BCB BERHAD (172003 - W)

(Incorporated in Malaysia)

DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

30 JUNE 2015

Company No.:
172003 - W

BCB BERHAD

(Incorporated in Malaysia)

CONTENTS

BCB BERHAD

(Incorporated in Malaysia)

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 June 2015.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, property development and hotel operations. The principal activities of the subsidiaries are set out in Note 10 to the financial statements.

There have been no significant changes in the nature of these activities for the Group and Company during the financial year.

RESULTS

	Group RM	Company RM
Profit for the financial year	34,246,527	9,286,340
Attributable to:		
Owners of the parent	33,920,608	9,286,340
Non-controlling interests	325,919	-
	34,246,527	9,286,340

DIVIDEND

Dividend paid, declared or proposed since the end of the previous financial year was as follows:

	Company RM
In respect of financial year ended 30 June 2014:	
Single tier final dividend of 3.0 sen per ordinary share, paid on 16 February 2015	6,007,002

The Directors do not recommend the payment of any final 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 new issue of shares or debentures during the financial year.

TREASURY SHARES

During the financial year, the Company repurchased 2,000 (2014: 2,000) of its issued share capital from the open market on Bursa Malaysia Securities Berhad for RM2,493 (2014: RM1,492). The average price paid for the shares repurchased was RM1.25 (2014: RM0.75) per share. Details of the treasury shares are set out in Note 15 to the financial statements.

OPTIONS GRANTED OVER UNISSUED SHARES

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

DIRECTORS

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

Dato' Tan Seng Leong
Tan Lay Hiang
Tan Lindy
Ash'ari bin Ayub
Datuk Seri Ismail Bin Yusof
Tan Vin Sern
Tan Vin Shyan
Low Kok Yung
Abd Manap Bin Hussain

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 June 2015 as recorded in the Register of Directors' Shareholdings kept by the Company under Section 134 of the Companies Act, 1965 in Malaysia were as follows:

	<----- Number of ordinary shares of RM1.00 each ----->			
Shares in the Company	**Balance as at 1.7.2014**	**Bought**	**Sold**	**Balance as at 30.6.2015**
Direct interests:				
Dato' Tan Seng Leong	63,035,500	-	(63,035,500)	-
Tan Vin Sern	2,534,500	-	(2,534,500)	-
Tan Lay Hiang	491,100	-	(491,100)	-
Low Kok Yung	3,000	-	-	3,000
Indirect interests:				
Dato' Tan Seng Leong	2,665,500	85,588,600	-	88,254,100

	<----- Number of ordinary shares of RM1.00 each ----->			
Shares in the Ultimate Company	**Balance as at 1.7.2014**	**Bought**	**Sold**	**Balance as at 30.6.2015**
Direct interests:				
Dato' Tan Seng Leong	6,999	-	-	6,999

DIRECTORS' INTERESTS (continued)

By virtue of his interests in the ordinary shares of the ultimate holding company, Dato' Tan Seng Leong is also deemed to be interested 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 interests in ordinary shares or debentures in the Company and of 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 he 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 been derived by virtue of those transactions as disclosed in Note 31 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 of the Company 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 profit or loss and other 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.

(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 amount 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;

(ii) which would render the values 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.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (continued)

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

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 or of the Company to meet their 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.

SIGNIFICANT EVENT DURING THE REPORTING PERIOD

During the financial year, Evergreen Ratio Sdn. Bhd. became the ultimate holding company of the BCB Berhad.

SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

(a) On 29 September 2015, the Company acquired the entire issued and paid-up share capital of Absolute 88 Sdn. Bhd. comprising 2 ordinary shares of RM1.00 each for a total cash consideration of RM2.00, making it a wholly owned subsidiary of the Company.

(b) On 1 October 2015, Absolute 88 Sdn. Bhd. entered into a Lease Purchase Agreement with a third party to acquire the rights of the land in Medini Iskandar Malaysia measuring approximately 22 acres for a total cash consideration of RM58,526,920.

ULTIMATE HOLDING COMPANY

The Directors regard Evergreen Ratio Sdn. Bhd., a company incorporated in Malaysia as the ultimate holding company.

Company No.:
172003 - W

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.

Dato' Tan Seng Leong
Group Managing Director

Low Kok Yung
Group Finance Director

Kluang
21 October 2015

Company No.:
172003 - W

BCB BERHAD

(Incorporated in Malaysia)

STATEMENT BY DIRECTORS

In the opinion of the Directors, the financial statements set out on pages 9 to 82 have been drawn up in accordance with 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 June 2015 and of their financial performance and cash flows of the Group and of the Company for the financial year then ended.

In the opinion of the Directors, the information set out in Note 39 to the financial statements on page 83 has been compiled in accordance with the Guidance on Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosures Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants, and presented based on the format prescribed by Bursa Malaysia Securities Berhad.

On behalf of the Board,

Dato' Tan Seng Leong
Group Managing Director

Low Kok Yung
Group Finance Director

Kluang
21 October 2015

STATUTORY DECLARATION

I, Dato' Tan Seng Leong, being the Director primarily responsible for the financial management of BCB Berhad, do solemnly and sincerely declare that the financial statements set out on pages 9 to 83 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 above named at)
Kluang, Johor this)
21 October 2015)

Before me:

PESURUHJAYA SUMPAH
NO. J 166
MOHD SAIFUL THOMAS
BIN ABDULLAH
MALAYSIA

NO. 10, JALAN DATO TEOH SIEW KHO
86000 KLUANG, JOHOR, DARUL TA'Z
H/P: 012-740 7222

Company No.:
172003 - W

BDO

Tel: +607 331 9815
Fax: +607 331 9817
www.bdo.my

Suite 18-04, Level 18 Menara Zurich
15 Jalan Dato' Abdullah Tahir
80300 Johor Bahru
Johor Darul Ta'zim
Malaysia

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BCB BERHAD

Report on the Financial Statements

We have audited the financial statements of BCB Berhad, which comprise statements of financial position as at 30 June 2015 of the Group and of the Company, and statements of profit or loss and other 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 9 to 82.

Directors' Responsibility for the Financial Statements

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

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 give a true and fair view of the financial position of the Group and of the Company as of 30 June 2015 and of their financial performance and cash flows for the financial year then ended in accordance with Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

Company No.:
172003 - W

BDO

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BCB BERHAD (continued)

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 of which we have acted as auditors 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 proposes.

(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 39 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

BDO
AF: 0206
Chartered Accountants

Se Kuo Shen
2949/05/16 (J)
Chartered Accountant

Johor Bahru
21 October 2015

BCB BERHAD

(Incorporated in Malaysia)

STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2015

		Group		Company	
		2015	2014	2015	2014
ASSETS	**Note**	**RM**	**RM**	**RM**	**RM**
NON-CURRENT ASSETS					
Property, plant and equipment	7	66,278,367	65,521,435	57,465,235	58,773,473
Investment properties	8	22,878,988	25,848,949	11,635,000	11,635,000
Land held for property development	9	83,148,839	83,262,951	13,143,352	13,143,352
Investment in subsidiaries	10	-	-	56,800,010	51,400,010
		172,306,194	174,633,335	139,043,597	134,951,835
CURRENT ASSETS					
Property development costs	11	728,549,758	509,824,363	289,957,391	193,998,072
Inventories	12	70,008,077	68,048,893	11,141,900	10,508,043
Trade and other receivables	13	79,516,977	117,182,288	209,673,004	217,079,730
Current tax assets		2,741,751	1,685,886	-	-
Cash and bank balances	14	28,099,059	21,884,424	7,425,496	11,660,711
		908,915,622	718,625,854	518,197,791	433,246,556
TOTAL ASSETS		1,081,221,816	893,259,189	657,241,388	568,198,391
EQUITY AND LIABILITIES					
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT					
Share capital	15	206,250,000	206,250,000	206,250,000	206,250,000
Treasury shares	15	(3,119,205)	(3,116,712)	(3,119,205)	(3,116,712)
Revaluation reserve	16	6,788,088	6,788,088	6,788,088	6,788,088
Retained earnings		202,249,768	174,336,162	106,907,769	103,628,431
		412,168,651	384,257,538	316,826,652	313,549,807
Non-controlling interests		12,821,677	8,895,758	-	-
TOTAL EQUITY		424,990,328	393,153,296	316,826,652	313,549,807
LIABILITIES					
NON-CURRENT LIABILITIES					
Borrowings	17	204,145,105	154,251,926	57,362,918	28,065,029
Deferred tax liabilities	18	846,715	908,951	1,137,088	1,137,088
		204,991,820	155,160,877	58,500,006	29,202,117
CURRENT LIABILITIES					
Trade and other payables	19	271,671,620	157,500,000	204,343,142	89,724,587
Borrowings	17	175,072,742	180,336,462	75,828,202	134,043,038
Current tax liabilities		4,495,306	7,108,554	1,743,386	1,678,842
		451,239,668	344,945,016	281,914,730	225,446,467
TOTAL LIABILITIES		656,231,488	500,105,893	340,414,736	254,648,584
TOTAL EQUITY AND LIABILITIES		1,081,221,816	893,259,189	657,241,388	568,198,391

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

BCB BERHAD

(Incorporated in Malaysia)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

		Group		Company	
		2015	**2014**	**2015**	**2014**
	Note	**RM**	**RM**	**RM**	**RM**
Revenue	22	398,740,493	281,944,979	156,694,580	161,938,157
Cost of sales	23	(293,870,699)	(197,907,237)	(107,916,183)	(112,537,249)
Gross profit		104,869,794	84,037,742	48,778,397	49,400,908
Other operating income		9,523,735	9,392,348	4,289,789	2,300,920
Administrative expenses		(35,424,066)	(30,586,674)	(19,244,442)	(18,848,903)
Marketing and selling expenses		(6,796,643)	(4,041,802)	(4,776,103)	(3,273,169)
Other operating expenses		(4,601,141)	(3,575,134)	-	-
Finance income	24	17,131	12,117	-	-
Finance costs	24	(19,470,757)	(11,431,186)	(14,700,074)	(8,648,682)
Profit before tax	25	48,118,053	43,807,411	14,347,567	20,931,074
Tax expense	26	(13,871,526)	(11,293,833)	(5,061,227)	(3,213,994)
Profit for the financial year		34,246,527	32,513,578	9,286,340	17,717,080
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		34,246,527	32,513,578	9,286,340	17,717,080
Profit attributable to:					
Owners of the parent		33,920,608	30,692,340	9,286,340	17,717,080
Non-controlling interests		325,919	1,821,238	-	-
		34,246,527	32,513,578	9,286,340	17,717,080
Earnings per share attributable to owners of the parent (sen)					
- Basic and diluted	29(a)	16.94	15.33		

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

Company No.:
172003 - W

BCB BERHAD

(Incorporated in Malaysia)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

			Non-distributable		Distributable		
Group	**Note**	**Share capital RM**	**Treasury shares RM**	**Revaluation reserve RM**	**Retained earnings RM**	**Non-controlling interests RM**	**Total equity RM**
Balance as at 1 July 2013		206,250,000	(3,115,220)	6,788,088	144,245,498	6,816,200	360,984,566
Profit for the financial year		-	-	-	30,692,340	1,821,238	32,513,578
Other comprehensive income, net of tax		-	-	-	-	-	-
Total comprehensive income		-	-	-	30,692,340	1,821,238	32,513,578
Transaction with owners							
Purchase of treasury shares	15	-	(1,492)	-	-	-	(1,492)
Additional non-controlling interests arising on a business combination		-	-	-	-	400,000	400,000
Non-controlling interests:							
- Acquisition of shares		-	-	-	(376,676)	(223,324)	(600,000)
- Dilution of shares		-	-	-	(225,000)	225,000	-
- Dividend paid	10	-	-	-	-	(143,356)	(143,356)
Total transaction with owners		-	(1,492)	-	(601,676)	258,320	(344,848)
Balance as at 30 June 2014		206,250,000	(3,116,712)	6,788,088	174,336,162	8,895,758	393,153,296
Profit for the financial year		-	-	-	33,920,608	325,919	34,246,527
Other comprehensive income, net of tax		-	-	-	-	-	-
Total comprehensive income		-	-	-	33,920,608	325,919	34,246,527
Transactions with owners							
Dividend paid	27	-	-	-	(6,007,002)	-	(6,007,002)
Issuance of shares in a subsidiary	10(d)	-	-	-	-	3,600,000	3,600,000
Purchase of treasury shares	15	-	(2,493)	-	-	-	(2,493)
Total transactions with owners		-	(2,493)	-	(6,007,002)	3,600,000	(2,409,495)
Balance as at 30 June 2015		206,250,000	(3,119,205)	6,788,088	202,249,768	12,821,677	424,990,328

