

# ANNUAL REPORT

**RSPO SECRETARIAT SDN BHD** (787510-K)  
(Incorporated in Malaysia)

2009

## CONTENTS

---

1	Corporate information
2 - 4	Directors' report
5	Directors' statement
5	Statutory declaration
6 - 7	Independent auditors' report to the members

### FINANCIAL STATEMENTS

8	Balance sheet
9	Income statement
10	Statement of changes in equity
11	Cash flow statement
12 - 17	Notes to the financial statements

## CORPORATE INFORMATION

---

Board of directors	:	Dato' Mamat Bin Salleh Dr. Vengeta Rao A/L K. Appanan Darrel Arthur Webber Derom Bangun Jan Cornelis Vis Marcello Silva Do Amaral Brito
Company secretary	:	Leong Shueu Yin (F) (MAICSA 7043442)
Registered office	:	305 (Suite 1) Block E Pusat Dagangan Phileo Damansara 1 9, Jalan 16/11, Off Jalan Damansara 46350 Petaling Jaya Selangor Darul Ehsan Malaysia
Principal place of business	:	Suite A-06-04, Plaza Mont'Kiara 2, Jalan Kiara, Mont'Kiara 50480 Kuala Lumpur Malaysia
Auditors	:	Parker Randall (AF: 1565) (Chartered Accountants) Malaysia
Principal banker	:	HSBC Bank Malaysia Berhad

## DIRECTORS' REPORT

---

The directors hereby submit their annual report together with the audited financial statements of the Company for the financial year ended 30 June 2009.

### PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year were to provide seminars, dialogues, forums in promoting growth and the use of sustainable palm oil through co-operation within the supply chain, management consultancy, administration and secretariat services.

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

### RESULTS

	<b>RM</b>
Profit after tax for the financial year	<u>20,034</u>

### DIVIDENDS

No dividends were paid or declared since the end of the previous financial period and the directors do not recommend the payment of dividends for the financial year.

### RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

### SHARE OPTIONS

During the financial year, the Company granted no share option.

### ISSUE OF SHARES

There were no issuances of shares by the Company during the financial year.

### BAD AND DOUBTFUL DEBTS

Before the income statement and the balance sheet of the Company were made out, the directors took reasonable steps to ascertain that action had been taken in relation to the writing off of bad debts and, the making of allowance for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate allowance for doubtful debts had been made.

At the date of this report, the directors are not aware of any circumstances, which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Company inadequate to any substantial extent.

## **DIRECTORS' REPORT** (Continued)

---

### **CURRENT ASSETS**

Before the income statement and the balance sheet of the Company were made out, the directors took reasonable steps to ensure that any current assets which were unlikely to be realised in the ordinary course of business including their values as shown in the accounting records of the Company have been written down to an amount which they might be expected to realise.

At the date of this report, the directors are not aware of any circumstances, which would render the values attributed to the current assets in the financial statements of the Company misleading.

### **VALUATION METHODS**

At the date of this report, the directors are not aware of any circumstances, which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

### **CONTINGENT AND OTHER LIABILITIES**

At the date of this report, there does not exist:

- (a) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
- (b) any contingent liability of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Company has become enforceable or is likely to become enforceable, within the succeeding period of twelve months after the end of the financial year which, in the opinion of the directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

### **CHANGE OF CIRCUMSTANCES**

At the date of this report, the directors are not aware of any circumstances, not otherwise dealt with in this report or the financial statements of the Company, which would render any amount stated in the financial statements misleading.

### **ITEMS OF UNUSUAL NATURE**

In the opinion of the directors:

- (a) the results of the operations of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

### **DIRECTORS**

The directors who served since the date of the last report are:

**DIRECTORS' REPORT** (Continued)

Dato' Mamat Bin Salleh  
 Dr. Vengeta Rao A/L K. Appanan  
 Darrel Arthur Webber  
 Derom Bangun  
 Jan Cornelis Vis  
 Marcello Silva Do Amaral Brito  
 15.12.2008)  
 Simon Lord  
 15.12.2008)

(Appointed on

(Resigned on

The retirement and re-election of the directors will be in accordance with the Company's Articles of Association.

The directors who held office at the end of the financial year had, according to the registers required to be kept under Section 134 of the Companies Act 1965, an interest in the shares of the Company as follows:

	<u>Number of ordinary shares of RM 1.00 each</u>		
	<b>At 01.07.2008</b>	<b>Acquired / (Disposed)</b>	<b>At 30.06.2009</b>
Dato' Mamat Bin Salleh	20	-	20
Darrel Arthur Webber	20	-	20
Derom Bangun	20	-	20
Jan Cornelis Vis	20	-	20

Other than the directors disclosed above, the other directors did not have any interest in the ordinary shares of the Company during the financial year.

