

Quarterly rpt on consolidated results for the financial period ended 30/9/2012

GRAND CENTRAL ENTERPRISES BHD

Financial Year End 31/12/2012
 Quarter 3
 Quarterly report for the financial period ended 30/09/2012
 The figures have not been audited
Attachments

[3rd quarter 2012 KLSE unaudited results.pdf](#)

97 KB

- Default Currency
- Other Currency

Currency: **Malaysian Ringgit (MYR)**

SUMMARY OF KEY FINANCIAL INFORMATION 30/09/2012

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30/09/2012 \$\$'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2011 \$\$'000	CURRENT YEAR TO DATE 30/09/2012 \$\$'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2011 \$\$'000
1 Revenue	8,369	8,395	24,954	26,582
2 Profit/(loss) before tax	2,745	1,218	3,934	3,119
3 Profit/(loss) for the period	2,510	5,848	2,922	7,132
4 Profit/(loss) attributable to ordinary equity holders of the parent	2,494	5,826	2,838	7,053
5 Basic earnings/(loss) per share (Subunit)	1.27	2.96	1.44	3.58
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
	AS AT END OF CURRENT		AS AT PRECEDING FINANCIAL	

	QUARTER	YEAR END
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)	1.3100	1.3200

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	7 Nov 2012
Category	Financial Results
Reference No	CA-121106-55113

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2012

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 30.09.2012 RM'000	Preceding Year Corresponding Quarter 30.09.2011 RM'000	Current Year To Date 30.09.2012 RM'000	Preceding Year Corresponding Period 30.09.2011 RM'000
Continuing operations				
Revenue	8,369	8,395	24,954	26,582
Operating expenses	(8,736)	(7,665)	(25,434)	(24,767)
Other operating income	3,114	489	4,418	1,514
Finance cost	(2)	(1)	(4)	(210)
Profit before taxation from continuing operations	2,745	1,218	3,934	3,119
Taxation	(235)	(47)	(1,012)	(957)
Profit from continuing operations, net of tax	2,510	1,171	2,922	2,162
Discontinued operation				
Profit from discontinued operation, net of tax	-	4,677	-	4,970
	2,510	5,848	2,922	7,132
Other comprehensive income	-	-	-	-
Total comprehensive income	2,510	5,848	2,922	7,132
Profit attributable to:				
Owners of the parent	2,494	5,826	2,838	7,053
Non-controlling interest	16	22	84	79
Profit for the period	2,510	5,848	2,922	7,132
Earnings per share (sen)	1.27	2.96	1.44	3.58

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2012

	As At End Of Current Quarter 30.09.2012 RM'000	As At End Of Preceding Year End 31.12.2011 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	201,972	221,899
Deferred tax assets	8,663	8,862
	<u>210,635</u>	<u>230,761</u>
Current assets		
Inventories	516	484
Trade and other receivables	5,568	4,917
Cash and cash equivalents	63,085	58,753
	<u>69,169</u>	<u>64,154</u>
Asset for disposal classified as held for sale	13,056	-
	<u>82,225</u>	<u>64,154</u>
TOTAL ASSETS	<u>292,860</u>	<u>294,915</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Parent		
Share capital	197,002	197,002
Reserves	60,644	63,716
	<u>257,646</u>	<u>260,718</u>
Non-controlling interests	2,155	2,071
Total equity	<u>259,801</u>	<u>262,789</u>
Non-current liabilities		
Long term borrowings	263	39
Deferred taxation	25,291	25,291
	<u>25,554</u>	<u>25,330</u>
Current liabilities		
Borrowings	18	20
Trade & other payables	7,380	6,442
Current tax payable	107	334
	<u>7,505</u>	<u>6,796</u>
Total liabilities	<u>33,059</u>	<u>32,126</u>
TOTAL EQUITY AND LIABILITIES	<u>292,860</u>	<u>294,915</u>
Net assets per share (RM)	1.31	1.32

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2012

	Attributable to Owners of the Parent				Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Distributable Retained Profits RM'000			
9-month quarter ended <u>30 September 2012</u>							
At 1 January 2012	197,002	2,395	5,458	55,863	260,718	2,071	262,789
Profit for the period	-	-	-	2,838	2,838	84	2,922
Dividends	-	-	-	(5,910)	(5,910)	-	(5,910)
At 30 September 2012	197,002	2,395	5,458	52,791	257,646	2,155	259,801
9-month quarter ended <u>30 September 2011</u>							
At 1 January 2011	197,002	2,395	5,458	51,423	256,278	2,085	258,363
Profit for the period	-	-	-	7,053	7,053	79	7,132
Dividends	-	-	-	(4,433)	(4,433)	-	(4,433)
At 30 September 2011	197,002	2,395	5,458	54,043	258,898	2,164	261,062