Company No.:
172003 - W

BCB BERHAD

(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

			Non-distributable		Distributable	
Company	**Note**	**Share capital RM**	**Treasury shares RM**	**Revaluation reserve RM**	**Retained earnings RM**	**Total equity RM**
Balance as at 1 July 2013		206,250,000	(3,115,220)	6,788,088	85,911,351	295,834,219
Profit for the financial year		-	-	-	17,717,080	17,717,080
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income		-	-	-	17,717,080	17,717,080
Transaction with owners						
Purchase of treasury shares	15	-	(1,492)	-	-	(1,492)
Total transaction with owners		-	(1,492)	-	-	(1,492)
Balance as at 30 June 2014		206,250,000	(3,116,712)	6,788,088	103,628,431	313,549,807
Profit for the financial year		-	-	-	9,286,340	9,286,340
Other comprehensive income, net of tax		-	-	-	-	-
Total comprehensive income		-	-	-	9,286,340	9,286,340
Transaction with owners						
Dividend paid	27	-	-	-	(6,007,002)	(6,007,002)
Purchase of treasury shares	15	-	(2,493)	-	-	(2,493)
Total transaction with owners		-	(2,493)	-	(6,007,002)	(6,009,495)
Balance as at 30 June 2015		206,250,000	(3,119,205)	6,788,088	106,907,769	316,826,652

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

Company No.:
172003 - W

BCB BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015

		Group		Company	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before tax		48,118,053	43,807,411	14,347,567	20,931,074
Adjustments :					
Bad debts written off	13	51,574	-	-	-
Depreciation of property, plant and equipment	7	3,232,349	2,769,084	2,453,539	2,284,239
Dividend income	22	-	-	-	(10,717,333)
Fair value adjustment on investment properties	8	-	(2,448,824)	-	-
Gain on disposals of:					
- property, plant and equipment		(2,293,815)	(65,049)	(2,293,516)	(65,000)
- investment properties		(148,234)	(411,850)	-	-
Inventories written off	12	6,171	897	-	-
Interest income	24	(17,131)	(12,117)	-	-
Interest expense	24	19,470,757	11,431,186	14,700,074	8,648,682
Property, plant and equipment written off	7	2,223	890	-	358
Operating profit before working capital changes		68,421,947	55,071,628	29,207,664	21,082,020
Changes in working capital:					
Property development costs		(209,596,158)	(32,238,524)	(95,203,277)	(2,078,230)
Inventories		(749,437)	(1,473,306)	582,061	203,903
Trade and other receivables		37,613,737	(57,749,605)	7,406,726	(36,119,860)
Trade and other payables		114,171,620	82,482,149	114,618,555	42,871,037
Cash generated from operations		9,861,709	46,092,342	56,611,729	25,958,870
Interest received	24	17,131	12,117	-	-
Tax paid		(17,656,048)	(10,136,337)	(4,996,683)	(4,108,813)
Tax refunded		53,173	2,074,798	-	1,256,996
Net cash (used in)/from operating activities		(7,724,035)	38,042,920	51,615,046	23,107,053

Company No.:
172003 - W

BCB BERHAD

(Incorporated in Malaysia)

STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2015 (continued)

		Group		Company	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions to land held for property development	9	(662,668)	(1,369,571)	-	(94,746)
Acquisition of:					
- additional interest in a subsidiary	10(d)	-	-	(5,400,000)	-
- non-controlling interests	33(a)	-	(600,000)	-	-
- a subsidiary		-	-	-	(1,200,000)
Dividends received	22	-	-	-	10,717,333
Proceeds from disposals of:					
- property, plant and equipment		3,298,300	65,050	3,298,000	65,000
- investment properties		3,118,195	1,887,350	-	-
Purchase of property, plant and equipment	7	(3,399,413)	(2,784,896)	(993,109)	(931,541)
Net cash from/(used in) investing activities		2,354,414	(2,802,067)	(3,095,109)	8,556,046
CASH FLOWS FROM FINANCING ACTIVITIES					
Deposits (pledged to)/uplifted from licensed banks		(44,754)	(310,815)	200,000	-
Dividends paid to:					
- ordinary shareholders of the Company	27	(6,007,002)	-	(6,007,002)	-
- non-controlling interests in subsidiaries		-	(143,356)	-	-
Interest paid		(29,039,132)	(28,546,514)	(16,672,034)	(17,709,834)
Drawdowns/(Repayments) of borrowings		47,204,427	(9,558,980)	(27,064,508)	(11,729,776)
Ordinary share capital contributed by non-controlling interests of subsidiaries		3,600,000	400,000	-	-
Purchase of treasury shares	15	(2,493)	(1,492)	(2,493)	(1,492)
Repayments to hire purchase creditors		(679,953)	(479,998)	(432,778)	(401,682)
Net cash from/(used in) financing activities		15,031,093	(38,641,155)	(49,978,815)	(29,842,784)
Net increase/(decrease) in cash and cash equivalents		9,661,472	(3,400,302)	(1,458,878)	1,820,315
Cash and cash equivalents at beginning of financial year		(38,013,607)	(34,613,305)	(44,362,606)	(46,182,921)
Cash and cash equivalents at end of financial year	14(c)	(28,352,135)	(38,013,607)	(45,821,484)	(44,362,606)

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

Company No.:
172003 - W

BCB BERHAD

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
30 JUNE 2015

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 principal place of business and the registered office of the Company are located at No. 4B, 2nd & 3rd Floor, Jalan Sentol, South Wing - Kluang Parade, 86000, Kluang, Johor.

The consolidated financial statements for the financial year ended 30 June 2015 comprise the Company and its subsidiaries. These financial statements are presented in Ringgit Malaysia (‘RM’), which is also the functional currency of the Company.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 21 October 2015.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding, property development and hotel operations. The principal activities of the subsidiaries are set out in Note 10 to the financial statements.

There have been no significant changes in the nature of these activities for the Group and Company during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company set out on pages 9 to 82 have been prepared in accordance with Financial Reporting Standards (‘FRSs’) and the provisions of the Companies Act, 1965 in Malaysia.

However, Note 39 to the financial statements set out on page 83 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 in conformity with FRSs requires the Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and contingent liabilities. In addition, the Directors are also required to exercise their judgement in the process of applying the accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 6 to the financial statements. Although these estimates and assumptions are based on the Directors’ best knowledge of events and actions, actual results could differ from those estimates.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and al its subsidiaries. Control is achieved when the Group 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. Specifically, the Group controls an investee if and only if the Group has:

(a) Power over the investee;
(b) Exposure, or rights, to variable returns from its involvement with the investee; and
(c) The ability to use its power over the investee to affect its returns.

If the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) The contractual arrangement with the other vote holders of the investee;
(b) Rights arising from other contractual agreements; and
(c) The voting rights of the Group and potential voting rights.

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 interest of the Group in the investee. Unrealised losses 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 represent the equity in subsidiaries that are not attributable, directly or indirectly, to owners of the parent, and is presented separately in the consolidated statement of profit or loss and other 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 profit or loss and 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.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. 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. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the financial year are included in the statement of profit or loss and other comprehensive income from the date of the Group gains control until the date the Group ceases to control the subsidiary.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.2 Basis of consolidation (continued)

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

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

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

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 joint venture.

4.3 Business combinations

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 share-based payment transactions of the acquiree or the replacement by the Group of an acquiree's share-based payment transactions are measured in accordance with FRS 2 *Share-based Payment* at the acquisition date; 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 serviced are received.

Any contingent consideration payable is recognised at fair value at the acquisition date. Measurement period adjustments to contingent consideration are dealt with as follows:

(a) If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity.

(b) Subsequent changes to contingent consideration classified as an asset or liability that is a financial instrument within the scope of FRS 139 are recognised either in profit or loss or in other comprehensive income in accordance with FRS 139. All other subsequent changes are recognised in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.3 Business combinations (continued)

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 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.

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 less any accumulated depreciation. 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 would 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 except for hotel properties are stated at cost less any accumulated depreciation and any accumulated impairment losses. Hotel properties are stated at valuation, which is the fair value at the date of revaluation less any subsequent accumulated depreciation and any subsequent accumulated impairment losses.

Hotel properties comprise leasehold land, hotel buildings and their integral plant and machineries. Hotel properties are revalued with sufficient regularity to ensure that carrying amount does not differ materially from that which would be determined using fair value at the end of each reporting period. The surplus arising from such revaluations is credited to shareholders' equity as a revaluation reserve, net of deferred tax and any subsequent deficit is offset against such surplus to the extent of a previous increase for the same property. In all other cases, the deficit will be charged to profit or loss. For a revaluation increase subsequent to a revaluation deficit of the same asset, the surplus is recognised as income to the extent that it reverses the deficit previously recognised as an expense with the balance of increase credited to revaluation reserve.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 Property, plant and equipment and depreciation (continued)

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 periods and rates are as follows:

Leasehold land	87 years
Hotel properties	50 - 87 years
Buildings	50 years
Plant and machinery	20%
Motor vehicles	20%
Renovation	15%
Furniture, fittings and office equipment	10% - 20%

Freehold land has unlimited useful life and is not depreciated.

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 4.10 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.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 Leases and hire purchase (continued)

(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.

(c) Leases of land and buildings

For leases of land and buildings, the land and buildings elements are considered separately for the purpose of lease classification and these leases are classified as operating or finance leases in the same way as leases of other assets.

The minimum lease payments including any lump-sum upfront payments made to acquire the interest in the land and building are allocated between the land and the buildings elements in proportion to the relative fair value of the leasehold interests in the land element and the buildings element of the leave at the inception of the lease.

For a lease of land and buildings in which the amount that would initially be recognised for the land element is immaterial, the land and buildings are treated as a single unit for the purpose of lease classification and is accordingly classified as a finance or operating lease. In such a case, the economic life of the buildings is regarded as the economic life of the entire leased asset.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.6 Property development activities (continued)

(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 profit or loss exceeds progress billings to purchasers, the balance is classified as accrued billings under current assets. When progress billings exceed revenue recognised in profit or loss, 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 Investment properties

Investment properties are properties which are held to earn rental yields or for capital appreciation or for both and are not occupied by the Group. Investment properties also include properties that are being constructed or developed for future use as investment properties. Investment properties are initially measured at cost, which includes transaction costs. After initial recognition, investment properties are stated at fair value.

The fair value of investment properties reflect among other things, rental income from current leases and other assumptions that market participants would use when pricing investment properties under current market conditions.

Fair value of investment properties are based on valuation by registered independent valuers with appropriate recognised professional qualification and by reference to market evidence of transaction prices for similar properties.

A gain or loss arising from a change in the fair value of investment properties is recognised in profit or loss for the period in which it arises.

Investment properties are derecognised when either they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset is recognised in profit or loss in the period of the retirement or disposal.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.9 Investment in subsidiaries

A subsidiary is an entity in which the Group and the Company are exposed, or have rights, to variable returns from its involvement with the subsidiary and have the ability to affect those returns through its power over the subsidiary.

An investment in subsidiary, which is eliminated on consolidation, is stated in the separate financial statements of the Company at cost (or in accordance with FRS 139). Put options written over non-controlling interests on the acquisition of subsidiary shall be included as part of the cost of investment in the separate financial statements of the Company. Subsequent changes in the fair value of the written put options over non-controlling interests shall be recognised in profit or loss. 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 (or included in a disposal group that is 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.

4.10 Impairment of non-financial assets

The carrying amounts of assets, except for financial assets (excluding investment in subsidiaries), inventories, assets arising from construction contracts, property development costs, investment properties measured at fair value 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 profit or loss when the carrying amount of the asset or the CGU, exceeds the recoverable amount of the asset or 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 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.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.10 Impairment of non-financial assets (continued)

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

Such reversals are recognised as income immediately in 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.

4.11 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of completed development properties comprises proportionate land and development expenditure and is determined on the specific identification basis. Cost of consumable stocks refer to construction materials and is determined using the first-in, first-out formula. Cost of food and beverages is determined on a weighted average basis. Cost comprises the original cost of purchase plus the cost of bringing the inventories to their intended location and condition.

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.

4.12 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.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Financial instruments (continued)

(a) Financial assets

A financial asset is classified into the following four (4) 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.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Financial instruments (continued)

(a) Financial assets (continued)

A financial asset is classified into the following four (4) categories after initial recognition for the purpose of subsequent measurement (continued):

(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.