**DIRECTORS' BENEFITS**

Since the end of the previous financial period, no director of the Company has received or become entitled to receive any benefit (other than those disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with any directors or with a firm of which the director is a member or with a company in which the director has a substantial financial interest.

Neither during nor at the end of the financial year was the Company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

**AUDITORS**

The auditors, Messrs. Parker Randall, Chartered Accountants (Malaysia) have expressed their willingness to continue in office.

Signed on behalf of the Board  
 in accordance with a resolution of the directors

---

Dr. Vengeta Rao A/L K. Appanan  
 Director

---

Dato' Mamat Bin Salleh  
 Director

Kuala Lumpur, Malaysia  
 Dated:

## DIRECTORS' STATEMENT

---

We, *Dr. Vengeta Rao A/L K. Appanan* and *Dato' Mamat Bin Salleh*, being two of the directors of **RSPO SECRETARIAT SDN BHD**, do hereby state that the accompanying financial statements are drawn up in accordance with applicable approved accounting standards in Malaysia and the provisions of the Companies Act 1965 so as to give a true and fair view of the state of affairs of the Company as at 30 June 2009 and of the results of the operations, changes in equity and cash flows for the financial year then ended.

Signed on behalf of the Board  
in accordance with a resolution of the directors

---

Dr. Vengeta Rao A/L K. Appanan  
Director

---

Dato' Mamat Bin Salleh  
Director

Kuala Lumpur, Malaysia  
Dated:

## STATUTORY DECLARATION

I, *Dr. Vengeta Rao A/L K. Appanan*, being the director primarily responsible for the financial management of **RSPO SECRETARIAT SDN BHD**, do solemnly and sincerely declare that the accompanying financial statements for the financial year ended 30 June 2009 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly declared )  
by the abovenamed at Kuala Lumpur )  
on this day of )  
)

Before me:

---

Dr. Vengeta Rao A/L K. Appanan  
Director

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RSPO SECRETARIAT SDN BHD

### Report on the financial statements

We have audited the financial statements of **RSPO SECRETARIAT SDN BHD**, which comprise the balance sheet as at 30 June 2009 and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 8 to 17.

### Directors' responsibility for the financial statements

The directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Malaysian Accounting Standards Board (MASB) approved standards for Private Entities and the Companies Act 1965 in Malaysia. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

### Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud and error. In making those risk assessments, we consider the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion, the financial statements have been properly drawn up in accordance with MASB approved accounting standards for Private Entities and the Companies Act 1965 in Malaysia so as to give a true and fair view of the financial position of the Company as at 30 June 2009 and of its financial performance and cash flows for the financial year then ended.

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF RSPO SECRETARIAT SDN BHD (CONTINUED)



**Report on other legal and regulatory requirements**

In accordance with the requirements of the Companies Act 1965 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

**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.

---

PARKER RANDALL  
AF: 1565  
Chartered Accountants

---

Dato' Liew Lee Leong  
2041/04/10 (J/PH)  
Partner of the firm

Selangor Darul Ehsan, Malaysia

Dated:

**BALANCE SHEET**

AS AT 30 JUNE 2009

	Note	2009 RM	2008 RM
<b>Non-current assets</b>			
Property, plant and equipment	3	<u>6,623</u>	<u>2,414</u>
<b>Current assets</b>			
Sundry receivables, deposits and prepayments	4	125,476	47,579
Cash and bank balances		<u>15,217</u>	<u>25,660</u>
		<u>140,693</u>	<u>73,239</u>
<b>Current liabilities</b>			
Sundry payables and accruals		84,365	24,885
Current tax liabilities		<u>2,398</u>	<u>10,778</u>
		<u>86,763</u>	<u>35,663</u>
<b>Net current assets</b>		<u>53,930</u>	<u>37,576</u>
		<u>60,553</u>	<u>39,990</u>
<b>FINANCED BY:</b>			
Share capital	5	100	100
Retained profits		<u>59,785</u>	<u>39,751</u>
<b>Shareholders' funds</b>		59,885	39,851
<b>Non-current liabilities</b>			
Deferred tax	6	<u>668</u>	<u>139</u>
		<u>60,553</u>	<u>39,990</u>