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

GRAND CENTRAL ENTERPRISES BHD (131696-V)
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2012

	<u>2012</u> 9 Months Ended 30.09.2012 RM'000	<u>2011</u> 9 Months Ended 30.09.2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation from continuing operations	3,934	3,119
Profit before taxation from discontinued operation	-	3,926
Profit before taxation, total	<u>3,934</u>	<u>7,045</u>
Adjustments:-		
Depreciation	4,409	4,508
Gain on disposal of property, plant and equipment	(2,282)	(4,846)
Inventory written off	1	-
Interest expenses	4	218
Interest income	(1,382)	(768)
Operating profit before changes in working capital	<u>4,684</u>	<u>6,157</u>
Net change in current receivables	(759)	(659)
Net change in current payables	938	(1,586)
Cash generated from operating activities	<u>4,863</u>	<u>3,912</u>
Interest paid	(4)	(219)
Tax paid, net	(1,062)	(977)
Net cash generated from operating activities	<u>3,797</u>	<u>2,716</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	1,479	757
Proceeds from disposal of property, plant and equipment	6,561	20,207
Purchase of property, plant and equipment	(1,567)	(1,242)
Net cash generated from investing activities	<u>6,473</u>	<u>19,722</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase and lease payables	(28)	(29)
Repayment of revolving credit	-	(100)
Dividends paid to shareholders	(5,910)	(4,433)
Net cash used in financing activities	<u>(5,938)</u>	<u>(4,562)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,332	17,876
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>58,753</u>	<u>37,195</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>63,085</u>	<u>55,071</u>

Cash and cash equivalents at the end of the financial period comprise the following:

	As At 30.09.2012 RM'000	As At 30.09.2011 RM'000
Cash and bank balances	<u>63,085</u>	<u>55,071</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

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 and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). These condensed consolidated interim financial statements also comply with IAS 34: Interim Financial Reporting issued by the International Accounting Standard Board.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2011. 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 2011.

2 CHANGES IN ACCOUNTING POLICIES

The Group has adopted the new MFRSs with effect from 1 January 2012. In adopting the new framework, the Group has applied MFRS 1: First Time Adoption of MFRS. The adoption of MFRS 1 did not result in a significant impact on the financial statements of the Group. Accordingly, the financial statements have been properly drawn up in accordance with MFRSs for the quarter ended 30 September 2012.

3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2011 was not qualified.

4 SEGMENTAL REPORTING

There is no segmental reporting as the Group's activities are in the hotel business conducted within Malaysia.

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.

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9 CARRYING AMOUNT OF REVALUED ASSETS

The valuation of land and buildings of the Group which represent hotel properties have been brought forward without amendment from the most recent annual audited financial statements for the year ended 31 December 2011.

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.

12 CAPITAL COMMITMENTS

There are no authorised capital expenditure that has been provided for in the financial statements.

13 CONTINGENT LIABILITIES

The Group does not have any contingent liabilities as at 30 September 2012.

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 except as disclosed in Note 20(B).

15 PERFORMANCE REVIEW

During the period ended 30 September 2012, the Group achieved a revenue of RM25.0 million (2011: RM26.6 million) and profit before taxation of RM3.9 million (2011: RM3.1 million). The lower revenue as compared to preceding year corresponding period is due to overall lower occupancy rates.

In the opinion of the Directors, the results for the financial period 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 higher profit before taxation for the current quarter under review is mainly due to gain on disposal of a piece of vacant land amounting to RM2.3 million as disclosed in Note 20(A).

17 PROSPECTS

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

18 PROFIT FORECAST

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

GRAND CENTRAL ENTERPRISES BHD (131696-V)
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19 INCOME TAX EXPENSE

Taxation includes:

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 30.09.2012 RM'000	Preceding Year Quarter 30.09.2011 RM'000	Current Year To Date 30.09.2012 RM'000	Preceding Year Corresponding Period 30.09.2011 RM'000
Continuing operations				
Current period's provision	232	195	919	968
Deferred taxation	109	94	199	231
Overprovision in respect of previous year	(106)	(242)	(106)	(242)
	<u>235</u>	<u>47</u>	<u>1,012</u>	<u>957</u>
Discontinued operation				
Deferred taxation	-	(1,041)	-	(1,041)
Overprovision in respect of previous year	-	(3)	-	(3)
	<u>235</u>	<u>(997)</u>	<u>1,012</u>	<u>(87)</u>

The effective tax rate of the Group for the current quarter is higher than the statutory tax rate of 25%. This is mainly due to certain expenses which are not deductible for tax purposes.

