19	**80,654**	73,142	**76,144**	65,907
Current liabilities					
Trade and other payables	25	**46,527**	18,802	**4,314**	6,464
Provision for liabilities	26	**270**	11	**-**	-
Borrowings	19	**39,044**	31,627	**32,699**	28,024
Current tax liabilities		**1,202**	-	**-**	-
		87,043	50,440	**37,013**	34,488
TOTAL LIABILITIES		**167,697**	123,582	**113,157**	100,395
TOTAL EQUITY AND LIABILITIES		**301,588**	250,045	**237,832**	224,958

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

STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2011

	Note	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
Revenue	29	**96,297**	23,258	**1,746**	2,182
Cost of sales	30	**(68,002)**	(17,710)	**(545)**	(1,257)
Gross profit		**28,295**	5,548	**1,201**	925
Other income		**741**	728	**1,341**	149
Marketing and promotion expenses		**(4,397)**	(2,113)	**(22)**	(73)
Administrative expenses		**(10,932)**	(10,564)	**(1,660)**	(2,519)
Finance costs	31	**(1,944)**	(2,144)	**(599)**	(787)
Profit/(Loss) before tax	32	**11,763**	(8,545)	**261**	(2,305)
Taxation	33	**(4,055)**	350	**(149)**	(330)
Profit/(Loss) for the financial year		**7,708**	(8,195)	**112**	(2,635)
Other comprehensive income		**-**	-	**-**	-
Total comprehensive income/(loss) for the year		**7,708**	(8,195)	**112**	(2,635)
Profit/(Loss) attributable to: Owners of the parent		**7,708**	(8,195)	**112**	(2,635)
Total comprehensive income/(loss) attributable to: Owners of the parent		**7,708**	(8,195)	**112**	(2,635)
Basic earnings/(loss) per ordinary share attributable to owners of the parent (sen)	34	**7.71**	(8.20)		

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

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2011

	Note	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total equity RM'000
Group					
Balance as at 1 December 2009		100,000	124	34,534	134,658
Total comprehensive loss		-	-	(8,195)	(8,195)
Balance as at 30 November 2010		100,000	124	26,339	126,463
Balance as at 30 November 2010		**100,000**	**124**	**26,339**	**126,463**
Effects of adopting FRS 139	**42**	**-**	**-**	**(280)**	**(280)**
Restated balance at 1 December 2010		**100,000**	**124**	**26,059**	**126,183**
Total comprehensive income		**-**	**-**	**7,708**	**7,708**
Balance as at 30 November 2011		**100,000**	**124**	**33,767**	**133,891**
Company					
Balance as at 1 December 2009		100,000	124	27,074	127,198
Total comprehensive loss		-	-	(2,635)	(2,635)
Balance as at 30 November 2010		100,000	124	24,439	124,563
Balance as at 1 December 2010		**100,000**	**124**	**24,439**	**124,563**
Total comprehensive income		**-**	**-**	**112**	**112**
Balance as at 30 November 2011		**100,000**	**124**	**24,551**	**124,675**

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

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 NOVEMBER 2011

	Note	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit/(Loss) before tax		**11,763**	(8,545)	**261**	(2,305)
Adjustments for :					
Bad debt recovered		**(1)**	-	**-**	-
Bad debts written off	**14**	**118**	-	**118**	-
Depreciation of property, plant and equipment	**7**	**533**	523	**104**	80
Dividend income	**29**	**-**	-	**(1,200)**	-
Gain on disposal of property, plant and equipment		**-**	(385)	**-**	(85)
Interest income		**(167)**	(121)	**(1)**	(4)
Interest expense	**31**	**1,944**	2,144	**599**	787
Operating profit/(loss) before changes in working capital		**14,190**	(6,384)	**(119)**	(1,527)
Changes in working capital:					
Property development costs		**(19,180)**	(10,615)	**-**	-
Inventories		**2,670**	2,603	**545**	2,178
Trade and other receivables		**(30,825)**	13,880	**170**	158
Trade and other payables		**27,706**	(1,239)	**(1,007)**	(358)
Cash (used in)/generated from operations		**(5,439)**	(1,755)	**(411)**	451
Tax paid		**(1,597)**	(849)	**-**	(330)
Tax refunded		**183**	20	**-**	-
Net cash (used in)/ from operating activities		**(6,853)**	(2,584)	**(411)**	121
CASH FLOWS FROM INVESTING ACTIVITIES					
Dividend received from subsidiary		**-**	-	**900**	-
Interest received		**20**	23	**1**	1
Placement of deposits		**(8)**	(20)	**-**	-
Proceeds from disposal of property, plant and equipment		**-**	385	**-**	85
Proceeds from maturity of fixed deposit		**88**	-	**88**	-
Purchase of property, plant and equipment	**7(a)**	**(22)**	(334)	**-**	(73)
Net cash from investing activities		**78**	54	**989**	13
CASH FLOWS FROM FINANCING ACTIVITIES					
Drawdown of borrowings		**34,385**	11,180	**31,343**	9,900
Interest paid		**(1,944)**	(2,144)	**(599)**	(787)
Advances to subsidiaries		**-**	-	**(13,746)**	(3,342)
(Repayment to)/Advances from subsidiaries		**-**	-	**(1,142)**	356
Repayment of borrowings		**(19,194)**	(12,575)	**(16,531)**	(11,139)
Repayment of finance lease creditors		**(441)**	(391)	**(78)**	(50)
Net cash from/(used in) financing activities		**12,806**	(3,930)	**(753)**	(5,062)
Net increase/(decrease) in cash and cash equivalents		**6,031**	(6,460)	**(175)**	(4,928)
Cash and cash equivalents at beginning of financial year		**(7,019)**	(559)	**(8,532)**	(3,604)
Cash and cash equivalents at end of financial year	**16(e)**	**(988)**	(7,019)	**(8,707)**	(8,532)

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

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011

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 1 March 2012.

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 set out on pages 39 to 121 have been prepared in accordance with applicable approved Financial Reporting Standards ("FRSs") and the provisions of the Companies Act, 1965 in Malaysia. However, Note 43 to the financial statements set out on page 122 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.

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 judgment in the process of applying the accounting policies. The areas involving such judgments, 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. Subsidiaries are entities (including special purposes entities) over which the Company has the power to govern the financial operating policies, generally accompanied by a shareholding giving rise to the majority of the voting rights, as to obtain benefits from their activities.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.2 Basis of consolidation (cont'd)

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intragroup balances, transactions, income and expenses are eliminated on consolidation. Unrealised gains arising from transactions with associates and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

The financial statements of the subsidiaries are prepared for the same reporting period as that of the Company, using consistent accounting policies. Where necessary, accounting policies of subsidiaries are changed to ensure consistency with the policies adopted by the other entities in the Group.

Non-controlling interests represents the equity in subsidiaries that are not attributable, directly or indirectly, to owners of the Company, and is presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Non-controlling interests in the acquiree may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an combination-by-combination basis. Subsequent to initial recognition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

The Group has applied the revised FRS 3 *Business Combinations* in accounting for business combinations from 1 July 2010 onwards. The change in accounting policy has been applied prospectively in accordance with the transitional provisions provided by the Standard.

Changes in the Company owners' ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of consideration paid or received is recognised directly in equity and attributed to owners of the parent.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between:

(i) the aggregate of the fair value of the consideration received and the fair value of any retained interest; and

(ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.2 Basis of consolidation (cont'd)

Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under FRS 139 *Financial Instruments: Recognition and Measurement* or, where applicable, the cost on initial recognition of an investment in associate or jointly controlled entity.

4.3 Business combinations

Business combinations from 1 July 2010 onwards

Business combinations are accounted for by applying the acquisition method of accounting.

Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured at their fair value at the acquisition date, except that:

(a) deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with FRS 112 *Income Taxes* and FRS 119 *Employee Benefits* respectively;

(b) liabilities or equity instruments related to the replacements by the Group of an acquiree's share-based payment awards are measured in accordance with FRS 2 Share-based Payment; and

(c) assets (or disposal groups) that are classified as held for sale in accordance with FRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

In a business combination achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statement of financial position. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in profit or loss on the acquisition date.

Business combinations before 1 July 2010

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 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.3 Business combinations (cont'd)

Business combinations before 1 July 2010 (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.

When 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.

4.4 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost. Cost includes expenditures that are 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 the profit and 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.

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

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

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

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

At the end of each reporting period, 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 4.9 to the financial statements on impairment of non-financial assets).

The residual values, useful life and depreciation method are reviewed at the end of each reporting period 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 profit or loss and the revaluation surplus related to those assets, if any, is transferred directly to retained earnings.

4.5 Leases and hire purchase

(a) Finance leases and hire purchase

Assets acquired under finance leases and hire purchase which transfer substantially all the risks 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 give 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.

Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.6 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.

4.7 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.

4.8 Investments

(a) Subsidiaries

A subsidiary is an entity in which the Group and the Company have 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 and the Company have such power over another entity.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.8 Investments (cont'd)

(a) Subsidiaries (cont'd)

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. Investments accounted for at cost shall be accounted for in accordance with FRS 5 *Non-current Assets Held for Sale and Discontinued Operations* when they are classified as held for sale in accordance with FRS 5.

When control of a subsidiary is lost as a result of a transaction, event or other circumstance, the Group would derecognise all assets, liabilities and non-controlling interests at their carrying amount and to recognise the fair value of the consideration received. Any retained interest in the former subsidiary is recognised at its fair value at the date control is lost. The resulting difference is recognised as a gain or loss in profit or loss.

(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.

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 profit or loss. 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.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.8 Investments (cont'd)

(b) Associate (cont'd)

The most recent available financial statements of the associate are used by the Group in applying the equity method. When the end of the reporting periods 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 end of the reporting periods is no more than three (3) months. Adjustments are made for the effects of any significant transactions or events that occur between the intervening periods.

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

4.9 Impairment of non-financial assets

The carrying amounts of assets, except for financial assets (excluding investments in subsidiaries and associate), inventories, assets arising from construction contracts, property development costs and deferred tax assets, are reviewed at the end of each reporting period 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 the statement of comprehensive income when the carrying amount of the asset or the CGU, including the goodwill, exceeds the recoverable amount of the asset or the CGU. The total impairment loss is allocated, first, to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on a pro-rata basis of the carrying amount of each asset in the CGU.

The impairment loss is recognised in profit or loss immediately except for the impairment on a revalued asset where the impairment loss is recognised directly against the revaluation reserve account to the extent of the surplus credited from the previous revaluation for the same asset with the excess of the impairment loss charged to profit or loss.

An impairment loss for other assets 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.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.9 Impairment of non-financial assets (cont'd)

Such reversals are recognised as income immediately in profit or loss except for the reversal of an impairment loss on a revalued asset where the reversal of the impairment loss is treated as a revaluation increase and credited to the revaluation reserve accounts of the same asset. However, to the extent that an impairment loss on the same revalued asset was previously recognised in profit or loss, a reversal of that impairment loss is also recognised in profit or loss.

4.10 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.

4.11 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 on 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.

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.

Financial instruments are recognised on the statement of financial position when the Group has become a party to the contractual provisions of the instrument. At initial recognition, a financial instrument is recognised at fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issuance of the financial instrument.