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 consist of cash on hand, balances and deposits with banks which have an insignificant risk of changes in fair value with original maturities of three (3) months or less, and are used by the Group and the Company in the management of their short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

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.

A regular way purchase or sale of financial assets shall be recognised and derecognised, as applicable, using trade date accounting.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Financial instruments (continued)

(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 (2) 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.

(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.

Any 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.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Financial instruments (continued)

(b) Financial liabilities (continued)

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 would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

At the end of each reporting period, the Group assesses 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 statements of financial position when, and only when, it is extinguished via a discharge, cancellation or expiration.

(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 recognised 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.

When the Group repurchases its own shares, the shares repurchased would be accounted for using the treasury stock method.

Where the treasury stock method is applied, the shares repurchased and held as treasury shares shall be measured and carried at the cost of repurchase on initial recognition and subsequently. It shall not be revalued for subsequent changes in the fair value or market price of the shares.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Financial instruments (continued)

(c) Equity (continued)

The carrying amount of the treasury shares shall be offset against equity in the statement of financial position. To the extent that the carrying amount of the treasury shares exceeds the share premium account, it shall be considered as a reduction of any other reserves as may be permitted by the Companies Act, 1965 in Malaysia.

No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the own equity instruments of the Company. If such shares are issued by resale, any difference between the sales consideration and the carrying amount is shown as a movement in equity.

4.13 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.

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.

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.

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.15 Income taxes

Income taxes include all taxes on taxable profit. Taxes in the statements of profit or loss and other comprehensive income comprise current tax and deferred tax.

(a) Current tax

Current tax expenses are determined according to the tax laws of each jurisdiction in which the Group operates and include all taxes based upon the taxable profits and real property gains taxes payable on disposal of properties, if any.

(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 would 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 would 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 would be reduced accordingly. When it becomes probable that sufficient taxable profits would be available, such reductions would 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:

(a) the same taxable entity; or

(b) 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 would 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.

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 tax laws by the Government in the annual budgets which have the substantive effect of actual enactment by the end of each reporting period.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.16 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 would be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, the amount of a provision would 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 would be required to settle the obligation, the provision will be reversed.

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.

4.17 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 would 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 would 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.

4.18 Employee benefits

(a) 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 and they lapse if the current period’s entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement on leaving the Group.

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. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.18 Employee benefits (continued)

(b) Defined contribution plan

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

4.19 Functional and presentation currency

Item included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entities operate ('the functional currency'). The consolidated financial statements are presented in Ringgit Malaysia ('RM'), which is the Company's functional and presentation currency.

4.20 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 would 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) 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 value of work certified to date as a percentage of the total value of projects.

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.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.20 Revenue recognition (continued)

(b) Hotel operations income

Hotel operations income comprises letting of hotel rooms, sales of food and beverages and other hotel related income, and is recognised upon delivery of products, customer acceptance and performance of services, net of goods and services tax and discounts.

(c) Construction contracts

Profit from contract works are recognised on a percentage of completion method. Percentage of completion is measured by reference to the survey of work performed.

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.

(d) Rental income

Rental income is accounted for on a straight line basis over the lease term of an ongoing lease. The aggregate cost of incentives provided to the lessee is recognised as reduction of rental income over the lease term on a straight line basis.

(e) Sale of goods

Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods has been transferred to the customer and where the Group retains neither continuing managerial involvement over the goods, which coincides with delivery of goods and acceptance by customers.

(f) Project management fees

Management fee in respect of rendering of management and consultation services is recognised in the statements of profit or loss and other comprehensive income when services are rendered.

(g) Dividend income

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

(h) Interest income

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

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.21 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 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.

4.22 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.

4. SIGNIFICANT ACCOUNTING POLICIES (continued)

4.23 Fair value measurement

The fair value of an asset or a liability, (except for lease transactions) is determined 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. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

The Group measures the fair value of an asset or a liability by taking into account the characteristics of the asset or liability if market participants would take these characteristics into account when pricing the asset or liability. The Group has considered the following characteristics when determining fair value:

(a) The condition and location of the asset; and

(b) Restrictions, if any, on the sale or use of the asset.

The fair value measurement for a non-financial asset takes into account the ability of the market participant to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The fair value of a financial or non-financial liability or an entity's own equity instrument assumes that:

(a) A liability would remain outstanding and the market participant transferee would be required to fulfil the obligation. The liability would not be settled with the counterparty or otherwise extinguished on the measurement date; and

(b) An entity's own equity instrument would remain outstanding and the market participant transferee would take on the rights and responsibilities associated with the instrument. The instrument would not be cancelled or otherwise extinguished on the measurement date.

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs

5.1 New FRSs adopted during the current financial year

The Group and Company adopted the following Standards of the FRS Framework that were issued by the Malaysian Accounting Standards Board ('MASB') during the financial year.

Title	Effective Date
Amendments to FRS 10 *Consolidated Financial Statements: Investment Entities*	1 January 2014
Amendments to FRS 12 *Disclosure of Interest in Other Entities: Investment Entities*	1 January 2014
Amendments to FRS 127 *Separate Financial Statements (2011): Investment Entities*	1 January 2014
Amendments to FRS 132 *Offsetting Financial Assets and Financial Liabilities*	1 January 2014
Amendments to FRS 136 *Recoverable Amount Disclosures for Non-Financial Assets*	1 January 2014
Amendments to FRS 139 *Novation of Derivatives and Continuation of Hedge Accounting*	1 January 2014
IC Interpretation 21 *Levies*	1 January 2014
Amendments to *FRS 119 Defined Benefit Plans: Employee Contributions*	1 July 2014
Amendments to FRSs *Annual Improvements 2010-2012 Cycle*	1 July 2014
Amendments to FRSs *Annual Improvements 2011-2013 Cycle*	1 July 2014

There is no impact upon adoption of the above FRSs, Amendments to FRSs and IC Interpretations during the current financial year.

5.2 New FRSs that have been issued, but only effective for annual periods beginning on or after 1 January 2016

The following are Standards of the FRS Framework that have been issued by the Malaysian Accounting Standards Board ('MASB') but have not been early adopted by the Group and Company.

Title	Effective Date
FRS 14 *Regulatory Deferral Accounts*	1 January 2016
Amendments to FRS 10 and FRS 128 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	1 January 2016
Amendments to FRS 10, FRS 12 and FRS 128 *Investment Entities: Applying the Consolidation Exception*	1 January 2016
Amendments to FRS 101 *Disclosure Initiative*	1 January 2016
Amendments to FRS 11 *Accounting for Acquisitions of Interests in Joint Operations*	1 January 2016
Amendments to FRS 116 and FRS 138 *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016
Amendments to FRS 127 *Equity Method in Separate Financial Statements*	1 January 2016
Amendments to FRSs *Annual Improvements to 2012-2014 Cycle*	1 January 2016
FRS 9 *Financial Instruments (IFRS as issued by IASB in July 2014)*	1 January 2018

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 June 2017.

Company No.:
172003 - W

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (continued)

5.3 New MFRSs that have been issued, but have yet to be adopted during the current financial year

The Group and Company have yet to adopt the following Standards of the Malaysian Financial Reporting Standards ('MFRS') Framework that were issued by the MASB during the financial year.

MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards*
Amendments to MFRS 1 *Government Loans*
MFRS 2 *Share-based Payment*
MFRS 3 *Business Combinations*
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*
Amendments to MFRS 7 *Disclosures – Offsetting Financial Assets and Financial Liabilities*
MFRS 8 *Operating Segments*
MFRS 9 *Financial Instruments*
MFRS 10 *Consolidated Financial Statements*
Amendments to MFRS 10, MFRS 11 and MFRS 12 *Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance*
Amendments to MFRS 10, MFRS 12 and MFRS 127 *Investments Entities*
Amendments to MFRS 10 and MFRS 128 *Sale or Contribution of Assets between an Investor and its Associates or Joint Venture*
Amendments to MFRS 10, MFRS 12 and MFRS 128 *Investment Entities: Applying the Consolidation Exception*
MFRS 11 *Joint Arrangements*
Amendments to MFRS 11 *Accounting for Acquisitions of Interests in Joint Operations*
MFRS 12 *Disclosure of Interests in Other Entities*
MFRS 13 *Fair Value Measurement*
MFRS 14 *Regulatory Deferral Accounts*
MFRS 15 *Revenue from Contracts with Customers*
MFRS 101 *Presentation of Financial Statements*
Amendments to MFRS 101 *Presentation of Items of Other Comprehensive Income*
Amendments to MFRS 101 *Disclosure Initiative*
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 112 *Income Taxes*
MFRS 116 *Property, Plant and Equipment*
Amendments to MFRS 116 *Clarification of Acceptable Methods of Depreciation and Amortisation*
Amendments to MFRS 116 and MFRS 141 *Agriculture: Bearer Plants*
MFRS 117 *Leases*
MFRS 119 *Employee Benefits*
Amendments to MFRS 119 *Defined Benefit Plans: Employee Contributions*
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 *Separate Financial Statements*
Amendments to MFRS 127 *Equity Method in Separate Financial Statements*

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (continued)

5.3 New MFRSs that have been issued, but have yet to be adopted during the current financial year (continued)

The Group and Company have yet to adopt the following Standards of the Malaysian Financial Reporting Standards ('MFRS') Framework that were issued by the MASB during the financial year. (continued)

MFRS 128 *Investments in Associates and Joint Ventures*
MFRS 129 *Financial Reporting in Hyperinflationary Economies*
MFRS 132 *Financial Instruments: Presentation*
Amendments to MFRS 132 *Offsetting Financial Assets and Financial Liabilities*
MFRS 133 *Earnings Per Share*
MFRS 134 *Interim Financial Reporting*
MFRS 136 *Impairment of Assets*
Amendments to MFRS 136 *Recoverable Amount Disclosures for Non-Financial Assets*
MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets*
MFRS 138 *Intangible Assets*
Amendments to MFRS 138 *Clarification of Acceptable Methods of Depreciation and Amortisation*
MFRS 139 *Financial Instruments: Recognition and Measurement*
Amendments to MFRS 139 *Novation of Derivatives and Continuation of Hedge Accounting*
MFRS 140 *Investment Property*
MFRS 141 *Agriculture*
Amendments to MFRSs *Annual Improvements 2009 – 2011 Cycle*
Annual Improvements to MFRSs 2010 – 2012 Cycle
Annual Improvements to MFRSs 2011 – 2013 Cycle
Annual Improvements *to M*FRSs 2012 – 2014 Cycle
Improvements to MFRSs (2008)
Improvements to MFRSs (2009)
Improvements to MFRSs (2010)
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 14 *MFRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*
IC Interpretation 16 *Hedges of a Net Investment in a Foreign Operation*
IC Interpretation 17 *Distributions of Non-cash Assets to Owners*
IC Interpretation 19 *Extinguishing Financial Liabilities with Equity Instruments*
IC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine*
IC Interpretation 21 *Levies*
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*

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRSs (continued)

5.3 New MFRSs that have been issued, but have yet to be adopted during the current financial year (continued)

The Group and Company have yet to adopt the following Standards of the Malaysian Financial Reporting Standards ('MFRS') Framework that were issued by the MASB during the financial year. (continued)

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 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*
IC Interpretation 129 *Service Concession Arrangements: Disclosures*
IC Interpretation 132 *Intangible Assets - Web Site Costs*

The Group is in the process of assessing the impact of implementing these Standards since the effects would only be observable for the financial year ending 30 June 2018.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

6.1 Changes in estimates

Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Directors are of the opinion that there are no changes in estimates at the end of the reporting period.

6.2 Critical judgements made in applying accounting policies

The following are the judgements made by Directors in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(a) Classification between investment properties and property, plant and equipment and inventories

The Group has developed certain criteria based on FRS 140 *Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as investment property.

The Group temporarily rented out certain properties in inventories but decided not to treat this property as an investment property because it is not the intention of the Group to hold this property in the long-term for capital appreciation or rental income. Accordingly, these properties were still classified as inventories.

(b) Classification of leasehold land

The Group has assessed and classified land use rights of the Group as finance leases based on the extent to which risks and rewards incidental to ownership of the land resides with the Group arising from the lease term. Consequently, the Group has classified the unamortised upfront payment for land use rights as finance leases in accordance with FRS 117 *Leases*.