The accompanying notes are an integral part of these financial statements

## INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

	Note	2009 RM	2008 RM
Revenue	7	-	-
Cost of sales		<u>-</u>	<u>-</u>
<b>Gross profit</b>		-	-
Other operating income		720,000	360,000
Administrative expenses		<u>(694,022)</u>	<u>(309,332)</u>
<b>Profit from operations</b>		25,978	50,668
Finance costs		<u>-</u>	<u>-</u>
<b>Profit before tax</b>	8	25,978	50,668
Income tax expense	9	<u>(5,944)</u>	<u>(10,917)</u>
<b>Profit after tax for the financial year / period</b>		<u><u>20,034</u></u>	<u><u>39,751</u></u>

## STATEMENT OF CHANGES IN EQUITY

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

The accompanying notes are an integral part of these financial statements

	<b>Share capital RM</b>	<b>Retained profits RM</b>	<b>Total RM</b>
As at 6 September 2007 (Date of incorporation)	100	-	100
Profit after tax for the financial period	<u>-</u>	<u>39,751</u>	<u>39,751</u>
<b>As at 30 June 2008</b>	100	39,751	39,851
Profit after tax for the financial year	<u>-</u>	<u>20,034</u>	<u>20,034</u>
<b>As at 30 June 2009</b>	<u><u>100</u></u>	<u><u>59,785</u></u>	<u><u>59,885</u></u>

The accompanying notes are an integral part of these financial statements

## CASH FLOW STATEMENT

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

	2009 RM	2008 RM
<b>Cash flows from operating activities</b>		
Profit before tax	25,978	50,668
<i>Adjustment for:</i>		
Depreciation	<u>321</u>	<u>41</u>
<b>Operating profit before working capital changes</b>	26,299	50,709
Increase in receivables	(77,897)	(47,579)
Increase in payables	<u>59,480</u>	<u>24,885</u>
<b>Net cash generated from operations</b>	7,882	28,015
Tax paid	<u>(13,795)</u>	<u>-</u>
<b>Net cash (used in) / generated from operating activities</b>	<u>(5,913)</u>	<u>28,015</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	<u>(4,530)</u>	<u>(2,455)</u>
<b>Net cash used in investing activities</b>	<u>(4,530)</u>	<u>(2,455)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	<u>-</u>	<u>100</u>
<b>Net cash generated from financing activities</b>	<u>-</u>	<u>100</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	(10,443)	25,660
Cash and cash equivalents at beginning of financial year / period	<u>25,660</u>	<u>-</u>
<b>Cash and cash equivalents at end of financial year / period</b>	<u><u>15,217</u></u>	<u><u>25,660</u></u>
 <b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash at bank	14,717	25,354
Cash in hand	<u>500</u>	<u>306</u>
Cash and bank balance	<u><u>15,217</u></u>	<u><u>25,660</u></u>

The accompanying notes are an integral part of these financial statements

## NOTES TO THE FINANCIAL STATEMENTS

### AS AT 30 JUNE 2009

---

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### (a) Accounting convention

The financial statements of the Company are prepared under the historical cost convention and complied with applicable approved accounting standards in Malaysia and the provisions of the Companies Act 1965.

##### (b) Property, plant and equipment and depreciation

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Depreciation is provided on a straight-line basis to write off the cost of each asset over their estimated useful lives at the following annual rates:

Computers and software	10%
Office equipment	10%

Where an indication of impairment exists, the carrying amount of an asset is assessed and written down immediately to its recoverable amount.

##### (c) Impairment of assets

The carrying amounts of property, plant and equipment and other non-current assets, including intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such an indication exists, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying amount of an item of asset or its cash-generating unit exceeds its recoverable amount.

The impairment loss is charged to the income statement unless it reverses a previous revaluation in which case it is charged to the revaluation reserve. Any subsequent increase in recoverable amount is recognised in the income statement unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation reserve.

An impairment loss is only reversed 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. Reversals of impairment loss are recognised in the income statement.

##### (d) Receivables

Receivables are stated at anticipated realisable values. Known bad debts are written off and specific provision is made for those debts considered to be doubtful of collection.

##### (e) Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances, bank overdrafts and other short term deposits that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### AS AT 30 June 2009

---

#### 1. SIGNIFICANT ACCOUNTING POLICIES (Continued).

##### (f) Provisions

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

##### (g) Liabilities

Payables are stated at cost, which is the fair value of the consideration to be paid in the future for goods and services received.