An embedded derivative is separated from the host contract and accounted for as a derivative if, and only if the economic characteristics and risks of the embedded derivative is not closely related to the economic characteristics and risks of the host contract, a separate instrument with the same terms as the embedded derivative meets the definition of a derivative, and the hybrid instrument is not measured at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.11 Financial instruments (cont'd)

(a) Financial assets

A financial asset is classified into the following four categories after initial recognition for the purpose of subsequent measurement:

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise financial assets that are held for trading (i.e. financial assets acquired principally for the purpose of resale in the near term), derivatives (both, freestanding and embedded) and financial assets that were specifically designated into this classification upon initial recognition.

Subsequent to initial recognition, financial assets classified as at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in the fair value of financial assets classified as at fair value through profit or loss are recognised in profit or loss. Net gains or losses on financial assets classified as at fair value through profit or loss exclude foreign exchange gains and losses, interest and dividend income. Such income is recognised separately in profit or loss as components of other income or other operating losses.

However, derivatives that is linked to and must be settled by delivery of unquoted equity instruments that do not have a quoted market price in an active market are recognised at cost.

(ii) Held-to-maturity investments

Financial assets classified as held-to-maturity comprise non-derivative financial assets with fixed or determinable payments and fixed maturity that the Group has the positive intention and ability to hold to maturity.

Subsequent to initial recognition, financial assets classified as held-to-maturity are measured at amortised cost using the effective interest method. Gains or losses on financial assets classified as held-to-maturity are recognised in profit or loss when the financial assets are derecognised or impaired, and through the amortisation process.

(iii) Loans and receivables

Financial assets classified as loans and receivables comprise non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Subsequent to initial recognition, financial assets classified as loans and receivables are measured at amortised cost using the effective interest method. Gains or losses on financial assets classified as loans and receivables are recognised in profit or loss when the financial assets are derecognised or impaired, and through the amortisation process.

(iv) Available-for-sale financial assets

Financial assets classified as available-for-sale comprise non-derivative financial assets that are designated as available for sale or are not classified as loans and receivables, held-to-maturity investments or financial assets at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.11 Financial instruments (cont'd)

(a) Financial assets (cont'd)

(iv) Available-for-sale financial assets (cont'd)

Subsequent to initial recognition, financial assets classified as available-for-sale are measured at fair value. Any gains or losses arising from changes in the fair value of financial assets classified as available-for-sale are recognised directly in other comprehensive income, except for impairment losses and foreign exchange gains and losses, until the financial asset is derecognised, at which time the cumulative gains or losses previously recognised in other comprehensive income are recognised in profit or loss. However, interest calculated using the effective interest method is recognised in profit or loss whilst dividends on available-for-sale equity instruments are recognised in profit or loss when the Group's right to receive payment is established.

Cash and cash equivalents include cash and bank balances, bank overdrafts, deposits and other short term, highly liquid investments with original maturities of three (3) months or less, which are readily convertible to cash and are subject to insignificant risk of changes in value.

A financial asset is derecognised when the contractual right to receive cash flows from the financial asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised directly in other comprehensive income shall be recognised in profit or loss.

A regular way purchase or sale is a purchase or sale of a financial asset under a contract whose terms require delivery of the asset within the time frame established generally by regulation or marketplace convention.

(b) Financial liabilities

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. A financial liability is classified into the following two categories after initial recognition for the purpose of subsequent measurement:

(i) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss comprise financial liabilities that are held for trading, derivatives (both, freestanding and embedded) and financial liabilities that were specifically designated into this classification upon initial recognition.

Subsequent to initial recognition, financial liabilities classified as at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in the fair value of financial liabilities classified as at fair value through profit or loss are recognised in profit or loss. Net gains or losses on financial liabilities classified as at fair value through profit or loss exclude foreign exchange gains and losses, interest and dividend income. Such income is recognised separately in profit or loss as components of other income or other operating losses.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.11 Financial instruments (cont'd)

(b) Financial liabilities (cont'd)

(ii) Other financial liabilities

Financial liabilities classified as other financial liabilities comprise non-derivative financial liabilities that are neither held for trading nor initially designated as at fair value through profit or loss.

Subsequent to initial recognition, other financial liabilities are measured at amortised cost using the effective interest method. Gains or losses on other financial liabilities are recognised in profit or loss when the financial liabilities are derecognised and through the amortisation process.

A financial liability is derecognised when, and only when, it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expired. An exchange between an existing borrower and lender of debt instruments with substantially different terms are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The difference between the carrying amount of a financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

The Group designates corporate guarantees given to banks for credit facilities granted to subsidiaries as insurance contracts as defined in FRS 4 *Insurance Contracts*. The Group 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 the end of every reporting period, the Group 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 profit or loss.

Recognised insurance liabilities are only removed from the statement of financial position when, and only when, it is extinguished via a discharge, cancellation or expiration.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.11 Financial instruments (cont'd)

(c) Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Group and Company after deducting all of its liabilities. Ordinary shares are classified as 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 profit or loss.

Interim dividends to shareholders are recognised in equity in the period in which they are declared. Final dividends are recognized upon the approval of shareholders in a general meeting.

The Group measures a liability to distribute non-cash assets as a dividend to the owners of the Company at the fair value of the assets to be distributed. The carrying amount of the dividend is remeasured at each reporting date and at the settlement date, with any changes recognised directly in equity as adjustments to the amount of the distribution. On settlement of the transaction, the Group recognises the difference, if any, between the carrying amount of the assets distributed and the carrying amount of the liability in profit or loss.

If the Company reacquires its own equity instruments, the consideration paid, including any attributable transaction costs is deducted from equity as treasury shares until they are cancelled. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Where such shares are issued by resale, the difference between the sales consideration and the carrying amount is shown as a movement in equity.

Following the adoption of FRS 139 during the financial year, the Group reassessed the classification and measurement of financial assets and financial liabilities as at 1 December 2010. Consequently, the Group reclassified and remeasured financial assets and financial liabilities as disclosed in Note 42 to the financial statements.

4.12 Impairment of financial assets

The Group assesses whether there is any objective evidence that a financial asset is impaired at the end of each reporting period.

(a) Loans and receivables

The Group collectively considers factors such as the probability of bankruptcy or significant financial difficulties of the receivable, and default or significant delay in payments to determine whether there is objective evidence that an impairment loss on loans and receivables has occurred. Other objective evidence of impairment include historical collection rates determined on an individual basis and observable changes in national or local economic conditions that are directly correlated with the historical default rates of receivables.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.12 Impairment of financial assets (cont'd)

(a) Loans and receivables (cont'd)

If any such objective evidence exists, the amount of impairment loss is measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

The carrying amount of loans and receivables is reduced through the use of an allowance account.

If in a subsequent period, the amount of the impairment loss decreases and it objectively relates to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of impairment reversed is recognised in profit or loss.

4.13 Employee benefits

4.13.1 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.

4.13.2 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.

4.14 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 the end of each reporting period 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 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.14 Provisions (cont'd)

Provisions are not recognised for future operating losses. If the Group has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

4.15 Income tax

Taxes in the statements of comprehensive income 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 taxes for the current and prior periods are 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 end of the reporting period.

(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 statement of financial position 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 profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of a deferred tax asset is reviewed at the end of each reporting period. If it is no longer probable that sufficient taxable profits 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 profits.

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 either:

(i) the same taxable entity; or

(ii) different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.15 Income tax (cont'd)

(b) Deferred tax (cont'd)

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 tax rates and laws that have been enacted or substantively enacted by the end of reporting period.

4.16 Contingent liabilities and contingent assets

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.

A contingent asset is a possible asset 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. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

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, irrespective of the extent of any non-controlling interest.

4.17 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 Group, 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 is probable will be recoverable and contract cost are recognised as an expense in the period in which they are incurred.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.17 Revenue recognition (cont'd)

(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 end of the reporting period. 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.

When the financial outcome of a development activity cannot be reliably estimated, the property development revenue is recognised only to the extent of property development costs incurred that is probable to be recoverable and the property development costs on the development units sold are recognised as an expense in the period in which they are incurred.

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

(c) Services

Revenue in respect of the rendering of services is recognised when the stage of completion at the end of the reporting period 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.

(f) Dividend income

Dividend income is recognised when the right to receive payment is established.

4.18 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualified asset is capitalised as part of the cost of the asset until when substantially all the activities necessary to prepare the asset for its intended use or sale are complete, after which such expense is charged to profit or loss. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on the borrowing during the period less any investment income on the temporary investment of the borrowing.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.18 Borrowing costs (cont'd)

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

4.19 Operating segments

Operating segments are defined as components of the Group that:

(a) engages in business activities from which it may earn revenues and incur expenses (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 Chief Executive Officer) 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) per cent 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 of the greater, 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.

(c) Its assets are ten (10) per cent 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. Operating segments identified as reportable segments in the current financial year in accordance with the quantitative thresholds would result in a restatement of prior period segment data for comparative purposes.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.20 Earnings per share

(a) Basic

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

(b) Diluted

Diluted earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the financial year adjusted for the effects of dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs

5.1 New FRSs adopted during the current financial year

(a) FRS 4 *Insurance Contracts* and the consequential amendments resulting from FRS 4 are mandatory for annual financial periods beginning on or after 1 January 2010. FRS 4 replaces the existing FRS 202_{2004} *General Insurance Business* and FRS 203_{2004} *Life Insurance Business.*

This Standard applies to all insurance contracts, including reinsurance contracts that an entity issues and to reinsurance contracts that it holds. This Standard prohibits provisions for potential claims under contracts that are not in existence at the end of the reporting period, and requires a test for the adequacy of recognised insurance liabilities and an impairment test for reinsurance assets. This Standard also requires an insurer to keep insurance liabilities in its statement of financial position until they are discharged or cancelled, or expired, and to present insurance liabilities without offsetting them against related reinsurance assets.

Following the adoption of this Standard, the Group designates corporate guarantees given to banks for credit facilities granted to subsidiaries as insurance contracts. The Group 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.

(b) 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.

(c) 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.

There is no impact upon adoption of this Standard during the financial year.

(d) 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.

The principles for recognition and measurement of financial assets and financial liabilities are disclosed in Note 4.11 to the financial statements.

The impact upon adoption of this Standard is disclosed in Note 42 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.1 New FRSs adopted during the current financial year (cont'd)

(e) 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.

There is no impact upon adoption of these amendments during the financial year.

(f) 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.

There is no impact upon adoption of these amendments during the financial year.

(g) 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.

There is no impact upon adoption of this Interpretation during the financial year.

(h) 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.

There is no impact upon adoption of this Interpretation during the financial year.

(i) 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 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.1 New FRSs adopted during the current financial year (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. (cont'd)

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.

There is no impact upon adoption of this Interpretation during the financial year. The Group would like to draw attention to the withdrawal of the Interpretation for annual period beginning on or after 1 January 2011 as disclosed in Note 5.2 (d) to the financial statements.

(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.

There is no impact upon adoption of this Interpretation during the financial year.

(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.

There is no impact upon adoption of this Interpretation during the financial year.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.1 New FRSs adopted during the current financial year (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).

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.

Following the adoption of this Standard, the Group has reflected the new format of presentation and additional disclosures warranted in the primary financial statements and relevant notes to the financial statements.

(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 clarify 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. There is no impact upon adoption of these amendments during the financial year.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.1 New FRSs adopted during the current financial year (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.

There is no impact upon adoption of these amendments during the financial year.

(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. There is no impact upon adoption of this amendment during the financial year.

Amendment to FRS 8 clarifies the consistency of disclosure requirement for information about profit or loss, assets and liabilities. There is no impact upon adoption of this amendment during the financial year.