(c) Classification of non-current bank borrowings

Term loan agreements entered into by the Group include repayment on demand clauses at the discretion of financial institutions. The Group believes that in the absence of a default being committed by the Group, these financial institutions are not entitled to exercise its right to demand for repayment. Accordingly, the carrying amount of the term loans have been classified between current and non-current liabilities based on their repayment period.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

6.2 Critical judgements made in applying accounting policies (continued)

(d) Operating lease commitments - the Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out as operating leases.

(e) Contingent liabilities

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

(f) Contingent liabilities on corporate guarantees

The Directors are of the view that the chances of the financial institutions to call upon the corporate guarantees are remote.

6.3 Key sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty at the end of each 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:

(a) 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 to the financial statements 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.

(b) Investment in subsidiaries and impairment of amounts due from subsidiaries

Management reviews the investments in subsidiaries for impairment when there is an indication of impairment and assess the impairment of amounts due from subsidiaries when the receivables are long outstanding. The recoverable amounts of the investments in subsidiaries and amounts due from subsidiaries are assessed by reference to the fair value of the underlying assets.

(c) 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.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

6.3 Key sources of estimation uncertainty (continued)

(d) Write down for obsolete or slow moving inventories

The Group writes down its obsolete or slow moving inventories based on assessment of their estimated net selling price. Inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses sales trend and current economic trends when making a judgement to evaluate the adequacy of the write down for obsolete or slow moving inventories. Where expectations differ from the original estimates, the differences will impact the carrying amount of inventories.

(e) Fair value of borrowings

The fair value 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.

(f) Recognition of revenue from 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 measured by reference to the value of work certified to date as a percentage of the total value of the projects.

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

(g) Recognition of revenue from construction contract

The Group recognises construction contract revenue and expenses in the statements of profit or loss and other 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.

(h) 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.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

6.3 Key sources of estimation uncertainty (continued)

(i) Fair value measurement

The fair value measurement of the financial and non-financial assets and liabilities of the Group utilises market observable inputs and data as far as possible, where applicable. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are:

(i) Level 1: Quoted prices in active markets for identical items (unadjusted);
(ii) Level 2: Observable direct or indirect inputs other than Level 1 inputs; and
(iii) Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used in the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures these elements in the financial statements at fair value:

(i) Property, plant and equipment (hotel properties), Note 7 to the financial statements;
(ii) Investment properties, Note 8 to the financial statements; and
(iii) Financial instruments; Note 35 to the financial statements.

7. PROPERTY, PLANT AND EQUIPMENT

Group 2015	Balance as at 1.7.2014 RM	Additions RM	Disposals RM	Written off RM	Depreciation charge for the financial year RM	Balance as at 30.6.2015 RM
Carrying amount						
Freehold land	5,410,566	-	-	-	-	5,410,566
Leasehold land	2,873,516	-	-	-	(36,374)	2,837,142
Hotel properties, at valuation	38,135,015	-	-	-	(558,315)	37,576,700
Buildings	8,862,108	556,000	(972,484)	-	(324,616)	8,121,008
Plant and machinery	15,431	184,469	-	-	(41,222)	158,678
Motor vehicles	1,755,506	1,890,467	(32,000)	-	(725,816)	2,888,157
Renovation	3,387,981	840,330	-	-	(595,003)	3,633,308
Furniture, fittings and office equipment	5,081,312	1,524,723	(1)	(2,223)	(951,003)	5,652,808
	65,521,435	4,995,989	(1,004,485)	(2,223)	(3,232,349)	66,278,367

Group 2015	<---- At 30 June 2015 ----> Cost RM	Valuation RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	5,410,566	-	-	5,410,566
Leasehold land	3,164,506	-	(327,364)	2,837,142
Hotel properties, at valuation	-	40,997,058	(3,420,358)	37,576,700
Buildings	11,746,337	-	(3,625,329)	8,121,008
Plant and machinery	1,689,321	-	(1,530,643)	158,678
Motor vehicles	7,622,042	-	(4,733,885)	2,888,157
Renovation	9,804,890	-	(6,171,582)	3,633,308
Furniture, fittings and office equipment	19,098,056	-	(13,445,248)	5,652,808
	58,535,718	40,997,058	(33,254,409)	66,278,367

7. PROPERTY, PLANT AND EQUIPMENT (continued)

Group 2014	Balance as at 1.7.2013 RM	Additions RM	Disposals RM	Written off RM	Depreciation charge for the financial year RM	Balance as at 30.6.2014 RM
Carrying amount						
Freehold land	5,410,566	-	-	-	-	5,410,566
Leasehold land	2,909,890	-	-	-	(36,374)	2,873,516
Hotel properties, at valuation	38,693,330	-	-	-	(558,315)	38,135,015
Buildings	8,766,609	375,700	-	-	(280,201)	8,862,108
Plant and machinery	7,904	12,563	-	(2)	(5,034)	15,431
Motor vehicles	1,825,700	457,655	-	(1)	(527,848)	1,755,506
Renovation	3,228,852	673,726	-	-	(514,597)	3,387,981
Furniture, fittings and office equipment	4,347,663	1,581,252	(1)	(887)	(846,715)	5,081,312
	65,190,514	3,100,896	(1)	(890)	(2,769,084)	65,521,435

Group 2014	<---- At 30 June 2014 ----> Cost RM	Valuation RM	Accumulated depreciation RM	Carrying amount RM
Freehold land	5,410,566	-	-	5,410,566
Leasehold land	3,164,506	-	(290,990)	2,873,516
Hotel properties, at valuation	-	40,997,058	(2,862,043)	38,135,015
Buildings	12,674,434	-	(3,812,326)	8,862,108
Plant and machinery	1,504,852	-	(1,489,421)	15,431
Motor vehicles	5,791,575	-	(4,036,069)	1,755,506
Renovation	8,964,560	-	(5,576,579)	3,387,981
Furniture, fittings and office equipment	17,627,786	-	(12,546,474)	5,081,312
	55,138,279	40,997,058	(30,613,902)	65,521,435

7. PROPERTY, PLANT AND EQUIPMENT (continued)

Company **2015**	**Balance as at 1.7.2014 RM**	**Additions RM**	**Disposal RM**	**Depreciation charge for the financial year RM**	**Balance as at 30.6.2015 RM**
Carrying amount					
Freehold land	2,256,097	-	-	-	2,256,097
Leasehold land	2,873,516	-	-	(36,374)	2,837,142
Hotel properties, at valuation	38,135,015	-	-	(558,315)	37,576,700
Buildings	8,101,705	-	(972,484)	(228,848)	6,900,373
Motor vehicles	924,162	1,351,153	(32,000)	(433,837)	1,809,478
Renovation	3,086,438	170,216	-	(511,957)	2,744,697
Furniture, fittings and office equipment	3,396,540	628,416	-	(684,208)	3,340,748
	58,773,473	2,149,785	(1,004,484)	(2,453,539)	57,465,235

Company **2015**	<------------------------------ **At 30 June 2015** ------------------------------> **Cost RM**	**Valuation RM**	**Accumulated depreciation RM**	**Carrying amount RM**
Freehold land	2,256,097	-	-	2,256,097
Leasehold land	3,164,506	-	(327,364)	2,837,142
Hotel properties, at valuation	-	40,997,058	(3,420,358)	37,576,700
Buildings	9,958,309	-	(3,057,936)	6,900,373
Plant and machinery	1,172,082	-	(1,172,082)	-
Motor vehicles	4,812,804	-	(3,003,326)	1,809,478
Renovation	8,400,684	-	(5,655,987)	2,744,697
Furniture, fittings and office equipment	14,775,873	-	(11,435,125)	3,340,748
	44,540,355	40,997,058	(28,072,178)	57,465,235

7. PROPERTY, PLANT AND EQUIPMENT (continued)

Company **2014**	**Balance as at 1.7.2013 RM**	**Additions RM**	**Written off RM**	**Depreciation charge for the financial year RM**	**Balance as at 30.6.2014 RM**
Carrying amount					
Freehold land	2,256,097	-	-	-	2,256,097
Leasehold land	2,909,890	-	-	(36,374)	2,873,516
Hotel properties, at valuation	38,693,330	-	-	(558,315)	38,135,015
Buildings	8,330,553	-	-	(228,848)	8,101,705
Motor vehicles	1,263,609	-	-	(339,447)	924,162
Renovation	2,926,655	617,868	-	(458,085)	3,086,438
Furniture, fittings and office equipment	3,746,395	313,673	(358)	(663,170)	3,396,540
	60,126,529	931,541	(358)	(2,284,239)	58,773,473

Company **2014**	**<---------------------------- At 30 June 2014** **Cost RM**	**Valuation RM**	**Accumulated depreciation RM**	**--------------------------->** **Carrying amount RM**
Freehold land	2,256,097	-	-	2,256,097
Leasehold land	3,164,506	-	(290,990)	2,873,516
Hotel properties, at valuation	-	40,997,058	(2,862,043)	38,135,015
Buildings	11,442,406	-	(3,340,701)	8,101,705
Plant and machinery	1,172,082	-	(1,172,082)	-
Motor vehicles	3,521,651	-	(2,597,489)	924,162
Renovation	8,230,468	-	(5,144,030)	3,086,438
Furniture, fittings and office equipment	14,147,457	-	(10,750,917)	3,396,540
	43,934,667	40,997,058	(26,158,252)	58,773,473

7. PROPERTY, PLANT AND EQUIPMENT (continued)

(a) The hotel properties of the Group and of the Company stated at valuation were last revalued on 31 March 2015 by an independent qualified valuer, using a combination of the comparison and income approaches to reflect the fair value.

Carrying amount of the revalued hotel properties, had these assets been carried at cost less accumulated depreciation is RM20,250,590 (2014: RM20,616,068).

(b) The fair value of hotel properties (at valuation) of the Group and the Company are categorised as follows:

Group and Company	**Level 1 RM**	**Level 2 RM**	**Level 3 RM**	**Total RM**
2015				
Hotel properties	-	37,576,700	-	37,576,700
2014				
Hotel properties	-	38,135,015	-	38,135,015

(i) There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 30 June 2015 and 30 June 2014.

(ii) Level 2 fair value of hotel properties (at valuation) was determined by external and independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued.

(iii) The fair value measurements of the hotel properties (at valuation) are based on the highest and best use which does not differ from their actual use.

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

	Group		**Company**	
	2015 RM	**2014 RM**	**2015 RM**	**2014 RM**
Purchase of property, plant and equipment	4,995,989	3,100,896	2,149,785	931,541
Financed by hire purchase and lease arrangements	(1,596,576)	(316,000)	(1,156,676)	-
Cash payments on purchase of property, plant and equipment	3,399,413	2,784,896	993,109	931,541

(d) The carrying amount of the property, plant and equipment of the Group and of the Company under finance leases at the end of the reporting period are as follows:

	Group		**Company**	
	2015 RM	**2014 RM**	**2015 RM**	**2014 RM**
Motor vehicles	2,795,271	1,465,366	1,805,206	850,625
Furniture, fittings and office equipment	133,821	70,857	133,821	70,857
	2,929,092	1,536,223	1,939,027	921,482

7. PROPERTY, PLANT AND EQUIPMENT (continued)

(e) The carrying amount of the property, plant and equipment of the Group and of the Company that have been charged to the bank as security for bank borrowings as at the end of the reporting period are as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Carrying amount of property, plant and equipment pledged as security for bank borrowings (Note 17):				
- freehold land	2,256,097	2,256,097	2,256,097	2,256,097
- buildings	6,900,373	8,101,705	6,900,373	8,101,705
- hotel properties including leasehold land	40,413,842	41,008,531	40,413,842	41,008,531
	49,570,312	51,366,333	49,570,312	51,366,333

8. INVESTMENT PROPERTIES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
At beginning of the financial year	25,848,949	24,875,625	11,635,000	11,635,000
Fair value adjustments	-	2,448,824	-	-
Disposals	(2,969,961)	(1,475,500)	-	-
At end of the financial year	22,878,988	25,848,949	11,635,000	11,635,000
Investment properties pledged as security for borrowings (Note 17)	13,280,000	13,280,000	11,635,000	11,635,000

(a) Direct operating expenses arising from investment properties generating rental income during the financial year are as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Repair and maintenance	34,205	75,428	-	-
Quit rent and assessment	225,460	222,530	196,279	186,465

8. INVESTMENT PROPERTIES (continued)

(b) The fair value of investment properties of the Group and of the Company are categorised as follows:

Group	**Level 1 RM**	**Level 2 RM**	**Level 3 RM**	**Total RM**
2015				
Buildings	-	22,878,988	-	22,878,988
2014				
Buildings	-	25,848,949	-	25,848,949
Company				
2015				
Buildings	-	11,635,000	-	11,635,000
2014				
Buildings	-	11,635,000	-	11,635,000

(i) There was no transfer between Level 1, Level 2, and Level 3 fair value measurements during the financial years ended 30 June 2015 and 30 June 2014.

