

Quarterly rpt on consolidated results for the financial period ended 31 Mar 2017

GRAND CENTRAL ENTERPRISES BHD

Financial Year End	31 Dec 2017
Quarter	1 Qtr
Quarterly report for the financial period ended	31 Mar 2017
The figures	have not been audited

Attachments

 [1st quarter 2017 KLSE unaudited results.pdf](#)
73.9 kB

Default Currency	Other Currency
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Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION 31 Mar 2017

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		31 Mar 2017	31 Mar 2016	31 Mar 2017	31 Mar 2016
		\$\$'000	\$\$'000	\$\$'000	\$\$'000
1	Revenue	5,400	5,205	5,400	5,205
2	Profit/(loss) before tax	-2,051	-1,784	-2,051	-1,784
3	Profit/(loss) for the period	-2,098	-1,811	-2,098	-1,811
4	Profit/(loss) attributable to ordinary equity holders of the parent	-2,113	-1,812	-2,113	-1,812
5	Basic earnings/(loss) per share (Subunit)	-1.07	-0.92	-1.07	-0.92
6	Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity		1.2000		1.2100

holders of the parent (\$\$)		
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Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

 **Announcement Info**

Company Name	GRAND CENTRAL ENTERPRISES BHD
Stock Name	GCE
Date Announced	09 May 2017
Category	Financial Results
Reference Number	FRA-09052017-00010

GRAND CENTRAL ENTERPRISES BHD (131696-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2017

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31.03.2017 RM'000	Preceding Year Corresponding Quarter 31.03.2016 RM'000	Current Year To Date 31.03.2017 RM'000	Preceding Year Corresponding Period 31.03.2016 RM'000
Revenue	5,400	5,205	5,400	5,205
Operating expenses	(8,132)	(7,777)	(8,132)	(7,777)
Other operating income	682	789	682	789
Finance cost	(1)	(1)	(1)	(1)
Loss before taxation	(2,051)	(1,784)	(2,051)	(1,784)
Taxation	(47)	(27)	(47)	(27)
Loss net of tax	(2,098)	(1,811)	(2,098)	(1,811)
Other comprehensive profit	-	-	-	-
Total comprehensive loss	(2,098)	(1,811)	(2,098)	(1,811)
(Loss)/profit attributable to:				
Owners of the parent	(2,113)	(1,812)	(2,113)	(1,812)
Non-controlling interests	15	1	15	1
Loss for the period	(2,098)	(1,811)	(2,098)	(1,811)
Loss per share (sen)	(1.07)	(0.92)	(1.07)	(0.92)

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

GRAND CENTRAL ENTERPRISES BHD (131696-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2017

	As At End Of Current Quarter 31.03.2017 RM'000	As At End Of Preceding Year End 31.12.2016 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	189,039	189,908
Deferred tax assets	-	-
	<u>189,039</u>	<u>189,908</u>
Current assets		
Inventories	383	369
Trade and other receivables	4,240	4,561
Cash and bank balances	67,212	68,545
	<u>71,835</u>	<u>73,475</u>
TOTAL ASSETS	<u>260,874</u>	<u>263,383</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	197,002	197,002
Reserves	39,636	41,749
	<u>236,638</u>	<u>238,751</u>
Non-controlling interests	1,888	1,873
Total equity	<u>238,526</u>	<u>240,624</u>
Non-current liabilities		
Long term borrowings	38	38
Deferred taxation	17,158	17,158
	<u>17,196</u>	<u>17,196</u>
Current liabilities		
Borrowings	25	33
Trade & other payables	5,019	5,397
Current tax payable	108	133
	<u>5,152</u>	<u>5,563</u>
Total liabilities	<u>22,348</u>	<u>22,759</u>
TOTAL EQUITY AND LIABILITIES	<u>260,874</u>	<u>263,383</u>
Net assets per share (RM)	1.20	1.21

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

GRAND CENTRAL ENTERPRISES BHD (131696-V)
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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2017

	← Attributable to Owners of the Parent →			Non-controlling Interests	Total Equity
	Share Capital RM'000	Non-Distributable Share Premium Reserve RM'000	Distributable Retained Profits RM'000		
3-month quarter ended 31 March 2017					
At 1 January 2017	197,002	2,395	39,354	1,873	240,624
(Loss)/profit for the period	-	-	(2,113)	15	(2,098)
At 31 March 2017	<u>197,002</u>	<u>2,395</u>	<u>37,241</u>	<u>1,888</u>	<u>238,526</u>
3-month quarter ended 31 March 2016					
At 1 January 2016	197,002	2,395	49,097	1,828	250,322
(Loss)/profit for the period	-	-	(1,812)	1	(1,811)
At 31 March 2016	<u>197,002</u>	<u>2,395</u>	<u>47,285</u>	<u>1,829</u>	<u>248,511</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

GRAND CENTRAL ENTERPRISES BHD (131696-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2017