##### (h) Revenue - Income recognition

Revenue is recognised based on invoiced value of services rendered net of discounts.

Other operating income is recognised when the right to receive payment is established.

##### (i) Income tax

Income tax on the profit or loss for the financial year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the financial year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that the taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary differences arise from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also charged or credited directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or negative goodwill.

##### (j) Short term employee benefits

Wages, salaries and social security contributions are recognised as an expense in the financial year in which the associated services are rendered by employees of the Company. Short term accumulating compensated absences such as paid annual leave are recognised when employees render services that increase their entitlement to future compensated absences. Non-accumulating compensated absences, such as sick and medical leaves are recognised when the absences occur.

#### 1. SIGNIFICANT ACCOUNTING POLICIES (Continued)

##### (k) Defined contribution plans

Contributions to the statutory pension scheme are recognised as an expense in the income statement in the financial year to which they relate.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### AS AT 30 June 2009

#### (I) Financial instruments

Financial instruments carried on the balance sheet include cash and bank balances, receivables and payables. The recognition methods adopted are disclosed in the respective accounting policy statements.

#### 2. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Company's business whilst managing its financial risks.

The main areas of financial risks faced by the Company and the policy in respect of the major areas of treasury activity are set out as follows:

##### (i) Interest rate risk

The Company has no significant interest rate risk as the Company has no substantial long-term interest-bearing debts.

##### (ii) Foreign exchange risk

The Company does not have any transactions, assets or liabilities which are denominated in foreign currencies. Hence, the Company does not have any exposure to foreign exchange risk.

##### (iii) Liquidity and cash flow risks

The Company actively manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that all refinancing, repayment and funding needs are met. As part of its overall prudent liquidity management, the Company maintains sufficient level of cash and cash equivalents to meet its working capital requirements.

##### (iv) Market risk

The Company has in place policies to manage the Company's exposure to fluctuation in the price of key materials used in the Company's operations.

##### (v) Credit risk

The Company is exposed to credit risk mainly from trade receivables. This is the risk that a counter party is unable to pay its debts or meet its obligations. The Company has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

The Company extends credit to its customers based upon careful evaluation of the customers' financial conditions and credit history. The management believes that concentration on credit risk is limited due to ongoing credit evaluation on all customers and maintaining an allowance for doubtful debts, which management believes will adequately provide for potential credit risks. Therefore, the Company does not expect to incur material credit losses on its risk management and financial instruments.

#### 3. PROPERTY, PLANT AND EQUIPMENT

	As at 01.07.2008	Additions	Disposals	As at 30.06.2009
	RM	RM	RM	RM
<i>Cost</i>				
Computers and software	-	4,530	-	4,530
Office equipment	2,455	-	-	2,455
	<u>2,455</u>	<u>4,530</u>	<u>-</u>	<u>6,985</u>



## NOTES TO THE FINANCIAL STATEMENTS (Continued)

AS AT 30 June 2009

### *Accumulated depreciation*

Computers and software	-	76	-	76
Office equipment	41	245	-	286
	41	321	-	362

	<b>Depreciation</b>			
	<b>2009</b>	<b>2008</b>	<b>2009</b>	<b>2008</b>
	<b>RM</b>	<b>RM</b>	<b>RM</b>	<b>RM</b>
<i>Net book value</i>				
Computers and software	4,454	-	76	-
Office equipment	2,169	2,414	245	41
	6,623	2,414	321	41

#### 4. SUNDRY RECEIVABLES, DEPOSITS AND PREPAYMENTS

Included in sundry receivables, deposits and prepayments are advances of RM 100,744 (2008: RM 35,474) due from an association (Roundtable on Sustainable Palm Oil), where certain directors have beneficial interest. These advances are unsecured, interest free and have no fixed terms of repayment.

#### 5. SHARE CAPITAL

	<b>2009</b>	<b>2008</b>
	<b>RM</b>	<b>RM</b>
<b>Authorised:</b>		
100,000 Ordinary shares of RM 1.00 each		
As at beginning and end of financial year / period	<u>100,000</u>	<u>100,000</u>
<b>Issued and fully paid:</b>		
100 Ordinary shares of RM 1.00 each		
As at beginning and end of financial year / period	<u>100</u>	<u>100</u>

#### 6. DEFERRED TAX

	<b>2009</b>	<b>2008</b>
	<b>RM</b>	<b>RM</b>
As beginning of the financial year / period	139	-
Transfer from income statement (Note 9)	<u>529</u>	<u>139</u>
As at end of the financial year / period	<u>668</u>	<u>139</u>

The deferred tax liabilities are in respect of temporary differences between the carrying amount of property, plant and equipment and the tax base.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

AS AT 30 June 2009

### 7. REVENUE

Revenue represents invoiced value of services rendered net of discounts.