(ii) Investment properties at Level 2 fair value was recommended by the valuer as at the end of reporting period based on comparison method that makes reference to recent market value of a similar property in the vicinity on a price per square feet basis and by reference to market evidence of transaction prices for similar properties.

(iii) The fair value measurement of the investment properties are based on the highest and best use which does not differ from its actual use.

9. LAND HELD FOR PROPERTY DEVELOPMENT

	Group		**Company**	
	2015 RM	**2014 RM**	**2015 RM**	**2014 RM**
Freehold land including improvements, at cost:				
At beginning of the financial year	83,262,951	96,765,889	13,143,352	13,048,606
Additions	662,668	1,369,571	-	94,746
Transfer to property development costs (Note 11)	(776,780)	(14,872,509)	-	-
At end of the financial year	83,148,839	83,262,951	13,143,352	13,143,352
Carrying amount of land held for property development pledged as security for borrowings (Note 17)	40,751,439	40,751,439	6,282,249	6,282,249

10. INVESTMENT IN SUBSIDIARIES

	Company 2015 RM	Company 2014 RM
Unquoted shares, at cost	61,800,010	56,400,010
Less: Impairment losses	(5,000,000)	(5,000,000)
	56,800,010	51,400,010

(a) The details of subsidiaries are as follows:

Name of company	Interest in equity held by Company 2015 %	Company 2014 %	Subsidiaries 2015 %	Subsidiaries 2014 %	Principal activities
Subsidiaries					
Johbase Development Sdn. Bhd.	100%	100%	-	-	Property development and letting of properties
BCB Management Sdn. Bhd.	100%	100%	-	-	Provision of project management services
BCB Construction Sdn. Bhd.	100%	100%	-	-	Provision of project construction services
BCB Concrete Sdn. Bhd.	100%	100%	-	-	Manufacturing of concrete products
BCB Road Builder Sdn. Bhd.	100%	100%	-	-	Provision of road construction services
BCB Resources Sdn. Bhd.	100%	100%	-	-	Property development
BCB Land Sdn. Bhd.	100%	100%	-	-	Property development
BCB Trading Sdn. Bhd.	100%	100%	-	-	Trading of building materials
Golden Power Construction Sdn. Bhd.	100%	100%	-	-	Provision of landscaping services
BCB Development Sdn. Bhd.	70%	70%	-	-	Property development
Global Earnest Sdn. Bhd.	86.60%	86.60%	-	-	Property development

10. INVESTMENT IN SUBSIDIARIES (continued)

(a) The details of subsidiaries are as follows (continued):

Name of company	Interest in equity held by Company 2015 %	Company 2014 %	Subsidiaries 2015 %	Subsidiaries 2014 %	Principal activities
Subsidiaries					
BCB Technologies Sdn. Bhd.	100%	100%	-	-	Property development and letting of properties
Laser Lagun Sdn. Bhd.	100%	100%	-	-	Property development and letting of properties
Luna Starcity Sdn. Bhd.	100%	100%	-	-	Property development and letting of properties
BCB Furniture Sdn. Bhd.	100%	100%	-	-	Furniture manufacturing
BCB Heights Sdn. Bhd.	60%	60%	-	-	Property development
Subsidiary of BCB Development Sdn. Bhd.					
Total Builder Generation Sdn. Bhd.	-	-	100%	100%	Provision of project construction services

(b) The subsidiaries of the Group that have material non-controlling interests ('NCI') are as follows:

2015	Global Earnest Sdn. Bhd.	BCB Development Sdn. Bhd.	BCB Heights Sdn. Bhd.	Total Builder Generation Sdn. Bhd.	Total
NCI percentage of ownership and voting interest	13.40%	30.00%	40.00%	30.00%	
Carrying amount of NCI (RM)	7,573,257	4,660,052	545,400	42,968	12,821,677
Profit/(loss) allocated to NCI (RM)	181,674	3,200,429	(2,952,922)	(103,262)	325,919

10. INVESTMENT IN SUBSIDIARIES (continued)

(b) The subsidiaries of the Group that have material non-controlling interests ('NCI') are as follows (continued):

2014	Global Earnest Sdn. Bhd.	BCB Development Sdn. Bhd.	BCB Heights Sdn. Bhd.	Total Builder Generation Sdn. Bhd.	Total
NCI percentage of ownership and voting interest	13.40%	30.00%	40.00%	30.00%	
Carrying amount of NCI (RM)	7,391,585	1,459,621	(101,678)	146,230	8,895,758
Profit/(loss) allocated to NCI (RM)	179,260	2,222,426	(501,678)	(78,770)	1,821,238

(c) The summarised financial information before intra-group elimination of the subsidiaries that have material NCI as at the end of each reporting period are as follows:

2015	Global Earnest Sdn. Bhd. RM	BCB Development Sdn. Bhd. RM	BCB Heights Sdn. Bhd. RM	Total Builder Generation Sdn. Bhd. RM
Assets and liabilities				
Non-current assets	226,622	1,598,442	1,087,823	2,003,614
Current assets	84,905,873	185,261,225	151,922,614	31,738,864
Non-current liabilities	(84,715)	(49,168,919)	(78,054,701)	-
Current liabilities	(28,530,928)	(122,157,243)	(73,592,236)	(33,599,253)
Net assets	56,516,852	15,533,505	1,363,500	143,225
Results				
Revenue	1,747,639	129,916,760	3,442,910	70,374,272
Profit/(Loss) for the financial year	1,355,773	10,668,103	(7,382,304)	(344,208)
Total comprehensive income/(loss)	1,355,773	10,668,103	(7,382,304)	(344,208)
Cash flows from/(used in):				
- operating activities	1,809,193	22,618,905	(104,668,397)	4,309,283
- investing activities	4,514,556	(9,313,132)	2,500,835	(767,795)
- financing activities	(5,934,100)	(8,435,404)	106,158,445	-
Net increase in cash and cash equivalents	389,649	4,870,369	3,990,883	3,541,488

10. INVESTMENT IN SUBSIDIARIES (continued)

(c) The summarised financial information before intra-group elimination of the subsidiaries that have material NCI as at the end of each reporting period are as follows (continued):

	Global Earnest Sdn. Bhd. RM	BCB Development Sdn. Bhd. RM	BCB Heights Sdn. Bhd. RM	Total Builder Generation Sdn. Bhd. RM
2014				
Assets and liabilities				
Non-current assets	112,562	1,674,017	776,780	1,478,493
Current assets	82,918,517	179,152,819	34,653,512	10,815,141
Non-current liabilities	-	(97,910,014)	-	(62,510)
Current liabilities	(28,046,275)	(78,328,391)	(35,684,488)	(11,743,691)
Net assets/(liabilities)	54,984,804	4,588,431	(254,196)	487,433
Results				
Revenue	300,000	35,485,189	-	9,645,635
Profit/(Loss) for the financial year	1,317,600	7,408,087	(1,254,196)	(262,567)
Total comprehensive income/(loss)	1,317,600	7,408,087	(1,254,196)	(262,567)
Cash flows from/(used in)				
- operating activities	21,998	(17,762,385)	(973,038)	1,168,073
- investing activities	1,813,231	(977,557)	-	(1,543,561)
- financing activities	(6,728,127)	17,655,138	1,000,000	750,000
Net (decrease)/increase in cash and cash equivalents	(4,892,898)	(1,084,804)	26,962	374,512
Dividend paid to NCI	143,356	-	-	-

(d) During the financial year, BCB Heights Sdn. Bhd. (‘Heights’) has increased its issued and paid-up share capital by RM9,000,000. The Company increased its investment by subscribing and paying up at par, at additional 5,400,000 shares of RM1.00 each or in Heights, representing 60% of the issued and paid-up share capital. The remaining amounts were subscribed by non-controlling interest.

11. PROPERTY DEVELOPMENT COSTS

Group 2015	Freehold land RM	Development costs RM	Accumulated cost charged to profit or loss RM	Total RM
At cost				
At beginning of financial year	257,741,057	764,044,463	(511,961,157)	509,824,363
Incurred during the financial year	163,617,476	334,331,451	-	497,948,927
Transfer from land held for property development (Note 9)	-	776,780	-	776,780
Transfer to inventories	(142,194)	(1,073,724)	-	(1,215,918)
Reversal of completed projects	(479,443)	(3,911,976)	4,391,419	-
Recognised as expense in profit or loss as part of cost of sales (Note 23)	-	-	(278,784,394)	(278,784,394)
At end of financial year	420,736,896	1,094,166,994	(786,354,132)	728,549,758
2014				
At cost				
At beginning of financial year	248,770,551	536,908,063	(338,687,955)	446,990,659
Incurred during the financial year	-	238,985,299	-	238,985,299
Transfer from land held for property development (Note 9)	9,709,491	5,163,018	-	14,872,509
Transfer to inventories	(62,431)	(1,330,226)	-	(1,392,657)
Reversal of completed projects	(676,554)	(15,681,691)	16,358,245	-
Recognised as expense in profit or loss as part of cost of sales (Note 23)	-	-	(189,631,447)	(189,631,447)
At end of financial year	257,741,057	764,044,463	(511,961,157)	509,824,363

Company 2015	Freehold land RM	Development costs RM	Accumulated cost charged to profit or loss RM	Total RM
At cost				
At beginning of financial year	78,418,508	333,288,587	(217,709,023)	193,998,072
Incurred during the financial year	29,337,687	173,109,944	-	202,447,631
Transfer to inventories	(142,194)	(1,073,724)	-	(1,215,918)
Reversal of completed projects	(479,443)	(3,911,976)	4,391,419	-
Recognised as expense in profit or loss as part of cost of sales (Note 23)	-	-	(105,272,394)	(105,272,394)
At end of financial year	107,134,558	501,412,831	(318,589,998)	289,957,391

11. PROPERTY DEVELOPMENT COSTS (continued)

Company 2014	Freehold land RM	Development costs RM	Accumulated cost charged to profit or loss RM	Total RM
At cost				
At beginning of financial year	79,157,493	228,709,117	(123,615,263)	184,251,347
Incurred during the financial year	-	121,591,387	-	121,591,387
Transfer to inventories	(62,431)	(1,330,226)	-	(1,392,657)
Reversal of completed projects	(676,554)	(15,681,691)	16,358,245	-
Recognised as expense in profit or loss as part of cost of sales (Note 23)	-	-	(110,452,005)	(110,452,005)
At end of financial year	78,418,508	333,288,587	(217,709,023)	193,998,072

The freehold land held under development has been charged to banks for credit facilities granted as disclosed in Note 17 to the financial statements.

Borrowing costs of the Group and of the Company amounting of RM9,568,375 and RM1,971,960 (2014: RM17,115,328 and RM9,061,152) respectively, arose from bank borrowings for property development activities, were capitalised during the financial year on interest rates ranging from 5.1% to 8.6% (2014: 6.8% to 8.6%) per annum.

12. INVENTORIES

	Group		Company	
At cost	**2015 RM**	**2014 RM**	**2015 RM**	**2014 RM**
Completed development units	66,281,605	65,995,107	10,819,356	10,232,181
Food and beverages	322,544	275,862	322,544	275,862
Consumable stocks	3,403,928	1,777,924	-	-
	70,008,077	68,048,893	11,141,900	10,508,043
Inventories pledged as securities for borrowings (Note 17)	32,244,233	32,244,233	5,245,039	5,245,039

During the financial year, the Group has written off inventories amounted to RM6,171 (2014: RM897).

13. TRADE AND OTHER RECEIVABLES

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Trade receivables				
Third parties	43,386,205	52,933,502	14,910,848	28,833,460
Related parties	8,017,404	2,616,538	-	-
Amounts due from customers for contract works (Note 21)	12,391,216	10,517,579	-	-
	63,794,825	66,067,619	14,910,848	28,833,460
Other receivables				
Other receivables	10,783,286	9,494,748	2,000,350	1,326,328
Amounts due from subsidiaries	-	-	191,371,283	182,624,567
	10,783,286	9,494,748	193,371,633	183,950,895
Loans and receivables	74,578,111	75,562,367	208,282,481	212,784,355
Deposits and prepayments				
Deposits	3,422,115	40,639,712	1,201,271	3,986,073
Prepayments	1,516,751	980,209	189,252	309,302
	4,938,866	41,619,921	1,390,523	4,295,375
	79,516,977	117,182,288	209,673,004	217,079,730

(a) Trade receivables are non-interest bearing and the normal trade credit terms granted by the Group and the Company ranges from cash terms to 90 days (2014: cash terms to 90 days). They are recognised at their original invoiced amounts, which represent their fair value on initial recognition.