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. There is no impact upon adoption of this amendment during the financial year.

Amendment to FRS 108 clarifies that only Implementation Guidance issued by the MASB that are integral parts of FRSs is mandatory. There is no impact upon adoption of this amendment during the financial year.

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. There is no impact upon adoption of this amendment during the financial year.

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. There is no impact upon adoption of this amendment during the financial year.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.1 New FRSs adopted during the current financial year (cont'd)

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

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. The reassessment of land elements of unexpired leases shall be made retrospectively in accordance with FRS 108. There is no impact upon adoption of this amendment during the financial year.

Amendment to FRS 118 clarifies reference made on the term 'transaction costs' to the definition in FRS 139. There is no impact upon adoption of this amendment during the financial year.

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. There is no impact upon adoption of this amendment during the financial year.

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. There is no impact upon adoption of this amendment during the financial year.

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. There is no impact upon adoption of this amendment during the financial year.

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. There is no impact upon adoption of this amendment during the financial year.

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. There is no impact upon adoption of this amendment during the financial year.

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. There is no impact upon adoption of this amendment during the financial year.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.1 New FRSs adopted during the current financial year (cont'd)

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

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. There is no impact upon adoption of this amendment during the financial year.

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. There is no impact upon adoption of this amendment during the financial year.

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. There is no impact upon adoption of this amendment during the financial year.

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. There is no impact upon adoption of this amendment during the financial year.

(p) Amendments to FRS 132 are mandatory for annual periods beginning on or after 1 January 2010 in respect of the transitional provisions in accounting for compound financial instruments.

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 clarify 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 if the same class of its own non-derivative equity instruments.

There is no impact upon adoption of these amendments during the financial year.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.1 New FRSs adopted during the current financial year (cont'd)

(q) Amendments to FRS 139 are 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.

There is no impact upon adoption of these amendments during the financial year.

(r) 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.

There is no impact upon adoption of this Interpretation during the financial year.

(s) 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) Items recognised in accordance with previous GAAP shall be reclassified in accordance with FRSs; and

(iv) 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.

There is no impact upon adoption of this Standard during the financial year.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.1 New FRSs adopted during the current financial year (cont'd)

(t) 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 revised FRS 3 has been applied retrospectively in accordance with its transitional provisions. Assets and liabilities that arose from business combinations whose acquisition dates were before 1 July 2010 are not adjusted.

There is no impact upon adoption of this Standard during the financial year.

(u) 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.

There is no impact upon adoption of this Standard during the financial year.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.1 New FRSs adopted during the current financial year (cont'd)

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

Amendments to FRS 2 *Share-based Payments* clarify 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. There is no impact upon adoption of these amendments during the financial year.

Amendments to FRS 5 clarify 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. There is no impact upon adoption of these amendments during the financial year.

Amendments to FRS 138 clarify 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. The Group does not expect any impact on the financial statements arising from the adoption of these amendments during the financial year.

Amendments to IC Interpretation 9 clarify 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. There is no impact upon adoption of these amendments during the financial year.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.1 New FRSs adopted during the current financial year (cont'd)

(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.

There is no impact upon adoption of this Interpretation during the financial year.

(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.

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.

There is no impact upon adoption of this Interpretation during the financial year.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.2 New FRSs that have been issued, but not yet effective and not yet adopted

(a) 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 permit 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.

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

These amendments permit 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.

(c) 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.

(d) 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. The effects of adopting IC Interpretation 11 have been disclosed in Note 5.1(i) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.2 New FRSs that have been issued, but not yet effective and not yet adopted (cont'd)

(e) 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 impact on the financial statements arising from the adoption of this IC Interpretation because there are no arrangements dependent on the use of specific assets in the Group.

(f) 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.

(g) *Improvements to FRSs (2010)* 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 consist 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 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 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.2 New FRSs that have been issued, but not yet effective and not yet adopted (cont'd)

(g) *Improvements to FRSs (2010)* 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 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 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 arising from the adoption of these amendments, it is expected that additional disclosures would be made in the quarterly interim financial statements of the Group, where applicable.

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.

(h) 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.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.2 New FRSs that have been issued, but not yet effective and not yet adopted (cont'd)

(h) 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. (cont'd)

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

(i) 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.

(j) 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.

(k) Amendments to FRS 112 *Deferred Tax: Recovery of Underlying Assets* are mandatory for annual periods beginning on or after 1 January 2012.

These Amendments apply to the measurement of deferred tax liabilities and deferred tax assets when investment properties are measured using the fair value model under FRS 140 Investment Property. The Amendments introduce a rebuttable presumption that an investment property measured at fair value is recovered entirely through sale. This presumption is rebutted if the investment property is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

The Group currently provides for deferred tax liabilities for its investment properties on the basis that the carrying amount of the investment properties would be recovered through use. Upon adoption of these amendments, there is a presumption that the carrying amount of an investment property measured at fair value would be recovered entirely through sale. Accordingly, there would be no deferred tax liability on investment properties in Malaysia as the applicable real property gains tax rate is nil.

The Group expects the adoption of these Amendments to result in a decrease in deferred tax liabilities of the Group and a corresponding increase in retained earnings upon initial application of the amendments.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.2 New FRSs that have been issued, but not yet effective and not yet adopted (cont'd)

(l) Amendments to FRS 1 *Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters* are mandatory for annual periods beginning on or after 1 January 2012.

These Amendments include two changes to FRS 1 *First-time adoption of Financial Reporting Standards*. The first amendment replaces references to a fixed date of 1 January 2006 with 'the date of transition to FRSs', thus eliminating the need for entities adopting FRSs for the first time to restate derecognition transactions that occurred before the date of transition to FRSs. The second amendment provides guidance on how an entity should resume presenting financial statements in accordance with FRSs after a period when the entity was unable to comply with FRSs because its functional currency was subject to severe hyperinflation.

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

(m) Amendments to FRS 7 *Disclosures – Transfers of Financial Assets* are mandatory for annual periods beginning on or after 1 January 2012.

These Amendments amended the required disclosures to help users of financial statements evaluate the risk exposures relating to transfers of financial assets and the effect of those risks on an entity's financial position.

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

(n) Amendments to FRS 101 *Presentation of Items of Other Comprehensive Income* are mandatory for annual periods beginning on or after 1 July 2012.

These Amendments requires the Group to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments) or otherwise. It does not change the option to present items of other comprehensive income either before tax or net of tax. However, if the items are presented before tax, then the tax related to each of the two groups of other comprehensive income items shall be shown separately.

The Group is in the process of assessing the impact of implementing these Amendments since the effects would only be observable for the financial year ending 30 November 2014.

(o) FRS 9 *Financial Instruments* is mandatory for annual periods beginning on or after 1 January 2013.

This Standard addresses the classification and measurement of financial assets and financial liabilities. All financial assets shall be classified on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, particular transaction costs. Financial assets are subsequently measured at amortised cost or fair value. Financial liabilities are subsequently measured at amortised cost or fair value. However, changes due to own credit risk in relation to the fair value option for financial liabilities shall be recognised in other comprehensive income.

The Group is in the process of assessing the impact of implementing this Standard since the effects would only be observable for the financial year ending 30 November 2014.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.2 New FRSs that have been issued, but not yet effective and not yet adopted (cont'd)

(p) FRS 10 *Consolidated Financial Statements* is mandatory for annual periods beginning on or after 1 January 2013.

This Standard defines the principle of control and establishes control as the basis for determining which entities are consolidated in the consolidated financial statements. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The investor is required to reassess whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The Group is in the process of assessing the impact of implementing this Standard since the effects would only be observable for the financial year ending 30 November 2014.

(q) FRS 11 *Joint Arrangements* is mandatory for annual periods beginning on or after 1 January 2013.

This Standard requires a party to a joint arrangement to determine the type of joint arrangement in which it is involved by assessing its rights and obligations arising from the arrangement. A joint arrangement is an arrangement of which two or more parties have joint control. Joint arrangements are classified into two types; joint operations and joint ventures. A joint operation is a joint arrangement whereby joint operators have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangements. A joint operator recognises and measures the assets and liabilities in relation to its interest in the arrangement in accordance with applicable relevant FRS whereas a joint venture recognises the investment using the equity method of accounting.

The Group is in the process of assessing the impact of implementing this Standard since the effects would only be observable for the financial year ending 30 November 2014.

(r) FRS 12 *Disclosure of Interests in Other Entities* is mandatory for annual periods beginning on or after 1 January 2013.

This Standard establishes disclosure objectives and requirements that enable users of financial statements to evaluate the nature of, and risks associated with, the Group's interests in other entities, and the effects of those interests on its financial position, financial performance and cash flows. If the minimum disclosures required in this Standard are not sufficient to meet the disclosure objectives, the Group is expected to disclose whatever additional information that is necessary to meet that objective.

The Group is in the process of assessing the impact of implementing this Standard since the effects would only be observable for the financial year ending 30 November 2014.

(s) FRS 13 *Fair Value Measurements* is mandatory for annual periods beginning on or after 1 January 2013.

This Standard applies to FRS that requires or permits fair value measurements or disclosures about fair value measurements. It explains how to measure fair value for financial reporting and does not require fair value measurements in addition to those already required or permitted by other FRS. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The definition of fair value is a market-based measurement and not an entity-specific measurement whereby assumptions made by market participants would be used when pricing the asset or liability under current market conditions. Consequently, the Group's intention to hold an asset or to settle or fulfil a liability is not relevant when measuring fair value.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.2 New FRSs that have been issued, but not yet effective and not yet adopted (cont'd)

(s) FRS 13 *Fair Value Measurements* is mandatory for annual periods beginning on or after 1 January 2013. (cont'd)

The Group is in the process of assessing the impact of implementing this Standard since the effects would only be observable for the financial year ending 30 November 2014.

(t) FRS 127 *Separate Financial Statements* (revised) is mandatory effective for annual periods beginning on or after 1 January 2013.

This revised Standard contains accounting requirements for investments in subsidiaries, joint ventures and associates when separate financial statements are prepared. The Company is required to account for those investments either at cost or in accordance with FRS 9 in the separate financial statements.

The Group is in the process of assessing the impact of implementing this Standard since the effects would only be observable for the financial year ending 30 November 2014.

(u) FRS 128 *Investments in Associates and Joint Ventures* (revised) is mandatory for annual periods beginning on or after 1 January 2013.

This revised Standard defines the equity method of accounting whereby the investment in an associate or joint venture is initially measured at cost and adjusted thereafter for the post-acquisition change in the investor's share of net assets of the investee. The profit or loss of the investor includes its share of the profit or loss of the investee and the other comprehensive income of the investor includes its share of other comprehensive income of the investee.

The Group is in the process of assessing the impact of implementing this Standard since the effects would only be observable for the financial year ending 30 November 2014.

(v) FRS 119 *Employee Benefits* (revised) is mandatory for annual periods beginning on or after 1 January 2013.

This revised Standard requires the Group to recognise all changes in the defined benefit obligations and in the fair value of related plan assets when those changes occur. The Group is also required to split the changes in the net defined benefit liability or asset into the following three components: service cost (presented in profit or loss), net interest on the net defined benefit liability (presented in profit or loss) and remeasurement of the net defined benefit liability (presented in other comprehensive income and not recycled through profit or loss).

The Group is in the process of assessing the impact of implementing this Standard since the effects would only be observable for the financial year ending 30 November 2014.

(w) IC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine* is mandatory for annual periods beginning on or after 1 January 2013.