	<u>2017</u> 3 Months Ended 31.03.2017 RM'000	<u>2016</u> 3 Months Ended 31.03.2016 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(2,051)	(1,784)
Adjustments for:-		
Depreciation	1,608	1,563
Gain on disposal of property, plant and equipment	(1)	(9)
Interest expense	1	1
Interest income	(594)	(657)
Property, plant and equipment written off	1	-
Operating loss before working capital changes	<u>(1,036)</u>	<u>(886)</u>
Net change in current receivables	518	(937)
Net change in current payables	<u>(378)</u>	<u>501</u>
Cash used in operating activities	(896)	(1,322)
Interest paid	(1)	(1)
Net taxes paid	<u>(54)</u>	<u>(127)</u>
Net cash used in operating activities	<u>(951)</u>	<u>(1,450)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	365	13
Placement of fixed deposits	(356)	-
Proceeds from disposal of property, plant and equipment	1	9
Purchase of property, plant and equipment	<u>(740)</u>	<u>(759)</u>
Net cash used in investing activities	<u>(730)</u>	<u>(737)</u>
CASH FLOWS FROM FINANCING ACTIVITY		
Repayment of hire purchase payable representing net cash used in financing activity	<u>(8)</u>	<u>(5)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,689)	(2,192)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>8,304</u>	<u>9,063</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>6,615</u>	<u>6,871</u>

GRAND CENTRAL ENTERPRISES BHD (131696-V)
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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2017 (CONT'D.)

	As at 31.03.2017 RM'000	As at 31.03.2016 RM'000
CASH AND BANK BALANCES		
Cash on hand and at banks	5,793	5,308
Deposits with licensed banks	61,419	65,360
Cash and bank balances	<u>67,212</u>	<u>70,668</u>

For the purpose of the statements of cash flows of the Group, cash and cash equivalents comprise the following as at the reporting date:

Cash and bank balances	67,212	70,668
Less: Short-term deposits with licensed banks	<u>(60,597)</u>	<u>(63,797)</u>
Total cash and cash equivalents	<u>6,615</u>	<u>6,871</u>

Short-term deposits have maturity periods of more than 3 months but not more than one year. Included in short-term deposits with licensed banks are deposits of RM1,185,000 (2016: RM1,185,000) pledged as bank guarantees for credit facilities granted to the Group.

The condensed consolidated statements of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2016 and the accompanying explanatory notes attached to the interim financial statements.

GRAND CENTRAL ENTERPRISES BHD (131696-V)
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PART A - EXPLANATORY NOTES PURSUANT TO MFRS 134

1 BASIS OF PREPARATION

The condensed consolidated interim financial statements are unaudited and have been prepared in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standard Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2016. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2016.

2 CHANGES IN ACCOUNTING POLICIES

The accounting policies applied by the Group in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2016 except for the adoption of the new and amended MFRSs for annual financial periods beginning on or after 1 January 2017. The initial application of these new and amended MFRSs have no material impact on this interim financial reporting.

3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2016 was not qualified.

4 SEGMENTAL REPORTING

The Board of Directors reviews the Group's internal reporting in order to assess performance and allocation of resources. The Group's principal activities are principally in the hotel business conducted within Malaysia.

	Current Year To Date 31.03.2017 RM'000	Preceding Year Corresponding Period 31.03.2016 RM'000
Revenue from external customers	5,400	5,205
Reportable segment loss	(1,125)	(1,010)
Reportable segment assets	260,753	269,130
Reportable segment liabilities	5,019	5,705
Reportable segment loss is reconciled as follows:		
Total loss for reportable segment	(1,125)	(1,010)
Interest income	594	657
Other income	88	132
Depreciation	(1,608)	(1,563)
Loss before taxation	(2,051)	(1,784)

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4 SEGMENTAL REPORTING (Cont'd.)

	Current Year To Date 31.03.2017 RM'000	Preceding Year Corresponding Period 31.03.2016 RM'000
Reportable segment assets is reconciled as follows:		
Total assets for reportable segment	260,753	269,130
Tax recoverable	121	159
Deferred tax assets	-	2,899
Total assets	<u>260,874</u>	<u>272,188</u>
Reportable segment liabilities is reconciled as follows:		
Total liabilities for reportable segment	5,019	5,705
Income tax payable	108	20
Deferred tax liabilities	17,158	17,857
Borrowings	63	95
Total liabilities	<u>22,348</u>	<u>23,677</u>

The Group has no concentration of revenue generated from a single external customer during the year.

5 UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review because of their nature, size or incidence.

6 CHANGES IN ESTIMATES

There were no changes in estimates that have had a material effect in the current quarter results.

7 SEASONAL OR CYCLICAL FACTORS

The operations of the Group are not subject to seasonality/cyclicality of operations.

8 DIVIDENDS PAID

There were no dividends paid during the current quarter.

9 CARRYING AMOUNT OF REVALUED ASSETS

There was no valuation of property, plant and equipment for the period under review.

GRAND CENTRAL ENTERPRISES BHD (131696-V)
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10 DEBT AND EQUITY SECURITIES

There were no issuances and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current quarter under review.

11 CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current financial period to date except for the following dormant subsidiary companies which have commenced member's voluntary winding up on 4 December 2015:

- Grand Central (K.L.) Sdn. Bhd.
- Grand Central Enterprises (Malacca) Sdn. Bhd.
- Grand Central Enterprises (Perak) Sdn. Bhd.
- Hotel Grand Olympic (M) Sdn. Bhd.