(b) All receivable balances are denominated in Ringgit Malaysia (‘RM’).

(c) The amounts due from subsidiaries are interest-free, unsecured and receivable on demand in cash and cash equivalents.

(d) The ageing analysis of trade receivables (third parties and related parties exclude amounts due from customers for contract works) of the Group and of the Company are as follows:

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Neither past due nor impaired	21,480,354	24,885,662	5,297,389	18,487,207
Past due but not impaired				
Under 30 days	11,212,418	12,835,089	2,900,740	2,054,920
31 to 60 days	6,710,676	5,842,361	2,057,637	784,550
61 days to 120 days	3,865,698	10,642,661	1,475,449	7,506,783
Over 120 days	8,134,463	1,344,267	3,179,633	-
	29,923,255	30,664,378	9,613,459	10,346,253
Past due and impaired	-	-	-	-
	51,403,609	55,550,040	14,910,848	28,833,460

13. TRADE AND OTHER RECEIVABLES (continued)

(d) The ageing analysis of trade receivables (third parties and related parties exclude amounts due from customers for contract works) of the Group and of the Company are as follows (continued):

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

(e) Included in trade receivables of the Group are retention sums for contract works amounting of RM953,750 (2014: RM2,210,105). The retention sums are unsecured, interest-free and are expected to be collected within one (1) year.

(f) Included in deposits of the Group are earnest deposits paid for acquisition of land of RM34,600,000 in the previous financial year. The acquisition was completed during the financial year and the said amount had been reclassified to property development costs.

(g) During the financial year, the Group have written off bad debts of RM51,574 against trade and other receivables.

(h) Information on financial risks of trade and other receivables are disclosed in Note 36 to the financial statements.

14. CASH AND BANK BALANCES

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Cash and bank balances	25,194,491	19,024,610	5,725,496	9,760,711
Deposits with licensed banks	2,904,568	2,859,814	1,700,000	1,900,000
	28,099,059	21,884,424	7,425,496	11,660,711

(a) Included in cash and bank balances of the Group and of the Company are amounts of RM10,780,517 (2014: RM12,360,458) and RM2,144,073 (2014: RM7,707,326) respectively held under 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, 2015.

14. CASH AND BANK BALANCES (continued)

(b) Information on financial risks of cash and bank balances are disclosed in Note 36 to the financial statements.

(c) 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	
	2015	**2014**	**2015**	**2014**
	RM	**RM**	**RM**	**RM**
Cash and bank balances	25,194,491	19,024,610	5,725,496	9,760,711
Deposits with licensed banks	2,904,568	2,859,814	1,700,000	1,900,000
Bank overdrafts included in borrowings (Note 17)	(53,546,626)	(57,038,217)	(51,546,980)	(54,123,317)
	(25,447,567)	(35,153,793)	(44,121,484)	(42,462,606)
Less: Deposits pledged to licensed banks	(2,904,568)	(2,859,814)	(1,700,000)	(1,900,000)
	(28,352,135)	(38,013,607)	(45,821,484)	(44,362,606)

The Group's and Company's deposits with licensed banks are pledged as securities for credit facilities granted to the Group and the Company (Note 17).

(d) All cash and bank balances are denominated in Ringgit Malaysia ('RM').

15. SHARE CAPITAL

	Group and Company	
	2015	**2014**
	RM	**RM**
Ordinary shares of RM1 each:		
Authorised	500,000,000	500,000,000
Issued and fully paid	206,250,000	206,250,000

The owners of the 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.

At the end of the reporting period, the number of outstanding shares in issue after setting treasury shares off against equity is 200,232,400 (2014: 200,234,400).

Treasury shares

The shareholders of the Company have approved the Company's plan to repurchase up to 10% of the issued and paid-up share capital of the Company ('Share Buy Back'). The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the Share Buy Back can be applied in the best interests of the Company and its shareholders.

At the end of the reporting period, a total of 6,017,600 (2014: 6,015,600) treasury shares at cost of RM3,119,205 (2014: RM3,116,712) were held by the Company in accordance with Section 67A (3B) of the Companies Act, 1965 in Malaysia.

15. SHARE CAPITAL (continued)

Treasury shares (continued)

During the financial year, the Company repurchased 2,000 (2014: 2,000) of its issued share capital from the open market on Bursa Malaysia Securities Berhad for RM2,493 (2014: RM1,492). The average price paid for the shares repurchased was RM1.25 (2014: RM0.75) per share. The Share Buy Back transactions were financed by internally generated funds. The shares bought back are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act, 1965 in Malaysia. The Company has the right to reissue these shares at a later date. As treasury shares, the rights attached to voting, dividends and participation in other distributions are suspended. None of the treasury shares repurchased had been sold as at 30 June 2015.

16. REVALUATION RESERVE

	Group and Company	
	2015 RM	2014 RM
Hotel properties		
At 1 July/30 June	6,788,088	6,788,088

17. BORROWINGS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Current liabilities				
Bridging loans	1,815,613	53,356,468	1,815,613	53,356,468
Term loans	63,269,793	23,270,741	12,477,783	11,430,884
Hire purchase creditors (Note 20)	715,710	568,948	443,826	366,281
Revolving credits	43,920,000	28,420,000	3,920,000	3,920,000
Bankers' acceptances	11,805,000	17,682,088	5,624,000	10,846,088
Bank overdrafts (Note 14(c))	53,546,626	57,038,217	51,546,980	54,123,317
	175,072,742	180,336,462	75,828,202	134,043,038
Non-current liabilities				
Term loans	173,154,692	144,097,211	56,397,507	27,745,971
Bridging loans	29,505,316	9,439,479	-	-
Hire purchase creditors (Note 20)	1,485,097	715,236	965,411	319,058
	204,145,105	154,251,926	57,362,918	28,065,029

17. BORROWINGS (continued)

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM	**RM**	**RM**	**RM**
Total				
Bridging loans	31,320,929	62,795,947	1,815,613	53,356,468
Term loans	236,424,485	167,367,952	68,875,290	39,176,855
Hire purchase creditors (Note 20)	2,200,807	1,284,184	1,409,237	685,339
Revolving credits	43,920,000	28,420,000	3,920,000	3,920,000
Bankers' acceptances	11,805,000	17,682,088	5,624,000	10,846,088
Bank overdrafts (Note 14(c))	53,546,626	57,038,217	51,546,980	54,123,317
	379,217,847	334,588,388	133,191,120	162,108,067

(a) Bridging loans of the Group and of the Company are secured by way of legal charges over certain development properties (Note 9 and Note 11) and inventories (Note 12) of the Group and of the Company. The bridging loans are repayable by way of fixed monthly instalments or on redemption of titles of properties sold, whichever is earlier.

Term loans of the Group and of the Company are secured by way of legal charges over certain investment properties (Note 8), deposits with licensed banks (Note 14(c)), inventories (Note 12) and land and buildings (Note 7) of the Group and of the Company. In addition, the term loans of the Group and of the Company are jointly and severally guaranteed by certain Directors of the company. Term loans of the Group and of the Company are repayable by way of fixed monthly instalments or on redemption of titles of properties sold, whichever is earlier.

(b) Other short-term borrowings excluding hire purchase creditors of the Group and of the Company are secured by legal charges over investment properties (Note 8), hotel properties and certain freehold land and buildings (Note 7) of the Group and of the Company as well as certain development properties (Note 9 and Note 11) of the Group. In addition, the other short term borrowings are personally guaranteed by certain Directors.

(c) The borrowings are denominated in Ringgit Malaysia ('RM').

(d) The maturity profile and exposure to the interest rate risk of the borrowings of the Group and of the Company are disclosed in Note 36 to the financial statements.

18. DEFERRED TAX

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

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM	**RM**	**RM**	**RM**
Balance as at 1 July 2014/2013	(908,951)	(3,208,540)	(1,137,088)	(3,568,048)
Recognised in profit or loss (Note 26)	62,236	2,299,589	-	2,430,960
Balance as at 30 June 2015/2014	(846,715)	(908,951)	(1,137,088)	(1,137,088)

18. DEFERRED TAX (continued)

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

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Presented after appropriate offsetting:				
Deferred tax assets	4,126,484	4,207,809	4,124,999	4,124,999
Offset against deferred tax liabilities	(4,126,484)	(4,207,809)	(4,124,999)	(4,124,999)
Net deferred tax asset	-	-	-	-
Deferred tax liabilities	(4,973,199)	(5,116,760)	(5,262,087)	(5,262,087)
Offset against deferred tax assets	4,126,484	4,207,809	4,124,999	4,124,999
Net deferred tax liabilities	(846,715)	(908,951)	(1,137,088)	(1,137,088)

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

Deferred tax liabilities of the Group

	Property, plant and equipment RM
At 1 July 2014	(5,116,760)
Recognised in the profit or loss	143,561
At 30 June 2015	(4,973,199)
At 1 July 2013	(7,563,996)
Recognised in the profit or loss	2,447,236
At 30 June 2014	(5,116,760)

Deferred tax assets of the Group

	Unabsorbed capital allowances RM
At 1 July 2014	4,207,809
Recognised in the profit or loss	(81,325)
At 30 June 2015	4,126,484
At 1 July 2013	4,355,456
Recognised in the profit or loss	(147,647)
At 30 June 2014	4,207,809

18. DEFERRED TAX (continued)

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

Deferred tax liabilities of the Company

	Property, plant and equipment RM
At 1 July 2014	(5,262,087)
Recognised in the profit or loss	-
At 30 June 2015	(5,262,087)
At 1 July 2013	(7,879,606)
Recognised in the profit or loss	2,617,519
At 30 June 2014	(5,262,087)

Deferred tax assets of the Company

	Unabsorbed capital allowances RM
At 1 July 2014	4,124,999
Recognised in the profit or loss	-
At 30 June 2015	4,124,999
At 1 July 2013	4,311,558
Recognised in the profit or loss	(186,559)
At 30 June 2014	4,124,999

(c) The amount of temporary differences for which no deferred tax asset has been recognised in the statement of financial position is as follows:

	Group	
	2015 RM	2014 RM
Unutilised tax losses	11,195,579	3,848,094
Unabsorbed capital allowances	573,976	166,591
	11,769,555	4,014,685

Deferred tax assets of certain subsidiaries had not been recognised in respect of these items as it is not probable that taxable profits of certain subsidiaries would be available against which the deductible temporary differences could be utilised. The deductible temporary differences do not expire under the current tax legislation.

19. TRADE AND OTHER PAYABLES

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Trade payables				
Third parties	107,894,111	76,330,396	51,183,770	35,254,782
Amounts due to subsidiaries	-	-	78,508,240	24,020,089
Amounts due to customers for contract works (Note 21)	37,907,125	16,112,611	-	-
	145,801,236	92,443,007	129,692,010	59,274,871
Other payables				
Other payables and accruals	53,729,560	37,122,501	3,426,369	2,772,635
Related parties				
- Interest bearing	28,160,000	-	28,160,000	-
- Non-interest bearing	30,641,279	26,713,207	30,641,279	26,545,331
Deposits received	13,339,545	1,221,285	12,423,484	1,131,750
	125,870,384	65,056,993	74,651,132	30,449,716
	271,671,620	157,500,000	204,343,142	89,724,587

(a) Credit terms of trade payables granted to the Group and the Company varies from cash term to 150 days (2014: cash term to 150 days).

(b) The amounts due to subsidiaries are unsecured, interest free and payable upon demand in cash and cash equivalents.

(c) The amounts due to related parties are unsecured, interest free and payable upon demand in cash and cash equivalents except for advances of RM28,160,000 which bear interest at rate of 5.10% per annum.

(d) Included in trade payables of the Group and the Company are retention sums for contract works of RM22,422,179 (2014: RM10,213,717) and RM13,917,586 (2014: RM6,723,382) respectively. The retention sums are unsecured, interest-free and are expected to be repayable within one (1) year.

(e) All payables are denominated in Ringgit Malaysia (‘RM’).

(f) Information on financial risks of trade and other payables are disclosed in Note 36 to the financial statements.