This Interpretation clarifies that removed material that can be used to build up inventory is accounted for in accordance with the principles of MFRS 102 *Inventories*. The other removed material, that provides access to deeper levels of material that will be mined in future periods, is recognised as a non-current asset (referred to as a 'stripping activity asset') if recognition criteria are met. This Interpretation requires stripping activity assets to be measured at cost at initial recognition. Consequently, they are carried either at cost or revalued amount less depreciation or amortisation and any impairment losses.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.2 New FRSs that have been issued, but not yet effective and not yet adopted (cont'd)

(w) IC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine* is mandatory for annual periods beginning on or after 1 January 2013. (cont'd)

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

(x) Amendments to FRS 7 *Disclosures - Offsetting Financial Assets and Financial Liabilities* is mandatory for annual periods beginning on or after 1 January 2013.

These Amendments require disclosures that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

The Group is in the process of assessing the impact of implementing these Amendments since the effects would only be observable for the financial year ending 30 November 2014.

(y) Amendments to FRS 132 *Offsetting Financial Assets and Financial Liabilities* is mandatory for annual periods beginning on or after 1 January 2014.

These Amendments provide application guidance for the criteria to offset financial assets and financial liabilities.

The Group is in the process of assessing the impact of implementing these Amendments since the effects would only be observable for the financial year ending 30 November 2015.

(z) FRS 9 *Financial Instruments* is mandatory for annual periods beginning on or after 1 January 2015.

This Standard addresses the classification and measurement of financial assets and financial liabilities. All financial assets shall be classified on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. Financial assets are initially measured at fair value plus, in the case of a financial asset not at fair value through profit or loss, particular transaction costs. Financial assets are subsequently measured at amortised cost or fair value. Financial liabilities are subsequently measured at amortised cost or fair value. However, changes due to own credit risk in relation to the fair value option for financial liabilities shall be recognised in other comprehensive income.

The Group is in the process of assessing the impact of implementing this Standard since the effects would only be observable for the financial year ending 30 November 2016.

(aa) *Mandatory Effective Date of FRS 9 and Transition Disclosures* is effective immediately upon adoption of FRS 9.

This Amendment modifies the effective date of FRS 9 from 1 January 2013 to 1 January 2015. Transitional provisions in FRS 9 were also amended to provide certain relief from retrospective adjustments.

The Group is in the process of assessing the impact of implementing these Amendments since the effects would only be observable for the financial year ending 30 November 2016.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.3 New Malaysian Financial Reporting Standards ('MFRS') that have been issued, but not yet effective and not yet adopted, for annual periods beginning on or after 1 January 2013

On 19 November 2011, the Malaysian Accounting Standards Board ('MASB') announced the issuance of the new MFRS framework that is applicable to entities other than private entities. However, the Group has elected for the continued use of FRS for the financial year ending 30 November 2012 as a transitioning entity affected by the scope of MFRS 141 and IC Interpretation 15. The Group would subsequently adopt the MFRS framework for the financial year ended 30 November 2013.

The subsequent adoption of the MFRS framework would result in the Group preparing an opening MFRS statement of financial position as at 1 December 2012, which adjusts for differences between the classification and measurement bases in the existing FRS framework versus that in the new MFRS framework. This would also result in a restatement of the annual and quarterly financial performance for the financial year ending 30 November 2012 in accordance with MFRS, which would form the MFRS comparatives for the quarter ending 28 February 2013 and the financial year ending 30 November 2013 respectively.

The MFRSs and IC Interpretations expected to be adopted are as follows:

MFRS 1 *First-time Adoption of Financial Reporting Standards*
MFRS 2 *Share-based Payment*
MFRS 3 *Business Combination*
MFRS 4 *Insurance Contracts*
MFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*
MFRS 6 *Exploration for and Evaluation of Mineral Resources*
MFRS 7 *Financial Instruments: Disclosures*
MFRS 8 *Operating Segments*
MFRS 9 *Financial Instruments*
MFRS 10 *Consolidated Financial Statements*
MFRS 11 *Joint Arrangements*
MFRS 12 *Disclosure of Interests in Other Entities*
MFRS 13 *Fair Value Measurement*
MFRS 101 *Presentation of Financial Statements*
Amendments to MFRS 101 *Presentation of Items of Other Comprehensive Income*
MFRS 102 *Inventories*
MFRS 107 *Statement of Cash Flows*
MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*
MFRS 110 *Events After the Reporting Period*
MFRS 111 *Construction Contacts*
MFRS 112 *Income Taxes*
MFRS 116 *Property, Plant and Equipment*
MFRS 117 *Leases*
MFRS 118 *Revenue*
MFRS 119 *Employee Benefits*
MFRS 119 *Employee Benefits (revised)*
MFRS 120 *Accounting for Government Grants and Disclosure of Government Assistance*
MFRS 121 *The Effects of Changes in Foreign Exchange Rates*
MFRS 123 *Borrowing Costs*
MFRS 124 *Related Party Disclosures*
MFRS 126 *Accounting and Reporting by Retirement Benefit Plans*
MFRS 127 *Consolidated and Separate Financial Statements*

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.3 New Malaysian Financial Reporting Standards ('MFRS') that have been issued, but not yet effective and not yet adopted, for annual periods beginning on or after 1 January 2013 (cont'd)

The MFRSs and IC Interpretations expected to be adopted are as follows (cont'd):

MFRS 127 *Separate Financial Statements*
MFRS 128 *Investments in Associates*
MFRS 128 *Investments in Associates and Joint Ventures*
MFRS 129 *Financial Reporting in Hyperinflationary Economies*
MFRS 131 *Interests in Joint Ventures*
MFRS 132 *Financial Instruments: Presentation*
MFRS 133 *Earnings Per Share*
MFRS 134 *Interim Financial Reporting*
MFRS 136 *Impairment of Assets*
MFRS 137 P*rovisions, Contingent Liabilities and Contingent Assets*
MFRS 138 *Intangible Assets*
MFRS 139 *Financial Instruments: Recognition and Measurement*
MFRS 140 *Investment Property*
MFRS 141 *Agriculture*
Improvements to MFRSs
Amendments to MFRS 7 *Disclosures - Offsetting Financial Assets and Financial Liabilities*
Amendments to MFRS 132 *Offsetting Financial Assets and Financial Liabilities Mandatory Effective Date of MFRS 9 and Transition Disclosures*
IC Interpretation 1 *Changes in Existing Decommissioning, Restoration and Similar Liabilities*
IC Interpretation 2 *Members' Shares in Co-operative Entities and Similar Instruments*
IC Interpretation 4 *Determining Whether an Arrangement Contains a Lease*
IC Interpretation 5 *Rights to Interests Arising from Decommissioning, Restoration and Environmental Rehabilitation Funds*
IC Interpretation 6 *Liabilities Arising from Participating in a Specific Market-Waste Electrical and Electronic Equipment*
IC Interpretation 7 *Applying the Restatement Approach under MFRS 129 Financial Reporting in Hyper inflationary Economies*
IC Interpretation 9 *Reassessment of Embedded Derivatives*
IC Interpretation 10 *Interim Financial Reporting and Impairment*
IC Interpretation 12 *Service Concession Arrangements*
IC Interpretation 13 *Customer Loyalty Programmes*
IC Interpretation 14 *MFRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*
IC Interpretation 15 *Agreements for the Construction of Real Estate*
IC Interpretation 16 *Hedges of a Net Investment in a Foreign Operation*
IC Interpretation 17 *Distributions of Non-cash Assets to Owners*
IC Interpretation 18 *Transfers of Assets from Customers*
IC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments*
IC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine*
IC Interpretation 107 *Introduction of the Euro*
IC Interpretation 110 *Government Assistance - No Specific Relation to Operating Activities*
IC Interpretation 112 *Consolidation - Special Purpose Entities*
IC Interpretation 113 *Jointly Controlled Entities - Non - Monetary Contributions by Venturers*
IC Interpretation 115 *Operating Leases - Incentives*
IC Interpretation 125 *Income Taxes - Changes in the Tax Status of an Entity or its Shareholders*
IC Interpretation 129 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*
IC Interpretation 131 *Revenue - Barter Transactions Involving Advertising Services*
IC Interpretation 132 *Intangible Assets - Web Site Costs*

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.3 New Malaysian Financial Reporting Standards ('MFRS') that have been issued, but not yet effective and not yet adopted, for annual periods beginning on or after 1 January 2013 (cont'd)

Technical Release 3 *Guidance on Disclosures of Transition to IFRSs* ('TR 3') provides voluntary disclosure requirements on the potential impact of adoption of MFRSs. However, the Group is in the process of preparing the opening statement of financial statements and is only able to assess the potential impact as follows:

(a) FRS 116 contains an additional disclosure to require an entity to disclose if it had applied the transitional provision provided by the MASB when FRS 116 was first adopted in 1998. The said transitional provision allowed an entity to carry the asset's revalued amount as surrogate cost.

However, MFRS 116 does not have similar requirements for such a transition.

(b) FRS 117 contains two transitional provisions, one of which is in relation to the transition from MASB 10 *Leases* to FRS 117:

(i) An entity that had previously classified its leasehold land as property, plant and equipment shall reclassify the unamortised carrying amount as operating lease.

If the entity had previously revalued such leasehold land, the entity shall retain the unamortised revalued amount as the surrogate carrying amount of prepaid lease payments.

However, MFRS 117 does not have this transitional provision as the requirement to treat leasehold land as operating lease was already prescribed in IAS 17 *Leases*.

(ii) An entity need not disclose the effect of impending changes of accounting standards required under FRS 108 *Accounting Policies, Changes in Estimates and Errors* when it first applied the revised Standard.

However, MFRS 117 does not have similar requirements for such a transition.

(c) FRS 121 mandates the use of Ringgit Malaysia as the presentation currency in accordance with the Companies Act, 1965 in Malaysia. However, MFRS 121 does not have such a similar requirement.

(d) FRS 139 contains three transitional provisions, namely:

(i) Transitional provision for first-time adoption of FRS 139, which prohibits retrospective application and instead, requires an initial application of the recognition, classification and measurement on the effective date of the Standard.

(ii) An entity need not disclose the effect of impending changes of accounting standards required under FRS 108 when it first applied the revised Standard.

However, MFRS 139 does not have similar requirements for such a transition.

(e) FRS 140 contains an additional disclosure to require an entity to disclose that it had applied the transitional provision provided by the MASB in 1998. The same transitional provision allowed an entity to carry the asset's revalued amount as surrogate cost.

However, MFRS 140 does not have similar requirements for such a transition.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.3 (f) FRS 4 contains a transitional provision that an entity need not disclose the effect of impending changes of accounting standards required under FRS 108 when it first applied the Standard.

However, MFRS 4 does not have similar requirements for such a transition.

(g) FRS 7 contains two transitional provisions:

(i) An entity is not required to present any comparative disclosures required by the Standard when it first applied the Standard.

(ii) An entity need not disclose the effect of impending changes of accounting standards required under FRS 108 when it first applied the Standard.

However, MFRS 7 does not have similar requirements for such a transition.

(h) IC Interpretation 12 contains a transitional provision that an entity need not disclose the effect of impending changes of accounting standards required under FRS 108 when it first applied the Standard.

However, IC 12 does not have similar requirements for such a transition.

(i) MFRS 141 *Agriculture* is mandatory for annual period beginning on or after 1 January 2013.