### 8. PROFIT BEFORE TAX

	<b>2009</b>	<b>2008</b>
	<b>RM</b>	<b>RM</b>
This is determined after charging:		
Auditors' remuneration	3,750	3,750
Depreciation	321	41
Directors' remuneration	353,600	151,877
Formation expenses	-	4,400
Rental - Conference rooms	-	2,530
Rental - Office	24,000	12,600
Staff - EPF contributions	<u>82,193</u>	<u>35,250</u>

#### Employee information:

Staff costs	<u>596,755</u>	<u>250,758</u>
-------------	----------------	----------------

Number of employees including directors,  
as at end of financial year / period

<u>9</u>	<u>10</u>
----------	-----------

### 9. INCOME TAX EXPENSE

	<b>2009</b>	<b>2008</b>
	<b>RM</b>	<b>RM</b>
Malaysian tax - Current year's provision	5,415	10,778
Deferred tax (Note 6)	<u>529</u>	<u>139</u>
	<u>5,944</u>	<u>10,917</u>

Reconciliation of tax expense:

Profit before tax	<u>25,978</u>	<u>50,668</u>
-------------------	---------------	---------------

### 9. INCOME TAX EXPENSE (Continued)

	<b>2009</b>	<b>2008</b>
	<b>RM</b>	<b>RM</b>
Income tax at Malaysian tax rate	5,196	10,134
Tax effects of:		
Non-deductible expenses for tax purpose	812	783
Others	<u>(64)</u>	<u>-</u>
Tax expense	<u>5,944</u>	<u>10,917</u>

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

### AS AT 30 June 2009

---

The current Malaysian tax rate is 20% for the first RM 500,000 chargeable income and 25% (2008: 26%) thereafter.

#### 10. SIGNIFICANT RELATED PARTY TRANSACTIONS

	<b>2009</b>	<b>2008</b>
	<b>RM</b>	<b>RM</b>
Management fee from a company in which certain directors have beneficial interest	<u>720,000</u>	<u>360,000</u>

The related party transaction is in the normal course of business at the terms mutually agreed between all parties.

#### 11. FINANCIAL INSTRUMENTS

The carrying amounts of the financial instruments in respect of cash and cash equivalents, receivables and payables approximate their fair values due to the relatively short term nature of the said financial instruments.

#### 12. COMPARATIVE FIGURES

The comparative figures for the income statement, statement of changes in equity, cash flow statement and the notes to the financial statements are for the financial period from 6 September 2007 (Date of incorporation) to 30 June 2008.

#### 13. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements are authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated

## TRADING AND PROFIT AND LOSS ACCOUNT

### FOR THE FINANCIAL YEAR ENDED 30 JUNE 2009

	<b>2009</b>	<b>2008</b>
	<b>RM</b>	<b>RM</b>
<b>Revenue</b>	-	-
<b>Add: Other operating income</b>		
Management fee income	720,000	360,000
	<u>720,000</u>	<u>360,000</u>
<b>Less: Administrative expenses</b>		
Advertisement and recruitment	4,543	-
Auditors' remuneration	3,750	3,750
Bank charges	228	196
Computer expenses	-	630
Depreciation	321	41
Directors' remuneration	353,600	151,877
Entertainment	886	918
Formation expenses	-	4,400
Insurance	445	-
Printing, postages and stationery	5,610	3,410
Rental - Conference room	-	2,530
Rental - Office	24,000	12,600
Secretarial charges	1,770	1,220
Seminar, conference and training fee	1,240	-
Service tax	379	188
Staff - EPF contributions	82,193	35,250
Staff - Medical	430	516
Staff - Refreshments	1,170	147
Staff - Salaries and allowances	160,291	62,282
Staff - Socso	671	1,349
Taxation fee	2,485	3,300
Telephone and fax charges	15,220	10,258
Travelling expenses	29,229	11,768
Upkeep - Office	2,040	1,300
Upkeep - Office equipment	429	-
Water and electricity	3,092	1,402
	<u>694,022</u>	<u>309,332</u>
<b>Profit before tax</b>	<u>25,978</u>	<u>50,668</u>