20. HIRE PURCHASE CREDITORS

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Minimum hire purchase payments:				
- not later than (1) year	806,771	613,530	340,590	393,041
- later than (1) year but not later than (5) years	1,618,508	757,376	1,295,434	339,437
- later than five (5) years	-	14,123	-	-
Total minimum hire purchase payments	2,425,279	1,385,029	1,636,024	732,478
Less: Future finance charges	(224,472)	(100,845)	(226,787)	(47,139)
Present value of hire purchase payments	2,200,807	1,284,184	1,409,237	685,339
Repayable as follows:				
Current liabilities:				
- not later than (1) year	715,710	568,948	443,826	366,281
Non-current liabilities:				
- later than (1) year but not later than (5) years	1,485,097	701,232	965,411	319,058
- later than five (5) years	-	14,004	-	-
	1,485,097	715,236	965,411	319,058
	2,200,807	1,284,184	1,409,237	685,339

Information on financial risks of hire purchase creditors are disclosed in Note 36 to the financial statements.

21. AMOUNTS DUE (TO)/FROM CUSTOMERS FOR CONTRACT WORKS

	Group	
	2015 RM	2014 RM
Aggregate costs incurred to date	455,628,728	461,193,867
Add: Attributable profits	36,182,369	43,737,416
Less: Provision for foreseeable losses	-	(59,323)
	491,811,097	504,871,960
Less: Progress billings	(517,327,006)	(510,466,992)
	(25,515,909)	(5,595,032)
Represented by:		
Amounts due from customers for contract works (Note 13)	12,391,216	10,517,579
Amounts due to customers for contract works (Note 19)	(37,907,125)	(16,112,611)
	(25,515,909)	(5,595,032)

22. REVENUE

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Property development	370,568,463	259,380,954	144,397,496	140,282,575
Completed properties	2,007,639	813,000	1,276,839	263,000
Hotel operations	8,028,234	7,567,165	8,028,234	7,567,165
Construction contracts	14,901,790	10,113,700	-	-
Rental income	3,208,744	3,631,293	2,992,011	3,108,084
Sales of goods	13,123	264,372	-	-
Project management services	12,500	174,495	-	-
Dividend income	-	-	-	10,717,333
	398,740,493	281,944,979	156,694,580	161,938,157

23. COST OF SALES

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Property development costs (Note 11)	278,784,394	189,631,447	105,272,394	110,452,005
Cost of completed properties sold	929,419	540,754	628,742	208,382
Hotel operations costs	2,015,047	1,876,862	2,015,047	1,876,862
Construction contract costs	9,923,664	5,621,901	-	-
Cost of goods sold	4,088	236,273	-	-
Others	2,214,087	-	-	-
	293,870,699	197,907,237	107,916,183	112,537,249

24. FINANCE INCOME AND COSTS

	Group 2015 RM	Group 2014 RM	Company 2015 RM	Company 2014 RM
Finance income				
Interest income from deposits with licensed banks	(17,131)	(12,117)	-	-
Finance costs				
Interest expense on:				
- term loans	2,087,603	2,221,540	1,945,799	2,267,885
- hire purchase creditors	510,212	617,625	44,753	37,200
- revolving credits	2,196,166	2,323,420	709,589	749,589
- short term borrowings	6,401,271	1,760,351	4,796,614	1,241,417
- bank overdrafts	7,054,667	4,325,912	6,875,970	4,174,157
- others	1,220,838	182,338	327,349	178,434
	19,470,757	11,431,186	14,700,074	8,648,682

25. PROFIT BEFORE TAX

Profit before tax is arrived at after charging/(crediting):

		Group		Company	
		2015	2014	2015	2014
	Note	RM	RM	RM	RM
Auditors' remuneration:					
- statutory		175,500	170,000	77,500	76,500
- non-statutory		5,000	5,000	5,000	5,000
Bad debts written off	13	51,574	-	-	-
Directors' remuneration paid and payable to the Directors:					
- by the Company:					
- fees		150,000	150,000	150,000	150,000
- emoluments other than fees		1,530,677	1,146,540	1,680,577	1,146,540
- by the subsidiaries:					
- fees		288,000	168,000	-	-
- emoluments other than fees		2,894,481	2,156,573	-	-
Inventories written off	12	6,171	897	-	-
Property, plant and equipment:					
- depreciation	7	3,232,349	2,769,084	2,453,539	2,284,239
- written off	7	2,223	890	-	358
Rental of premises		836,904	570,150	364,331	315,000
Fair value adjustment on investment properties	8	-	(2,448,824)	-	-
Rental income					
- investment properties		(85,435)	(288,397)	(18,888)	(165,104)
- others		(7,880,775)	(7,668,247)	(2,973,123)	(2,942,980)
Management fees		-	-	(1,440,000)	(1,440,000)
Gain on disposals of:					
- property, plant and equipment		(2,293,815)	(65,049)	(2,293,516)	(65,000)
- investment properties		(148,234)	(411,850)	-	-

26. TAX EXPENSE

	Group		Company	
	2015	2014	2015	2014
	RM	RM	RM	RM
Income tax				
- current financial year	13,340,775	13,510,119	5,000,000	5,617,290
- under provision in prior year	592,987	83,303	61,227	27,664
	13,933,762	13,593,422	5,061,227	5,644,954
Deferred tax (Note 18)				
- relating to origination and reversal of temporary differences	(6,017)	181,868	-	100,213
- over provision in prior year	(56,219)	(2,481,457)	-	(2,531,173)
	(62,236)	(2,299,589)	-	(2,430,960)
	13,871,526	11,293,833	5,061,227	3,213,994

(a) The Malaysian income tax is calculated at the statutory tax rate of 25% (2014: 25%) of the estimated taxable profits for the fiscal year.

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

	Group		Company	
	2015	2014	2015	2014
	%	%	%	%
Applicable tax rate	25	25	25	25
Tax effects in respect of:				
Non-allowable expenses	2	6	11	8
Non-taxable income	-	(1)	-	(7)
Deferred tax assets not recognised	1	1	-	-
	28	31	36	26
Under/(Over) provision in prior year				
- income tax	1	1	-	1
- deferred tax	-	(6)	-	(12)
Average effective tax rate	29	26	36	15

27. DIVIDEND

Dividend declared and paid by the Company since the end of previous financial year was as follows:

	2015 RM
In respect of financial year ended 30 June 2014:	
Single tier final dividend of 3.0 sen per ordinary share, paid on 16 February 2015	6,007,002

The Directors do not recommend the payment of any final dividend in respect of the current financial year.

28. EMPLOYEE BENEFITS

The total employee benefits recognised in the statements of profit or loss and other comprehensive income are as follows:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Wages, salaries and bonus	14,293,261	12,352,304	7,163,964	6,752,596
Defined contribution plan	1,879,282	1,653,289	952,115	930,321
Other employee benefits	2,448,413	2,078,791	1,496,753	1,366,625
	18,620,956	16,084,384	9,612,832	9,049,542

Included in the employee benefits of the Group and the Company are Directors' remuneration, which are disclosed in Note 31(c) to the financial statements.

29. EARNINGS PER SHARE

(a) Basic

The basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to equity owners of the parent by the weighted average number of ordinary shares in issue (after adjusting for treasury shares) during the financial year.

	Group	
	2015 RM	2014 RM
Profit attributable to owners of the parent	33,920,608	30,692,340
Weighted average number of ordinary shares in issue	200,232,400	200,234,400
	2015 Sen	**2014 Sen**
Basic earnings per ordinary share attributable to the equity owners of the parent	16.94	15.33

29. EARNINGS PER SHARE (continued)

(b) Diluted

Diluted earnings per ordinary share equals basic earnings per ordinary share as there are no dilutive potential ordinary shares.

30. CONTINGENT LIABILITIES

	Company 2015 RM	2014 RM
Unsecured		
Corporate guarantees for trade credits granted to subsidiaries	6,181,000	6,836,000
Secured		
Corporate guarantees for borrowing facilities granted by financial institutions to subsidiaries	239,845,727	165,644,321
	246,026,727	172,480,321

The Directors are of the view that the fair value of such corporate guarantees given by the Company is negligible as the chances of the financial institutions to call upon the corporate guarantees are remote.

31. 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 entities.

The Company has related party relationships with its direct, indirect subsidiaries, and its associates. In addition, the Company also has related party relationships with the following parties:

Identities of related parties	Relationship with the Group
Ju-Ichi Enterprise Sdn. Bhd. (‘JIE’)	A related party by virtue of the directorship of certain Directors of the Company, Dato’ Tan Seng Leong and Tan Lindy.
Ibzi Development (Johor) Sdn. Bhd. (‘IBZ’)	A related party by virtue of the directorship of certain Directors of the Company, Dato’ Tan Seng Leong and Tan Vin Sern.
Marvel Plus Development Sdn. Bhd. (‘MPD’)	A related party by virtue of the directorship of certain Directors of the Company, Tan Lindy, Tan Vin Sern and Dato’ Tan Seng Leong’s spouse, namely Datin Lim Sui Yong in MPD. Both Datin Lim Sui Yong and Tan Vin Sern are also major shareholders in MPD.

31. SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

(b) In addition to related party disclosures mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions described below were carried out on mutually agreed terms:

(i) Transactions with subsidiaries

	Company	
	2015	**2014**
	RM	**RM**
Progress billings by a subsidiary:		
- BCB Construction Sdn. Bhd.	22,613,635	6,979,431
Management fees receivable from subsidiaries:		
- BCB Construction Sdn. Bhd.	360,000	360,000
- Johbase Development Sdn. Bhd.	240,000	240,000
- BCB Resources Sdn. Bhd.	840,000	840,000
Rental expenses from a subsidiary:		
- BCB Construction Sdn. Bhd.	12,000	12,000

(ii) Transactions with related parties

	Company	
	2015	**2014**
	RM	**RM**
Office rental paid to JIE	300,000	300,000

	Group	
	2015	**2014**
	RM	**RM**
Hiring of machineries from MPD	486,783	647,758
Maintenance fees paid to JIE	47,464	59,000
Construction contracts:		
- JIE	-	4,777,500
- IBZ	6,822,273	-
- MPD	8,585,189	5,336,200

Information regarding outstanding balances from related parties as at 30 June 2015 are disclosed in Note 13 and Note 19 to the financial statements.

31. SIGNIFICANT RELATED PARTY DISCLOSURES (continued)

(c) 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 key management personnel during the financial year was as follows:

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM	**RM**	**RM**	**RM**
Non-executive Directors:				
- fees	438,000	318,000	150,000	150,000
Executive Directors:				
- salaries and bonus	3,756,711	2,811,501	1,289,741	962,810
- defined contribution plan	668,447	491,612	240,936	183,730
	4,863,158	3,621,113	1,680,677	1,296,540

The estimated monetary value of benefits in kind paid to the Directors of the Group and of the Company during the financial year amounted to RM88,150 and RM88,150 (2014: RM89,650 and RM89,650) respectively.

32. CAPITAL COMMITMENT

Capital commitment contracted but not provided for in the financial statements is as follows:

	Group	
	2015	**2014**
	RM	**RM**
Capital expenditure in respect of purchase of land held for property development:		
Contracted but not provided for	-	89,023,752

33. ACQUISITIONS OF SUBSIDIARIES

In the previous financial year:

(a) On 18 December 2013, the Company had further acquired 0.41% equity interest in Global Earnest Sdn. Bhd. ('GESB'), representing 375,000 ordinary shares of RM0.50 each in GESB for a consideration of RM600,000 from GMT Nominees Sdn. Bhd., the difference of RM376,676 between the purchase consideration and share of net assets was recognised in the retained earnings as transaction with owners.

(b) On 24 December 2013, the Company completed the subscription of 600,000 ordinary shares of RM1.00 each in BCB Heights Sdn. Bhd. ('Heights'), representing 60% of the issued and paid-up share capital of Heights, at par for cash ('Subscription'). The subscription has no material financial effect to the Group.

33. ACQUISITION OF SUBSIDIARIES (continued)

(c) On 16 May 2014, BCB Development Sdn. Bhd., a 70% owned subsidiary of the Company, had subscribed for 750,000 ordinary shares of RM1.00 each in Total Builder Generation Sdn. Bhd. ('TBG'), representing 100% of the issued and paid-up share capital of TBG, at par for cash. The subscription has no material financial effect to the Group.

34. OPERATING SEGMENTS

BCB Berhad and its subsidiaries are principally engaged in investment holding, property development and management activities, construction and related activities and hotel operations.

BCB Berhad has arrived at three (3) reportable segments that are organised and managed separately according to the nature of products and services, specific expertise and technologies requirements, which requires different business and marketing strategies. The reportable segments are summarised as follows:

(a) Property development and management services

Development and property management of residential and commercial properties.