This Standard prescribes the accounting treatment, financial statement presentation, and disclosures related to agricultural activity. It requires measurement at fair value less costs to sell from initial recognition of biological assets up to the point of harvest, other than when fair value cannot be measured reliably on initial recognition. This Standard requires that a change in fair value less costs to sell of a biological asset be included in profit or loss for the period in which it arises.

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

(j) IC Interpretation 15 *Agreements for the Construction* of Real Estate is mandatory for annual periods beginning on or after 1 January 2013.

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 Company 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 MFRS 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.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (cont'd)

5.3 New Malaysian Financial Reporting Standards ('MFRS') that have been issued, but not yet effective and not yet adopted, for annual periods beginning on or after 1 January 2013 (cont'd)

(j) IC Interpretation 15 *Agreements for the Construction* of Real Estate is mandatory for annual periods beginning on or after 1 January 2013. (cont'd)

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 MFRS 118. Accordingly, revenue shall be recognised by reference to the criteria in paragraph 14 of MFRS 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 2014.

(k) Amendments to MFRS 7 *Disclosures – Offsetting Financial Assets and Financial Liabilities* is mandatory for annual periods beginning on or after 1 January 2013.

These Amendments require disclosures that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.

The Group is in the process of assessing the impact of implementing these Amendments since the effects would only be observable for the financial year ending 30 November 2014.

(l) Amendments to MFRS 132 *Offsetting Financial Assets and Financial Liabilities* is mandatory for annual periods beginning on or after 1 January 2014.

These Amendments provide application guidance for the criteria to offset financial assets and financial liabilities.

The Group is in the process of assessing the impact of implementing these Amendments since the effects would only be observable for the financial year ending 30 November 2015.

(m) *Mandatory Effective Date of MFRS 9 and Transition Disclosures* is effective immediately upon adoption of FRS 9.

This Amendment modifies the effective date of MFRS 9 from 1 January 2013 to 1 January 2015. Transitional provisions in MFRS 9 were also amended to provide certain relief from retrospective adjustments.

The Group is in the process of assessing the impact of implementing these Amendments since the effects would only be observable for the financial year ending 30 November 2016.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

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 are key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) 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 and calculations for which the ultimate tax determination of whether additional tax will be due is uncertain during the ordinary course of business. The Group and the Company recognise tax liabilities based on estimates of additional taxes that will be due. Where the final tax outcome 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.

(ii) Property development

The Group recognises property development revenue and expenses in profit or loss by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Significant judgement is 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.

(iii) Recognition of revenue from construction contract

The Group recognises construction contract revenue and expenses in the statements of comprehensive income using the stage of completion method. The stage of completion is determined by the survey of work performed.

Significant judgement is required in determining the stage of completion, the extent of the costs incurred and the estimated total revenue and costs, as well as recoverability of the construction projects. In making the judgement, the Group evaluates based on past experience, external economic factors and by relying on the work of specialists.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

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

6.2 Key sources of estimation uncertainty (cont'd)

(iv) Investments in subsidiaries

The Directors review material investments in subsidiaries for impairment when there is an indication of impairment. The recoverable amounts of the investments in subsidiaries are estimated based on fair value less cost to sell or value-in-use, whichever is higher. Where expectation differ from the estimated recoverable amounts, the difference will impact the carrying amount of the investments in subsidiaries.

(v) Impairment of receivables

The Group makes impairment of receivables based on an assessment of the recoverability of receivables. Impairment is applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses historical bad debt, customer concentration, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of impairment of receivables. Where expectations differ from the original estimates, the differences will impact the carrying amount of receivables.

(vi) Fair values of borrowings

The fair values of borrowings are estimated by discounting future contractual cash flows at the current market interest rates available to the Group 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.

(vii) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances 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.

(viii) Depreciation of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight line basis over the assets' useful lives. Management estimates the useful lives of these property, plant and equipment in accordance with accounting policy stated in Note 4.4 on property, plant and equipment and depreciation. These are common life expectancies applied in this industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

7. PROPERTY, PLANT AND EQUIPMENT

Group	Balance as at 1.12.2010 RM'000	Additions RM'000	Depreciation charges for the financial year RM'000	Balance as at 30.11.2011 RM'000
Carrying amount				
Furniture & fittings	-	-	-	-
Office equipment	77	22	(34)	65
Renovation	2	-	(1)	1
Motor vehicles	2,141	-	(498)	1,643
Site & sport equipment	-	-	-	-
	2,220	22	(533)	1,709

Group	[------ At 30.11.2011 ------] Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000
Furniture & fittings	388	(388)	-
Office equipment	1,008	(943)	65
Renovation	604	(603)	1
Motor vehicles	4,126	(2,483)	1,643
Site & sport equipment	41	(41)	-
	6,167	(4,458)	1,709

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

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

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

Company	Balance as at 1.12.2010 RM'000	Disposals RM'000	Depreciation charges for the financial year RM'000	Balance as at 30.11.2011 RM'000
Carrying amount				
Furniture & fittings	**1**	**-**	**(1)**	**-**
Office equipment	**6**	**-**	**(4)**	**2**
Renovation	**1**	**-**	**(1)**	**-**
Motor vehicles	**417**	**-**	**(98)**	**319**
Site & sport equipment	**-**	**-**	**-**	**-**
	425	**-**	**(104)**	**321**

Company	[---- At 30.11.2011 ---- Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000 ----]
Furniture & fittings	**195**	**(195)**	**-**
Office equipment	**445**	**(443)**	**2**
Renovation	**217**	**(217)**	**-**
Motor vehicles	**1,030**	**(711)**	**319**
Site & sport equipment	**26**	**(26)**	**-**
	1,913	**(1,592)**	**321**

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	[---- At 30.11.2010 ---- Cost RM'000	Accumulated depreciation RM'000	Carrying amount RM'000 ----]
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

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (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	
	2011 RM'000	2010 RM'000	**2011 RM'000**	2010 RM'000
Purchase of property, plant and equipment	**22**	2,502	**-**	491
Financed by finance lease creditors	**-**	(2,168)	**-**	(418)
Cash payments on purchase of property, plant and equipment	**22**	334	**-**	73

(b) As at 30 November 2011, 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	
	2011 RM'000	2010 RM'000	**2011 RM'000**	2010 RM'000
Motor vehicles	**1,643**	2,137	**319**	417

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

(c) As at 30 November 2011, property, plant and equipment of the Group and of the Company have been pledged to financial institutions for borrowings granted to the Group and the Company (Note 20, 21 and 23 to the financial statements).

8. LAND HELD FOR PROPERTY DEVELOPMENT

Group	**Balance as at 1.12.2010 RM'000**	**Additions RM'000**	**Transfer to property development costs (Note 12) RM'000**	**Balance as at 30.11.2011 RM'000**
Carrying amount				
Freehold land, at cost	**26,317**	**-**	**-**	**26,317**
Leasehold land, at cost	**53,698**	**-**	**-**	**53,698**
Development expenditures	**825**	**37**	**-**	**862**
	80,840	**37**	**-**	**80,877**

Group	Balance as at 1.12.2009 RM'000	Additions RM'000	Transfer to property development costs (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

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

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

As at 30 November 2011, 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.

9. INVESTMENT IN SUBSIDIARIES

	Company	
	2011	2010
	RM'000	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 2011	2010	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	
	2011	2010
	RM'000	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 2011	2010	Principal activity
Associate of Country View Ventures Sdn. Bhd.			
Optima Bestari Sdn. Bhd.#	**24%**	24%	Property development

- Associate not audited by BDO, Malaysia.

The financial statements of Optima Bestari Sdn. Bhd. have a financial year end of 31 December 2011 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 2011 have been used and appropriate adjustments have been made for the effects of significant transactions between 30 November 2011 and 31 December 2011.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

10. INVESTMENT IN ASSOCIATE (cont'd)

The summarised financial information of the associate is as follows:

	2011 RM'000	2010 RM'000
Assets and liabilities		
Current assets/Total assets	1	1
Current liabilities	(1,304)	(1,302)
Non-current liabilities	(458)	(449)
Total liabilities	(1,762)	(1,751)
Results		
Revenue	-	-
Loss for the year	10	9

The unrecognised share of losses of the associate for the current financial year amounted to approximately RM2,400 (2010: RM2,000). As at 30 November 2011, the cumulative unrecognised share of losses of the associate amounted to RM423,000 (2010: RM420,000).

11. DEFERRED TAX ASSETS

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

	Group		Company	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Balance as at 1 December 2010/2009	3,900	3,193	-	-
Recognised in profit or loss (Note 33)	(1,519)	707	-	-
Balance as at 30 November 2011/2010	2,381	3,900	-	-
Presented after appropriate offsetting:				
Deferred tax assets, net	2,418	3,918	-	-
Deferred tax liabilities, net	(37)	(18)	-	-
	2,381	3,900	-	-

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (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 2010	**19**	**869**	**3,030**	**3,918**
Recognised in profit or loss	**(19)**	**(869)**	**(612)**	**(1,500)**
At 30 November 2011	**-**	**-**	**2,418**	**2,418**
At 1 December 2009	-	180	3,028	3,208
Recognised in profit or loss	19	689	2	710
At 30 November 2010	19	869	3,030	3,918

Deferred tax liability of the Group

	Property, plant and equipment RM'000
At 1 December 2010	**(18)**
Recognised in profit or loss	**(19)**
At 30 November 2011	**(37)**
At 1 December 2009	(15)
Recognised in profit or loss	(3)
At 30 November 2010	(18)

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

	Group		Company	
	2011 RM'000	2010 RM'000	**2011 RM'000**	2010 RM'000
Unused tax losses	**25,827**	28,766	**16,910**	16,910
Unabsorbed capital allowances	**229**	419	**222**	201
	26,056	29,185	**17,132**	17,111

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 2011 (cont'd)

12. PROPERTY DEVELOPMENT COSTS

	Group 2011 RM'000	Group 2010 RM'000
At 1 December 2010/2009:		
- Freehold land	**110,397**	22,174
- Development expenditure	**38,179**	42,808
	148,576	64,982
Less:		
Reversal in development expenditure of completed properties during the year:		
- Freehold land	**-**	(5,525)
- Development expenditure	**-**	(37,189)
	-	(42,714)
Add:		
Cost incurred during the financial year:		
- Development expenditure	**84,160**	13,473
Less:		
Transfer to inventories		
- Freehold land	**-**	(24)
- Development expenditure	**-**	(460)
	-	(484)
Add:		
Transfer from Land Held For Property Development (Note 8)		
- Freehold land	**-**	93,771
- Development expenditure	**-**	19,548
	-	113,319
Less:		
Costs charged to statements of comprehensive income:		
- As at 1 December 2010/2009	**(9,218)**	(36,389)
- Completed projects during the financial year	**-**	42,714
- Recognised during the financial year (Note 30)	**(65,017)**	(15,543)
- At 30 November 2011/2010	**(74,235)**	(9,218)
At 30 November 2011/2010	**158,501**	139,358

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

Group	**2011 RM'000**	2010 RM'000
Interest expenses	**6,207**	5,009

Interest is capitalised in property development cost at rates ranging from 6.15% to 7.8% (2010: 6.15% to 7.8%) per annum.