Deferred taxation is mainly due to utilisation of investment tax allowances and unabsorbed business losses from certain subsidiaries of which deferred tax assets were recognised previously.

20 CORPORATE PROPOSALS

(A) Grand Central Enterprises (Perak) Sdn. Bhd.

On 11 May 2012, the Company's wholly owned subsidiary company, Grand Central Enterprises (Perak) Sdn. Bhd. had entered into a Sale and Purchase Agreement to dispose a piece of vacant land held under Geran 55104 Lot No. 2636S in Bandar Ipoh (S), Daerah Kinta, Negeri Perak Darul Ridzuan to an unrelated party, Ilham Embun Sdn. Bhd. for the total consideration of RM6,562,836 (Ringgit Malaysia Six Million Five Hundred Sixty Two Thousand Eight Hundred and Thirty Six) only for cash.

This disposal was completed on 4 September 2012.

(B) Grand Central Enterprises (Malacca) Sdn. Bhd.

On 24 September 2012, the Company's wholly owned subsidiary company, Grand Central Enterprises (Malacca) Sdn. Bhd. had entered into a Sale and Purchase Agreement to dispose a piece of freehold land held under Geran 22040 Lot No. 231, Kawasan Bandar XVIII, Daerah Melaka Tengah, Negeri Melaka measuring 2,114.4791 square metres in area together with a multi storeyed hotel building known as "Hotel Grand Continental" and bearing postal address of No. 20 Jalan Tun Sri Lanang, 75100 Melaka to an unrelated party, Cangkat Mulia Sdn. Bhd. for a total consideration of RM21,500,000 (Ringgit Malaysia Twenty One million and Five Hundred Thousand) only for cash.

This is expected to be completed by the last quarter of this financial year.

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21 BORROWINGS

	As At End Of Current Quarter 30.09.2012 RM'000	As At End Of Preceding Year End 31.12.2011 RM'000
Short Term Borrowings		
Lease and hire purchase creditors	18	20
Long Term Borrowings		
Lease and hire purchase creditors	263	39
	<u>281</u>	<u>59</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 30 September 2012 (30 September 2011: Nil).

24 EARNINGS PER SHARE

Earnings per share is calculated by dividing profit 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 30.09.2012	Preceding Year Quarter 30.09.2011	Current Year To Date 30.09.2012	Preceding Year Corresponding Period 30.09.2011
Profit attributable to ordinary equity holders of the Company (RM'000)	2,494	5,826	2,838	7,053
Number of ordinary shares in issue ('000)	<u>197,002</u>	<u>197,002</u>	<u>197,002</u>	<u>197,002</u>
Earnings per share (sen)	<u>1.27</u>	<u>2.96</u>	<u>1.44</u>	<u>3.58</u>

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25 NOTES TO THE CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

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

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 30.09.2012 RM'000	Preceding Year Quarter 30.09.2011 RM'000	Current Year To Date 30.09.2012 RM'000	Preceding Year Corresponding Period 30.09.2011 RM'000
Interest income	470	249	1,382	768
Sundry revenue	353	256	744	721
Interest expense	(2)	(1)	(4)	(218)
Depreciation	(1,465)	(1,441)	(4,409)	(4,508)
Reversal of impairment loss on receivables	-	-	-	64
Bad debts written off	-	-	-	-
Inventories written off	-	-	(1)	-
Gain on disposal of investments	-	-	-	-
Gain on disposal of properties	2,282	-	2,282	-
Impairment of assets	-	-	-	-
Foreign exchange gain	10	-	10	1

26 REALISED AND UNREALISED PROFITS DISCLOSURE

	As At End Of Current Quarter 30.06.2012 RM'000	As At End Of Preceding Year End 31.12.2011 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	64,594	67,482
- Unrealised	(13,687)	(13,488)
	50,907	53,994
Add: Consolidated adjustments	1,884	1,869
Retained profits as per financial statements	52,791	55,863

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 7 November 2012.