12 CAPITAL COMMITMENTS

Capital expenditures as at the reporting date are as follows:

	As At End Of Current Quarter 31.03.2017 RM'000	As At End Of Preceding Year End 31.12.2016 RM'000
Approved but not contracted for: Property, plant and equipment	110	187

13 CONTINGENT LIABILITIES

The Group does not have any contingent liabilities as at 31 March 2017.

14 SUBSEQUENT EVENTS

There are no material events subsequent to the end of the period under review that have not been reflected in the quarterly financial statements.

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PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

15 PERFORMANCE REVIEW

For the period ended 31 March 2017, the Group recorded a revenue of RM5.40 million (2016: RM5.21 million) and loss before taxation of RM2.05 million (2016: RM1.78 million). The increase in revenue was mainly due to overall higher average room rates.

In the opinion of the Directors, the results for the financial year under review have not been affected by any transaction or event of a material or unusual nature.

16 COMMENTS ON MATERIAL CHANGES IN PROFIT BEFORE TAXATION

The Group's increased in loss before taxation as compared to the preceding year corresponding period was mainly due to higher operating expenses and lower interest income and sundry revenue for the current period as compared to the preceding year corresponding quarter.

17 PROSPECTS

Barring any unforeseen circumstances, the Directors anticipate the performance of the Group for the next quarter to be challenging.

18 PROFIT FORECAST

The Group has not provided any profit forecast in a public document.

19 INCOME TAX EXPENSE

Taxation includes:

	← INDIVIDUAL PERIOD →		← CUMULATIVE PERIOD →	
	Current Year Quarter	Preceding Year Quarter	Current Year To Date	Preceding Year Corresponding Period
	31.03.2017	31.03.2016	31.03.2017	31.03.2016
	RM'000	RM'000	RM'000	RM'000
Current period's provision	47	27	47	27

The effective tax rate of the Group for the current quarter is higher than the statutory tax rate of 24%. This is mainly due to tax charged on profits from certain companies in the Group and non-deductible expenses for tax purposes.

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20 CORPORATE PROPOSALS

There were no corporate proposals announced during the financial period to date.

21 BORROWINGS

	As At End Of Current Quarter 31.03.2017 RM'000	As At End Of Preceding Year End 31.12.2016 RM'000
Short Term Borrowings		
Hire purchase creditors	25	33
Long Term Borrowings		
Hire purchase creditors	38	38
	<u>63</u>	<u>71</u>

22 CHANGES IN MATERIAL LITIGATION

There are no changes in material litigation, including the status of pending material litigation as at the date of this report.

23 DIVIDEND

No interim ordinary dividend has been declared for the financial period ended 31 March 2017 (31 March 2016: Nil).

24 LOSS PER SHARE

Loss per share is calculated by dividing loss for the period attributable to ordinary equity holders of the Company by the number of ordinary shares in issue during the financial period.

	← INDIVIDUAL PERIOD →		← CUMULATIVE PERIOD →	
	Current Year Quarter 31.03.2017	Preceding Year Quarter 31.03.2016	Current Year To Date 31.03.2017	Preceding Year Corresponding Period 31.03.2016
Loss attributable to ordinary equity holders of the Company (RM'000)	(2,113)	(1,812)	(2,113)	(1,812)
Number of ordinary shares in issue ('000)	<u>197,002</u>	<u>197,002</u>	<u>197,002</u>	<u>197,002</u>
Loss per share (sen)	<u>(1.07)</u>	<u>(0.92)</u>	<u>(1.07)</u>	<u>(0.92)</u>

GRAND CENTRAL ENTERPRISES BHD (131696-V)
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25 NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Loss for the period is arrived at after crediting/(charging):

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31.03.2017 RM'000	Preceding Year Quarter 31.03.2016 RM'000	Current Year To Date 31.03.2017 RM'000	Preceding Year Corresponding Period 31.03.2016 RM'000
Interest income	594	657	594	657
Sundry revenue	86	123	86	123
Interest expense	(1)	(1)	(1)	(1)
Depreciation	(1,608)	(1,563)	(1,608)	(1,563)
Reversal of impairment loss on receivables	-	-	-	-
Bad debts written off	-	-	-	-
Inventories written off	-	-	-	-
Gain on disposal of investments	-	-	-	-
Gain on disposal of property, plant and equipment	1	9	1	9
Loss on disposal of property, plant and equipment	-	-	-	-
Property, plant and equipment written off	(1)	-	(1)	-
Impairment of assets	-	-	-	-
Foreign exchange gain	1	-	1	-

26 REALISED AND UNREALISED PROFITS DISCLOSURE

	As At End Of Current Quarter 31.03.2017 RM'000	As At End Of Preceding Year End 31.03.2016 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	51,101	57,888
- Unrealised	(14,259)	(12,018)
	36,842	45,870
Add: Consolidated adjustments	399	1,415
Retained profits as per financial statements	37,241	47,285

27 AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 9 May 2017.