Freehold land of the Group with carrying amounts of RM110,397,000 (2010: RM110,397,000) 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 2011 (cont'd)

13. INVENTORIES

At cost	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
Completed properties held for sales	**7,049**	9,720	**1,554**	2,099

Inventories of the Group and of the Company 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 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
Trade receivables				
Third parties	**18,917**	8,536	**2**	288
Less: Impairment loss	**(26)**	(44)	**-**	(18)
	18,891	8,492	**2**	270
Accrued billings in respect of property development	**22,086**	1,921	**-**	-
Amount due from a customer for contract works (Note 15)	**25**	271	**-**	-
	41,002	10,684	**2**	270
Other receivables				
Amount owing by subsidiaries				
- interest bearing	**-**	-	**104,081**	85,699
- non-interest bearing	**-**	-	**118,773**	123,409
Deposits and prepayments	**1,609**	1,027	**236**	256
Amount owing by a shareholder of an associate	**750**	750	**-**	-
Less: Impairment loss	**(750)**	(750)	**-**	-
	-	-	**-**	-
	1,609	1,027	**223,090**	209,364
	42,611	11,711	**223,092**	209,634

(a) The normal trade credit terms of the trade receivables granted by the Group and the Company range from 14 days to 90 days (2010: 14 days to 90 days).

(b) Amounts owing by subsidiaries represent advances and payments made on behalf, which are unsecured, interest-free and repayable upon demand except for advances of RM104,081,000 (2010: RM85,699,000) which are interest bearing ranging from 6.15% to 7.8% (2010: 6.15% to 7.8%) per annum. The amounts are repayable in cash and cash equivalents.

(c) Amount owing by a shareholder of an associate represents advances, which are unsecured, interest-free, and repayable upon demand in cash and cash equivalents.

(d) All receivables balances are denominated in Ringgit Malaysia.

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

14. TRADE AND OTHER RECEIVABLES (cont'd)

(e) The ageing analysis of trade receivables (third parties) of the Group and of the Company are as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	**2011 RM'000**	2010 RM'000
Neither past due nor impaired	**-**	-	**-**	-
Past due but not impaired				
Under 30 days	**8,987**	1,775	**-**	-
31days to 60 days	**3,799**	4,226	**-**	-
61 days to 90 days	**1,522**	-	**-**	-
Over 90 days	**4,583**	2,491	**2**	270
	18,891	8,492	**2**	270
Past due and impaired	**26**	44	**-**	18
	18,917	8,536	**2**	288

Trade receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group and the Company. Receivables of the Group and of the Company that are overdue but not impaired are mainly related to the progress billings to be settled by end-buyers financiers.

None of the Group and of the Company's trade receivables that are neither past due nor impaired have been renegotiated during the financial year.

Trade receivables that are past due but not impaired

Trade receivables of the Group and of the Company that are past due but not impaired are mainly related to the progress billings to be settled by end-buyers financiers.

Trade receivables that are past due but not impaired are unsecured in nature.

Trade receivables that are past due and impaired

Trade receivables of the Group and of the Company that are past due and impaired at the end of the reporting period are as follows:

	Individually impaired			
	Group		Company	
	2011 RM'000	2010 RM'000	**2011 RM'000**	2010 RM'000
Trade receivables, gross	**26**	44	**-**	18
Less: Impairment loss	**(26)**	(44)	**-**	(18)
	-	-	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

14. TRADE AND OTHER RECEIVABLES (cont'd)

(e) The ageing analysis of trade receivables (third parties) of the Group and of the Company are as follows: (cont'd)

The reconciliation of movement in the impairment loss are as follows:

	Group		Company	
	2011 RM'000	2010 RM'000	**2011 RM'000**	2010 RM'000
At 1 December	**44**	44	**18**	18
Written off	**(18)**	-	**(18)**	-
	26	44	**-**	18

Trade receivables of the Group and of the Company that are individually determined to be impaired at the end of the reporting period related to those receivables that exhibit significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

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

Group	**2011 RM'000**	2010 RM'000
Aggregate costs incurred to date	**4,005**	2,917
Add: Attributable profits	**308**	115
	4,313	3,032
Less: Progress billings	**(4,307)**	(3,140)
	6	(108)
Analysed as:		
Amount due from a customer for contract works (Note 14)	**25**	271
Amount due to a customer for contract works (Note 25)	**(19)**	(379)
	6	(108)

16. CASH AND CASH EQUIVALENTS

	Group		Company	
	2011 RM'000	2010 RM'000	**2011 RM'000**	2010 RM'000
Cash and bank balances	**7,726**	1,562	**7**	5
Deposits with licensed banks	**249**	329	**-**	88
	7,975	1,891	**7**	93

(a) Included in the Group's and the Company's cash and bank balances are RM6,076,000 (2010: RM1,468,000) and RM1,500 (2010: 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 RM249,000 (2010: RM329,000) and Nil (2010: RM88,000) 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).

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

16. CASH AND CASH EQUIVALENTS (cont'd)

(c) Included in bank balances of the Group is Nil (2010: RM44,000), which had been earmarked as security for performance guarantee given to third parties (Note 28).

(d) All cash and cash equivalents are denominated in Ringgit Malaysia.

(e) For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the end of the reporting period:

	Group		Company	
	2011 RM'000	2010 RM'000	**2011 RM'000**	2010 RM'000
Cash and bank balances	**7,726**	1,562	**7**	5
Deposits with licensed banks	**249**	329	**-**	88
As reported in statements of financial position	**7,975**	1,891	**7**	93
Less: Deposits pledged to licensed banks and bank balances earmarked as security	**(249)**	(373)	**-**	(88)
Bank overdrafts included in borrowings (Note 19)	**(8,714)**	(8,537)	**(8,714)**	(8,537)
	(988)	(7,019)	**(8,707)**	(8,532)

17. SHARE CAPITAL

	2011		2010	
	Number of shares '000	**RM'000**	Number of shares '000	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

The owners of parent are entitled to receive dividends as and when declared by the Company and are entitled to one (1) vote per ordinary share at meetings of the Company. All ordinary shares rank pari passu with regard to the Company's residual assets.

18. RESERVES

	Group		Company	
	2011 RM'000	2010 RM'000	**2011 RM'000**	2010 RM'000
Non-distributable:				
Share premium	**124**	124	**124**	124
Distributable:				
Retained earnings	**33,767**	26,339	**24,551**	24,439
	33,891	26,463	**24,675**	24,563

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

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

18. RESERVES (cont'd)

(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.

19. BORROWINGS

	Group		Company	
	2011	2010	**2011**	2010
	RM'000	RM'000	**RM'000**	RM'000
Current liabilities				
Bank overdrafts	**8,714**	8,537	**8,714**	8,537
Bridging loans	**4,894**	2,402	**-**	-
Finance lease creditors	**430**	441	**82**	78
Revolving credits	**13,000**	12,959	**13,000**	12,959
Term loans	**12,006**	7,288	**10,903**	6,450
	39,044	31,627	**32,699**	28,024
Non-current liabilities				
Bridging loans	**1,174**	-	**1,174**	-
Finance lease creditors	**1,108**	1,539	**208**	290
Revolving credits	**1,000**	2,167	**1,000**	2,167
Term loans	**77,372**	69,436	**73,762**	63,450
	80,654	73,142	**76,144**	65,907
Total borrowings				
Bank overdrafts (Note 20)	**8,714**	8,537	**8,714**	8,537
Bridging loans (Note 21)	**6,068**	2,402	**1,174**	-
Finance lease creditors (Note 22)	**1,538**	1,980	**290**	368
Revolving credits (Note 23)	**14,000**	15,126	**14,000**	15,126
Term loans (Note 24)	**89,378**	76,724	**84,665**	69,900
	119,698	104,769	**108,843**	93,931

(a) Information on financial risks of borrowings is disclosed in Note 40 to the financial statements.

(b) All borrowings are denominated in Ringgit Malaysia.

20. BANK OVERDRAFTS

The bank overdrafts of the Group and of the Company are secured by legal charges over property, plant and equipment, land held for property development, property development costs and inventories of the Group and of the Company as referred to in Notes 7, 8, 12 and 13 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

21. BRIDGING LOANS

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

(a) Legal charges over property, plant and equipment, land held for property development, property development costs and inventories of the Group and of the Company as disclosed in Notes 7, 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 monthly and quarterly instalments ranging from RM184,000 to RM2,000,000 or from redemption proceeds of development properties sold, whichever is earlier.

22. FINANCE LEASE CREDITORS

	Group		Company	
	2011	2010	**2011**	2010
	RM'000	RM'000	**RM'000**	RM'000
Minimum finance lease payments:				
- not later than one year	**505**	543	**95**	95
- later than one year but not later than five years	**1,186**	1,691	**220**	315
Total minimum finance lease payments	**1,691**	2,234	**315**	410
Less: Future interest charges	**(153)**	(254)	**(25)**	(42)
Present value of finance lease payments	**1,538**	1,980	**290**	368
Repayable as follows:				
Non-current liabilities				
- not later than one year	**430**	441	**82**	78
- later than one year and not later than five years	**1,108**	1,539	**208**	290
	1,538	1,980	**290**	368

23. REVOLVING CREDITS

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

(a) Legal charges over property, plant and equipment, land held for property development, property development costs and inventories of the Group and of the Company as disclosed in Notes 7, 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 RM2,000,000 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 RM1,000,000 in the next financial year.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

24. TERM LOANS

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

(a) Legal charges over 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 with licensed banks (Note 16);
(d) Corporate guarantee of the Company; and
(e) Jointly guaranteed by certain Directors.

Term loans are repayable in various monthly instalments ranging from RM362,000 to RM950,000 or from the redemption of development properties sold, whichever is earlier.

25. TRADE AND OTHER PAYABLES

	Group		Company	
	2011	2010	**2011**	2010
	RM'000	RM'000	**RM'000**	RM'000
Trade payables				
Third parties	**41,434**	12,598	**302**	302
Amounts owing to subsidiaries	**-**	-	**184**	189
Amount due to a customer for contract works (Note 15)	**19**	379	**-**	-
Progress billings in respect of property development	**-**	2,355	**-**	-
	41,453	15,332	**486**	491
Other payables				
Amounts owing to subsidiaries	**-**	-	**3,374**	4,516
Other payables	**3,757**	3,002	**322**	1,327
Accruals	**1,317**	468	**132**	130
	5,074	3,470	**3,828**	5,973
	46,527	18,802	**4,314**	6,464

(a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and the Company range from one (1) month to three (3) months (2010: one (1) month to three (3) months).

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

(c) Included in trade payables of the Group are retention monies of RM4,685,000 (2010: RM2,349,000).

(d) All payables are denominated in Ringgit Malaysia.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

26. PROVISION FOR LIABILITIES

Group	2011 RM'000	2010 RM'000
At 1 December 2010/2009	**11**	11
Provision made	**259**	29
Amount utilised	**-**	(29)
As 30 November 2011/2010	**270**	11

The provision for liabilities represented the liquidated ascertained damages 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.

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 end of the reporting period as follows:

Group	2011 RM'000	2010 RM'000
Not later than one year	**2,001**	1,905
Later than one year and not later than five years	**747**	1,938
	2,748	3,843

28. CONTINGENT LIABILITIES

	Group		Company	
	2011 RM'000	2010 RM'000	**2011 RM'000**	2010 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
Earmark of cash at bank of a subsidiary company (Note 16)	**-**	44	**-**	-
Unsecured				
Claims by house buyer for late delivery	**-**	96	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

28. CONTINGENT LIABILITIES (cont'd)

	Group		Company	
	2011	2010	**2011**	2010
	RM'000	RM'000	**RM'000**	RM'000
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	**16,443**	16,732	**-**	-
Corporate guarantees given to a licensed bank for banking facilities granted to subsidiaries	**-**	-	**15,475**	15,475

The Directors are of the view that the chances of the purchasers to exercise the option and the financial institutions to call upon the corporate guarantees are not probable.