(b) Construction and related activities

Securing and carrying out construction contracts.

(c) Hotel operations

Provision of hotel services as well as food and beverages services.

Other operating segments that do not constitute reportable segments comprise companies that are dormant.

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

Segment performance is evaluated based on operating profit, excluding non-recurring losses, and in certain respect as explained in the table below, it is measured differently from operating profit in the consolidated financial statements.

Inter-segment revenue is priced along the same lines as sales to external customers and conditions and is eliminated on the consolidated financial statements. These policies have been applied constantly throughout the current and previous financial years.

The Group does not have significant reliance on a single major customer, with whom the Group transacted ten (10) percent or more of its revenue during the financial year.

No geographical segment information is presented as the Group's operations and the location of the customers are principally in Malaysia.

34. OPERATING SEGMENTS (continued)

(c) The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment:

2015	**Property development and management activities RM**	**Construction and related activities RM**	**Hotel operations RM**	**Others RM**	**Total RM**
Revenue					
Total revenue	374,847,813	148,390,529	8,990,890	-	532,229,232
Inter-segment revenue	-	(133,488,739)	-	-	(133,488,739)
Revenue from external customers	374,847,813	14,901,790	8,990,890	-	398,740,493
Results					
Interest income	17,131	-	-	-	17,131
Finance costs	(18,789,365)	(631,213)	(50,179)	-	(19,470,757)
Net finance expense	(18,772,234)	(631,213)	(50,179)	-	(19,453,626)
Depreciation of property, plant and equipment	1,379,679	400,549	1,452,121	-	3,232,349
Segment profit/(loss) before income tax	48,644,324	(610,295)	104,870	(20,846)	48,118,053
Tax expense	(13,334,770)	(536,756)	-	-	(13,871,526)
Other material non-cash item:					
Bad debts written off	-	51,574	-	-	51,574
Additions to non-current assets other than financial instruments and deferred tax assets	2,861,394	1,417,160	717,435	-	4,995,989
Segment assets	994,677,834	49,393,792	37,130,459	19,731	1,081,221,816
Segment liabilities	558,533,912	95,044,923	2,639,220	13,433	656,231,488

34. OPERATING SEGMENTS (continued)

(c) The following table provides an analysis of the Group's revenue, results, assets, liabilities and other information by business segment (continued):

2014	Property development and management activities RM	Construction and related activities RM	Hotel operations RM	Others RM	Total RM
Revenue					
Total revenue	274,028,810	71,780,584	8,522,281	-	354,331,675
Inter-segment revenue	(10,717,333)	(61,669,363)	-	-	(72,386,696)
Revenue from external customer	263,311,477	10,111,221	8,522,281	-	281,944,979
Interest income	12,117	-	-	-	12,117
Finance costs	(10,295,326)	(1,085,935)	(49,925)	-	(11,431,186)
Net finance expense	(10,283,209)	(1,085,935)	(49,925)	-	(11,419,069)
Depreciation of property, plant and equipment	1,191,639	186,138	1,391,307	-	2,769,084
Segment profit/(loss) before income tax	40,794,774	2,920,893	102,310	(10,566)	43,807,411
Tax expense	(10,629,823)	(664,010)	-	-	(11,293,833)
Other material non-cash item:					
Fair value adjustment on investment properties	-	2,448,824	-	-	2,448,824
Additions to non-current assets other than financial instruments and deferred tax assets	1,663,949	1,936,369	870,149	-	4,470,467
Segment assets	816,469,113	39,330,452	37,427,560	32,064	893,259,189
Segment liabilities	442,176,862	56,829,578	1,092,646	6,807	500,105,893

35. 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 June 2015.

The Group and the Company are not subject to any externally imposed capital requirements of the financial instruments other than prescribed gearing ratio and tangible net worth of the Group imposed by a bank.

The Group and the Company monitor capital using a gearing ratio which is the amount of borrowings (Note 17) divided by equity. 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 0.90 times (2014: 0.85 times) and the Company's gearing ratio is 0.42 times (2014: 0.51 times). No changes were made in the objectives, policies or processes during the financial years ended 30 June 2015 and 30 June 2014.

(b) Financial instruments

	Group		**Company**	
	2015 RM	**2014 RM**	**2015 RM**	**2014 RM**
Financial assets				
Loan and receivables				
Trade and other receivables	74,578,111	75,562,367	208,282,481	212,784,355
Cash and bank balances	28,099,059	21,884,424	7,425,496	11,660,711
	102,677,170	97,446,791	215,707,977	224,445,066
Financial liabilities				
Other financial liabilities				
Trade and other payables	271,671,620	157,500,000	204,343,142	89,724,587
Borrowings	379,217,847	334,588,388	133,191,120	162,108,067
	650,889,467	492,088,388	337,534,262	251,832,654

(c) Methods and assumptions used to estimate fair value

The fair value 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 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.

The carrying amounts of the current position of borrowings are reasonable approximations of fair values due to the insignificant impact of discounting.

35. FINANCIAL INSTRUMENTS (continued)

(c) Methods and assumptions used to estimate fair value (continued)

The fair value of financial assets and financial liabilities are determined as follows: (continued)

(ii) Hire purchase creditors

The fair value of hire purchase 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

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

	Group		**Company**	
2015	**Carrying amount RM**	**Level 2 Fair value RM**	**Carrying amount RM**	**Level 2 Fair value RM**
Financial liabilities				
Hire purchase creditors	2,200,807	2,288,261	1,409,237	1,456,930
2014				
Financial liabilities				
Hire purchase creditors	1,284,184	1,303,153	685,339	713,626

36. 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 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, internal control systems 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.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(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 primary exposure to credit risk arises through its trade receivables.

The trading terms of the Group with its customers are mainly on credit. The credit period generally ranges from cash terms to a period of three (3) months. The Group seeks to maintain strict control over its outstanding receivables to minimise its credit risk. Overdue balances are reviewed regularly by senior management.

<u>Exposure to credit risk</u>

At the end of each 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 13 to the financial statements.

<u>Credit risk concentration profile</u>

The Group determines 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 13 to the financial statements. Deposits with licensed banks that are neither past due nor impaired are placed with or entered into with reputable financial institutions.

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

Information regarding trade receivables that are either past due or impaired is disclosed in Note 13 to the financial statements.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(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 each reporting period based on contractual undiscounted repayment obligations.

	Within 1 year RM	**1 - 5 years RM**	**More than 5 years RM**	**Total RM**
As at 30 June 2015				
Group				
Financial liabilities				
Trade and other payables	271,671,620	-	-	271,671,620
Borrowings	188,530,149	206,072,120	23,699,797	418,302,066
Total undiscounted financial liabilities	460,201,769	206,072,120	23,699,797	689,973,686
As at 30 June 2014				
Financial liabilities				
Trade and other payables	157,500,000	-	-	157,500,000
Borrowings	182,996,045	101,512,411	9,806,871	294,315,327
Total undiscounted financial liabilities	340,496,045	101,512,411	9,806,871	451,815,327
As at 30 June 2015				
Company				
Financial liabilities				
Trade and other payables	204,343,142	-	-	204,343,142
Borrowings	80,331,396	59,392,248	5,655,334	145,378,978
Total undiscounted financial liabilities	284,674,538	59,392,248	5,655,334	349,722,120

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(b) Liquidity and cash flow risk (continued)

	Within 1 year RM	1 - 5 years RM	More than 5 years RM	Total RM
As at 30 June 2014				
Company				
Financial liabilities				
Trade and other payables	89,724,587	-	-	89,724,587
Borrowings	136,935,764	24,198,715	9,120,586	170,255,065
Total undiscounted financial liabilities	226,660,351	24,198,715	9,120,586	259,979,652

(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 fixed and floating rates. The Group does not use derivative financial instruments to hedge this risk.

<u>Sensitivity analysis for interest rate risk</u>

The following table demonstrates the sensitivity analysis of the Group if interest rates at the end of each reporting period changed by one hundred (100) basis points with all other variables held constant:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Profit after tax				
- Increase by 1% (2014: 1%)	(3,877,174)	(3,395,824)	(1,346,911)	(2,098,361)
- Decrease by 1% (2014: 1%)	3,877,174	3,395,824	1,346,911	2,089,361

The Group's sensitivity is higher in 2015 than in 2014 as a result of an increase in interest expense on those borrowings. The Company's exposure to the interest rate risk is lower in 2015 than in 2014 due to the decrease in outstanding borrowings during the financial year. The assumed movement in basis points for interest rate sensitivity analysis is based on current observable market environment.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Interest rate risk (continued)

The following table sets 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:

	Note	Weighted average effective interest rate %	Within 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM	Total RM
Group							
At 30 June 2015							
Fixed rates							
Hire purchase creditors	20	4.6	715,710	536,828	948,269	-	2,200,807
Floating rates							
Bridging loans	17	7.8	1,815,613	-	29,505,316	-	31,320,929
Term loans	17	6.0	63,269,793	55,721,421	94,816,530	22,616,741	236,424,485
Revolving credits	17	8.5	43,920,000	-	-	-	43,920,000
Bankers' acceptances	17	6.9	11,805,000	-	-	-	11,805,000
Bank overdrafts	17	8.7	53,546,626	-	-	-	53,546,626
Group							
At 30 June 2014							
Fixed rates							
Hire purchase creditors	20	4.3	568,948	471,668	229,564	14,004	1,284,184
Floating rates							
Bridging loans	17	7.9	53,356,468	9,439,479	-	-	62,795,947
Term loans	17	8.3	23,270,741	10,237,884	125,000,827	8,858,500	167,367,952
Revolving credits	17	8.6	28,420,000	-	-	-	28,420,000
Bankers' acceptances	17	6.8	17,682,088	-	-	-	17,682,088
Bank overdrafts	17	8.6	57,038,217	-	-	-	57,038,217

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

(c) Interest rate risk (continued)

The following table sets 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 (continued):

	Note	Weighted average effective interest rate %	Within 1 year RM	1 - 2 years RM	2 - 5 years RM	More than 5 years RM	Total RM
Company							
At 30 June 2015							
Fixed rates							
Hire purchase creditors	20	4.5	443,826	300,336	665,075	-	1,409,237
Floating rates							
Bridging loans	17	7.5	1,815,613	-	-	-	1,815,613
Term loans	17	6.9	12,477,783	19,432,326	31,698,756	5,266,425	68,875,290
Revolving credits	17	7.1	3,920,000	-	-	-	3,920,000
Bankers' acceptances	17	5.3	5,624,000	-	-	-	5,624,000
Bank overdrafts	17	8.3	51,546,980	-	-	-	51,546,980
Company							
At 30 June 2014							
Fixed rates							
Hire purchase creditors	20	4.3	366,281	212,287	106,771	-	685,339
Floating rates							
Bridging loans	17	7.9	53,356,468	-	-	-	53,356,468
Term loans	17	8.3	11,430,884	10,058,276	9,286,671	8,401,024	39,176,855
Revolving credits	17	7.1	3,920,000	-	-	-	3,920,000
Bankers' acceptances	17	5.9	10,846,088	-	-	-	10,846,088
Bank overdrafts	17	8.6	54,123,317	-	-	-	54,123,317

37. SIGNIFICANT EVENT DURING THE REPORTING PERIOD

During the financial year, Evergreen Ratio Sdn. Bhd. became ultimate holding company of the BCB Berhad.

38. SIGNIFICANT EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

(a) On 29 September 2015, the Company acquired the entire issued and paid-up share capital of Absolute 88 Sdn. Bhd. comprising 2 ordinary shares of RM1.00 each for a total cash consideration of RM2.00, making it a wholly owned subsidiary of the Company.

(b) On 1 October 2015, Absolute 88 Sdn. Bhd. entered into a Lease Purchase Agreement with a third party to acquire the rights of the land in Medini Iskandar Malaysia measuring approximately 22 acres for a total cash consideration of RM58,526,920.

39. 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:

	Group		Company	
	2015 RM	2014 RM	2015 RM	2014 RM
Total retained earnings of the Company and its subsidiaries				
- Realised	210,405,627	182,071,902	108,044,857	104,765,519
- Unrealised	(846,715)	(908,951)	(1,137,088)	(1,137,088)
	209,558,912	181,162,951	106,907,769	103,628,431
Less: Consolidation adjustments	(7,309,144)	(6,826,789)	-	-
Total retained earnings	202,249,768	174,336,162	106,907,769	103,628,431