29. REVENUE

	Group		Company	
	2011	2010	**2011**	2010
	RM'000	RM'000	**RM'000**	RM'000
Property development	**95,877**	23,258	**546**	2,182
Contract revenue	**420**	-	**-**	-
Dividend income	**-**	-	**1,200**	-
	96,297	23,258	**1,746**	2,182

30. COST OF SALES

	Group		Company	
	2011	2010	**2011**	2010
	RM'000	RM'000	**RM'000**	RM'000
Property development costs	**65,017**	15,543	**-**	-
Cost of inventories	**2,985**	2,167	**545**	1,257
	68,002	17,710	**545**	1,257

31. FINANCE COSTS

	Group		Company	
	2011	2010	**2011**	2010
	RM'000	RM'000	**RM'000**	RM'000
Interest expenses on:				
- Bank overdrafts	**587**	733	**404**	309
- Bridging loans	**-**	45	**-**	-
- Finance lease creditors	**104**	94	**17**	13
- Revolving credits	**1,054**	1,184	**178**	404
- Term loans	**199**	88	**-**	61
	1,944	2,144	**599**	787

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

32. PROFIT/(LOSS) BEFORE TAX

	Note	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
Profit/(Loss) before tax is arrived at after charging:					
Auditors' remuneration:					
- statutory audit:					
- current year		**97**	90	**34**	34
- under provision in prior year		**-**	16	**-**	8
- other services		**5**	3	**2**	3
Bad debts written off		**118**	-	**118**	-
Depreciation of property, plant and equipment	7	**533**	523	**104**	80
Directors' remuneration					
- fees		**108**	108	**108**	108
- emoluments other than fees		**755**	768	**755**	768
Office rental		**465**	455	**179**	217
Rental of premises paid according to rental return agreements		**1,548**	1,573	**-**	-
And crediting:					
Bad debt recovered		**1**	-	**-**	-
Gain on disposal of property, plant and equipment		**-**	385	**-**	85
Dividend income from a subsidiary	29	**-**	-	**1,200**	-
Interest income received from:					
- fixed deposit		**20**	32	**1**	4
- housing development accounts		**81**	40	**-**	-
- late payment charges		**66**	49	**1**	-
Management income		**-**	-	**1,328**	-
Rental income		**51**	55	**6**	6

33. TAXATION

	Group 2011 RM'000	Group 2010 RM'000	Company 2011 RM'000	Company 2010 RM'000
Current tax expense				
- current year	**2,536**	2	**149**	-
- prior year	**-**	355	**-**	330
	2,536	357	**149**	330
Deferred tax (Note 11)				
- current year	**1,519**	(704)	**-**	-
- prior year	**-**	(3)	**-**	-
	1,519	(707)	**-**	-
	4,055	(350)	**149**	330

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

33. TAXATION (cont'd)

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

	Group		Company	
	2011 RM'000	2010 RM'000	**2011 RM'000**	2010 RM'000
Profit/(Loss) before tax	**11,763**	(8,545)	**261**	(2,305)
Tax calculated using Malaysian tax rate of 25% (2010: 25%)	**2,941**	(2,136)	**65**	(576)
Non deductible expenses	**1,897**	404	**79**	65
Non taxable income	**-**	(21)	**-**	(21)
Utilisation of previously unrecognised tax losses	**(972)**	(154)	**-**	-
Deferred tax assets not recognised during the financial year	**189**	1,205	**5**	532
	4,055	(702)	**149**	-
Under/(Over) provision of:				
- income tax expense in prior year	**-**	355	**-**	330
- deferred tax in prior year	**-**	(3)	**-**	-
	4,055	(350)	**149**	330

Tax savings of the Group are as follows:

	Group	
	2011 RM'000	2010 RM'000
Arising from utilisation of previously unrecognised tax losses	**972**	154

34. EARNINGS/(LOSS) PER ORDINARY SHARE

Basic earnings/(loss) per ordinary share for the financial year is calculated by dividing the profit/(loss) for the financial year attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year.

	Group	
	2011	2010
Profit/(Loss) attributable to owners of the parent (RM'000)	**7,708**	(8,195)
Weighted average number of ordinary shares in issue ('000)	**100,000**	100,000
Basic earnings/(loss) per share (sen)	**7.71**	(8.20)

No diluted earnings per share is presented as there are no dilutive potential ordinary shares during the financial year.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

35. EMPLOYEE BENEFITS

	Group		Company	
	2011	2010	**2011**	2010
	RM'000	RM'000	**RM'000**	RM'000
Wages and salaries	**3,619**	3,303	**1,254**	1,251
Contribution to defined contribution plan	**453**	380	**164**	148
Other benefits	**440**	127	**108**	6
	4,512	3,810	**1,526**	1,405

Included in the employee benefits of the Group and of the Company are Executive Directors' remuneration of RM754,800 (2010: RM768,244) (Note 36).

36. DIRECTORS' AND KEY MANAGEMENT'S REMUNERATION

	Group		Company	
	2011	2010	**2011**	2010
Directors' of the Company	**RM'000**	RM'000	**RM'000**	RM'000
Executive:				
- Salaries and other emoluments	**755**	768	**755**	768
- Benefit-in-kind	**82**	66	**27**	26
Non-executive				
- Fees	**108**	108	**108**	108
	945	942	**890**	902

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

	Executive Directors		Non-Executive Directors	
	2011	2010	**2011**	2010
Range of Remuneration	**No.**	No.	**No.**	No.
<RM50,000	**-**	-	**3**	3
RM50,001 – RM100,000	**-**	-	**-**	-
RM100,001 – RM150,000	**2**	2	**-**	-
RM150,001 – RM200,000	**-**	-	**-**	-
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	
	2011	2010	**2011**	2010
	RM'000	RM'000	**RM'000**	RM'000
Non-Executive Directors	**108**	108	**108**	108
Executive Directors	**837**	834	**782**	794
Other members of key management				
- Salaries and other emoluments	**738**	647	**360**	327
- Contribution to defined contribution plan	**92**	83	**46**	42
- Benefit-in-kind	**42**	37	**6**	7
	1,817	1,709	**1,302**	1,278

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

37. SIGNIFICANT 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) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group		Company	
	2011	2010	**2011**	2010
	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	**-**	-
(v) Sale of development property to an Executive Director of the Company	**780**	-	**-**	-

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

37. SIGNIFICANT RELATED PARTY DISCLOSURES (cont'd)

(b) In addition to the transactions and balances detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year: (cont'd)

	Group		Company	
	2011	2010	**2011**	2010
	RM'000	RM'000	**RM'000**	RM'000
Transactions with key management personnel of the Company and persons connected to key management personnel of the Company				
(i) Rental return paid to a key management personnel and a person connected to key management personnel of the Company	**56**	56	**-**	-
(ii) Sale of development property to key management personnel	**405**	-	**-**	-
(iii) Sale of development property to persons connected to key management personnel	**1,560**	-	**-**	-
Transactions with subsidiaries				
Sale of development property to a key management personnel	**780**	-	**-**	-
Property management services	**-**	-	**32**	50
Management income	**-**	-	**1,328**	-

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

(d) 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.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

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 current tax assets, current 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.

The accounting policies of operating segments are the same as those described in the summary of significant accounting policies.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

38. OPERATING SEGMENTS (cont'd)

2011	Property Development RM'000	Construction RM'000	Investment Holding RM'000	Property Management RM'000	Total RM'000
Total revenue	95,877	1,281	-	407	97,565
Inter-segment revenue	-	(861)	-	(407)	(1,268)
Revenue from external customers	95,877	420	-	-	96,297
Interest income	167	-	-	-	167
Finance costs	(1,944)	-	-	-	(1,944)
Net finance expense	(1,777)	-	-	-	(1,777)
Depreciation	531	-	-	2	533
Segment profit/(loss) before income tax	12,848	(49)	(11)	(43)	12,745
Income tax expenses	(4,055)	-	-	-	(4,055)
Other material non-cash item:					
- Bad debts written off	118	-	-	-	118
Additions to non-current assets other than financial instruments and deferred tax assets	59	-	-	-	59
Segment assets	298,521	169	1	31	298,722
Segment liabilities	165,814	668	4	9	166,495

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (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)
Income tax expenses	350	-	-	-	350
Additions to non-current assets other than financial instruments and deferred tax assets	15,671	-	-	-	15,671
Segment assets	244,412	1,292	1	35	245,740
Segment liabilities	120,399	1,015	1,543	625	123,582

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

Profit/(Loss) for the financial year	**2011 RM'000**	2010 RM'000
Total profit/(loss) for reportable segments	**12,745**	(8,485)
Elimination of inter-segment profits	**(982)**	(60)
Profit/(Loss) before tax	**11,763**	(8,545)
Taxation	**(4,055)**	350
Profit/(Loss) for the financial year	**7,708**	(8,195)

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

39. FINANCIAL INSTRUMENTS

(a) Capital management

The primary objective of the Group's capital management is to ensure that the Group would be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The overall strategy of the Group remains unchanged from that in financial year ended 30 November 2010.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 30 November 2011 and 30 November 2010.

The Group is not subject to any externally imposed capital requirements.

The Group and the Company monitor capital using a gearing ratio which is the amount of borrowings (Note 19) divided by equity attributable to owners of the parent. The Group's and the Company's policy is to keep the gearing ratio within manageable levels. At the end of the reporting period, the Group's gearing ratio is 0.89 times (2010: 0.83 times) and the Company's gearing ratio is 0.87 times (2010: 0.75 times). No changes were made in the objectives, policies or processes during the financial years ended 30 November 2011 and 30 November 2010.

(b) Financial instruments

Certain comparative figures have not been presented for 30 November 2010 by virtue of the exemption given in paragraph 44AA of FRS 7.

(i) Categories of financial instruments

Group	Loan and receivables RM'000	Fair value through profit or loss RM'000	Available for sale RM'000	Held to maturity RM'000	Total RM'000
2011					
Financial assets					
Trade and other receivables	**42,611**	**-**	**-**	**-**	**42,611**
Cash and cash equivalents	**7,975**	**-**	**-**	**-**	**7,975**
	50,586	**-**	**-**	**-**	**50,586**

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(b) Financial instruments (cont'd)

(i) Categories of financial instruments (cont'd)

	Other financial liabilities RM'000	Fair value through profit or loss RM'000	Total RM'000
Financial liabilities			
Trade and other payables	**46,527**	**-**	**46,527**
Borrowings	**119,698**	**-**	**119,698**
	166,225	**-**	**166,225**

Company	Loan and receivables RM'000	Fair value through profit or loss RM'000	Available for sale RM'000	Held to maturity RM'000	Total RM'000
2011					
Financial assets					
Trade and other receivables	223,092	-	-	-	223,092
Cash and cash equivalents	7	-	-	-	7
	223,099	-	-	-	223,099

	Other financial liabilities RM'000	Fair value through profit or loss RM'000	Total RM'000
Financial liabilities			
Trade and other payables	4,314	-	4,314
Borrowings	108,843	-	108,843
	113,157	-	113,157

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

39. FINANCIAL INSTRUMENTS (cont'd)

(b) Financial instruments (cont'd)

(ii) Fair values of financial instruments

The fair values of financial instruments that are not carried at fair value and whose carrying amounts do not approximate its fair values are as follows:

	Group		Company	
2011	**Carrying amount RM'000**	**Fair value RM'000**	**Carrying amount RM'000**	**Fair value RM'000**
Recognised				
Financial liabilities:				
Finance lease creditors	1,538	1,453	290	276
2010				
Recognised				
Financial liabilities:				
Finance lease creditors	1,980	1,841	368	350

(c) Methods and assumptions used to estimate fair value

The fair values of financial assets and financial liabilities are determined as follows:

(i) Financial instruments that are not carried at fair value and whose carrying amounts are a reasonable approximation of fair value.

The carrying amounts of financial assets and liabilities, such as trade and other receivables, trade and other payables and floating rate borrowings, are reasonable approximation of fair value, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

(ii) Finance lease creditors

The fair value of finance lease creditors is estimated by discounting expected future cash flows at market incremental lending rate for similar types of instruments available to the Group at the end of the reporting period.

(d) Fair value hierarchy

As at the end of the reporting period, the Group and the Company have no financial instruments that are measured subsequent to initial recognition at fair value and hence fair value hierarchy is not presented.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial risk management objective is to optimise value creation for shareholders whilst minimising the potential adverse impact arising from fluctuations in foreign currency exchange and interest rates and the unpredictability of the financial markets.

The Group operates within an established risk management framework and clearly defined guidelines that are regularly reviewed by the Board of Directors. Financial risk management is carried out through risk review programmes, internal control systems, insurance programmes and adherence to the Group financial risk management policies. The Group is exposed mainly to credit risk, liquidity and cash flow risk as well as interest rate risk. Information on the management of the related exposures is detailed below.

(a) Credit risk

Cash deposits and trade receivables may give rise to credit risk which requires the loss to be recognised if a counter party fails to perform as contracted. It is the Group's policy to monitor the financial standing of these counter parties on an ongoing basis to ensure that the Group is exposed to minimal credit risk.

The Group's exposure to credit risk arises through its trade receivables. The Group extends credit to its customers based upon evaluation of the customer's creditworthiness. Trade receivables are monitored on an ongoing basis via the Group's management reporting procedures. If necessary, the Group may obtain collaterals/assignments as a mean of mitigating the risk of default.

<u>Exposure to credit risk</u>

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

Information regarding credit exposure for trade and other receivables is disclosed in Note 14 to the financial statements.

<u>Credit risk concentration profile</u>

The Group and the Company determine concentration of credit risk by identifying and monitoring any significant long outstanding balance owing by any major customer or counter party on an on-going basis.

The Group and the Company do not have any significant concentration of credit risk as at the end of the reporting period.

<u>Financial assets that are neither past due nor impaired</u>

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 14 to the financial statements. Deposits with banks and other financial institutions that are neither past due nor impaired are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

<u>Financial assets that are either past due or impaired</u>

Information regarding financial assets that are either past due or impaired is disclosed in Note 14 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(b) Liquidity and cash flow risk

Liquidity risk is the risk that the Group is unable to service its cash obligations in the future. To mitigate this risk, the management measures and forecasts its cash commitments, monitors and maintain a level of cash and cash equivalents and credit facilities deemed adequate to finance the Group's operations and developments activities.

<u>Analysis of financial instruments by remaining contractual maturities</u>

The table below summarises the maturity profile of the Group's and the Company's liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	Within 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000	Total RM'000
As at 30 November 2011				
Group				
Financial liabilities:				
Trade and other payables	46,527	-	-	46,527
Borrowings	45,149	79,383	1,173	125,705
Total undiscounted financial liabilities	91,676	79,383	1,173	172,232
As at 30 November 2011				
Company				
Financial liabilities:				
Trade and other payables	4,314	-	-	4,314
Borrowings	42,464	76,500	-	118,964
Total undiscounted financial liabilities	46,778	76,500	-	123,278

	Within 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000	Total RM'000
As at 30 November 2010				
Group				
Financial liabilities:				
Trade and other payables	18,802	-	-	18,802
Borrowings	33,526	76,429	1,524	111,479
Total undiscounted financial liabilities	52,328	76,429	1,524	130,281

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(b) Liquidity and cash flow risk (cont'd)

Analysis of financial instruments by remaining contractual maturities (cont'd)

	Within 1 year RM'000	1 - 5 years RM'000	More than 5 years RM'000	Total RM'000
As at 30 November 2010				
Company				
Financial liabilities:				
Trade and other payables	6,464	-	-	6,464
Borrowings	30,631	71,200	-	101,831
Total undiscounted financial liabilities	37,095	71,200	-	108,295

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates.

The Group's and the Company's exposure to interest rate risk relates primarily to their interest-bearing borrowings on floating rates. The Group does not use derivative financial instruments to hedge this risk.

Sensitivity analysis for interest rate risk

As at 30 November 2011, if interest rates at the date had been 100 basis points lower with all other variables held constant, post-tax profit for the year would have been RM898,000 higher and vice versa, arising mainly as a result of lower or higher interest expense on variable borrowings. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Interest rate risk (cont'd)

The following table set out the carrying amounts, the weighted average effective interest rate as at the end of the reporting period and the remaining maturities of the Group's and the Company's financial instruments that are exposed to interest rate risk:

Group 2011	Note	Weighted average effective interest rate %	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	**2.50**	**249**	**-**	**-**	**-**	**-**	**249**
Finance lease creditors	22	**5.39**	**(430)**	**(446)**	**(472)**	**(190)**	**-**	**(1,538)**
Floating rate instruments								
Bank overdrafts	19	**8.06**	**(8,714)**	**-**	**-**	**-**	**-**	**(8,714)**
Bridging loans	19	**7.60**	**(4,894)**	**(1,174)**	**-**	**-**	**-**	**(6,068)**
Revolving credits	19	**7.15**	**(13,000)**	**(1,000)**	**-**	**-**	**-**	**(14,000)**
Term loans	19	**7.71**	**(12,006)**	**(28,490)**	**(47,019)**	**(238)**	**(1,625)**	**(89,378)**
2010								
Fixed rate instruments								
Deposits with licensed banks	16	2.94	329	-	-	-	-	329
Finance lease creditors	22	5.39	(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	6.53	(12,959)	(2,000)	(167)	-	-	(15,126)
Term loans	19	7.19	(7,288)	(5,462)	(15,075)	(47,019)	(1,880)	(76,724)

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

40. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (cont'd)

(c) Interest rate risk (cont'd)

Company 2011	Note	Weighted average effective interest rate %	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**	**104,081**	**-**	**-**	**-**	**-**	**104,081**
Finance lease creditors	22	**4.97**	**(82)**	**(86)**	**(91)**	**(31)**	**-**	**(290)**
Floating rate instruments								
Bank overdrafts	19	**8.06**	**(8,714)**	**-**	**-**	**-**	**-**	**(8,714)**
Bridging loans	19	**7.60**	**-**	**(1,174)**	**-**	**-**	**-**	**(1,174)**
Revolving credits	19	**7.15**	**(13,000)**	**(1,000)**	**-**	**-**	**-**	**(14,000)**
Term loans	19	**7.50**	**(10,903)**	**(26,962)**	**(46,800)**	**-**	**-**	**(84,665)**
2010								
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	4.97	(78)	(82)	(86)	(91)	(31)	(368)
Floating rate instruments								
Bank overdrafts	19	7.72	(8,537)	-	-	-	-	(8,537)
Revolving credits	19	6.53	(12,959)	(2,000)	(167)	-	-	(15,126)
Term loans	19	8.01	(6,450)	(3,450)	(13,200)	(46,800)	-	(69,900)

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

41. EVENT SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 16 November 2011, Country View Resources Sdn. Bhd. ("the third defendant" or "CVR"), the wholly-owned subsidiary of the Company, has been served with a Writ of Summons by Jawatan Kuasa Kiara Hill "Ad Hoc" ("the Plaintiff"), Taman Nusa Indah though its solicitors, Messrs. Tam Cheng Yau & Co. The Plaintiff claimed for various orders and damages plus other reliefs against the first Defendant, second Defendant and CVR, as the 3rd Defendant under the Writ of Summons and in particular Special Damages amounting to RM33,950,000.

On 14 February 2012, the Plaintiff's suit against CVR and all other defendants have been struck off with liberty to file afresh.

42. OPENING STATEMENTS OF FINANCIAL POSITION

The opening statements of financial position as at 1 December 2010, primarily reflect the effects arising from the adoption of FRS 139 as follows:

Group	As previously reported RM'000	Effects on adoption of FRS 139 RM'000	As reported RM'000
<u>Statement of Financial Position</u>			
ASSETS			
Non-current assets			
Property, plant and equipment	2,220	-	2,220
Land held for property development	80,840	-	80,840
Deferred tax assets	3,900	-	3,900
	86,960	-	86,960
Current assets			
Property development costs	139,358	-	139,358
Inventories	9,720	-	9,720
Trade and other receivables	11,711	-	11,711
Current tax assets	405	-	405
Cash and cash equivalents	1,891	-	1,891
	163,085	-	163,085
TOTAL ASSETS	250,045	-	250,045
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital	100,000	-	100,000
Reserves	26,463	(280)	26,183
TOTAL EQUITY	126,463	(280)	126,183

NOTES TO THE FINANCIAL STATEMENTS 30 NOVEMBER 2011 (cont'd)

42. OPENING STATEMENTS OF FINANCIAL POSITION (cont'd)

The opening statements of financial position as at 1 December 2010, primarily reflect the effects arising from the adoption of FRS 139 as follows: (cont'd)

	As previously reported RM'000	Effects on adoption of FRS 139 RM'000	As reported RM'000
LIABILITIES			
Non-current liabilities			
Borrowings	73,142	-	73,142
Current liabilities			
Trade and other payables	18,802	-	18,802
Derivative liability	-	280	280
Provision for liabilities	11	-	11
Borrowings	31,627	-	31,627
Current tax liabilities	-	-	-
	50,440	-	50,720
TOTAL LIABILITIES	123,582	-	123,862
TOTAL EQUITY AND LIABILITIES	250,045	-	250,045

NOTES TO THE FINANCIAL STATEMENTS
30 NOVEMBER 2011 (cont'd)

43. 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:

	2011	
	Group RM'000	Company RM'000
Total retained earnings of Country View Berhad and its subsidiaries		
- Realised	31,551	24,551
- Unrealised	2,381	-
	33,932	24,551
Add: Consolidation adjustment	(165)	-
Total Group/Company retained earnings as per consolidated financial statements	33,767	24,551

PROXY FORM

country view 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 29th Annual General Meeting of the Company, to be held at Hibiscus Room, Thistle Johor Bahru, Jalan Sungai Chat, 80100 Johor Bahru, Johor, Malaysia on Wednesday, 25th April 2012 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 En. Azhar Bin Azizan @ Harun		
Ordinary Resolution 4	Re-election of Mr. Law Kee Kong		
Ordinary Resolution 5	Re-election of Mr. Wong Chee Sean @ Wong Sean		
Ordinary Resolution 6	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.................... 2012

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. Notwithstanding this, a member entitled to attend and vote at the Meeting is entitled to appoint any person as his proxy to attend and vote instead of him at the Meeting. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
2. 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. Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account") there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
3. 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.
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.
6. In respect of deposited securities, only members whose names appear on the Record of Depositors on 19 April 2012, shall be eligible to attend the meeting or appoint proxy(ies) to attend and/or vote on his behalf.

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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

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