

# Quarterly rpt on consolidated results for the financial period ended 31 Dec 2016

## GRAND CENTRAL ENTERPRISES BHD

Financial Year End	31 Dec 2016
Quarter	4 Qtr
Quarterly report for the financial period ended	31 Dec 2016
The figures	have not been audited

### Attachments

 [4th quarter 2016 KLSE unaudited results \(23 02 2017\).pdf](#)  
75.7 kB

<b>Default Currency</b>	<b>Other Currency</b>
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Currency: **Malaysian Ringgit (MYR)**

### SUMMARY OF KEY FINANCIAL INFORMATION 31 Dec 2016

		INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
		31 Dec 2016	31 Dec 2015	31 Dec 2016	31 Dec 2015
		\$\$'000	\$\$'000	\$\$'000	\$\$'000
1	Revenue	8,752	8,698	27,589	29,837
2	Profit/(loss) before tax	457	196	-3,209	-1,600
3	Profit/(loss) for the period	-610	299	-5,443	-1,896
4	Profit/(loss) attributable to ordinary equity holders of the parent	-662	260	-5,488	-1,974
5	Basic earnings/(loss) per share (Subunit)	-0.34	0.13	-2.79	-1.00
6	Proposed/Declared dividend per share (Subunit)	0.00	0.02	0.00	0.02
		AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7	Net assets per share attributable to ordinary equity		1.2100		1.2600

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

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 **Announcement Info**

<b>Company Name</b>	GRAND CENTRAL ENTERPRISES BHD
<b>Stock Name</b>	GCE
<b>Date Announced</b>	23 Feb 2017
<b>Category</b>	Financial Results
<b>Reference Number</b>	FRA-23022017-00098

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

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31.12.2016 RM'000	Preceding Year Corresponding Quarter 31.12.2015 RM'000	Current Year To Date 31.12.2016 RM'000	Preceding Year Corresponding Period 31.12.2015 RM'000
Revenue	8,752	8,698	27,589	29,837
Operating expenses	(9,082)	(9,250)	(33,861)	(34,348)
Other operating income	788	748	3,068	2,912
Finance cost	(1)	-	(5)	(1)
(Loss)/profit before taxation	457	196	(3,209)	(1,600)
Taxation	(1,067)	103	(2,234)	(296)
(Loss)/profit net of tax	(610)	299	(5,443)	(1,896)
Other comprehensive profit	-	-	-	-
Total comprehensive (loss)/profit	(610)	299	(5,443)	(1,896)
(Loss)/profit attributable to:				
Owners of the parent	(662)	260	(5,488)	(1,974)
Non-controlling interests	52	39	45	78
(Loss)/profit for the period	(610)	299	(5,443)	(1,896)
(Loss)/earnings per share (sen)	(0.34)	0.13	(2.79)	(1.00)

*The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2015 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 31 DECEMBER 2016**

	<b>As At End Of Current Quarter 31.12.2016 RM'000</b>	<b>As At End Of Preceding Year End 31.12.2015 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	189,908	193,482
Deferred tax assets	-	2,899
	<u>189,908</u>	<u>196,381</u>
<b>Current assets</b>		
Inventories	369	466
Trade and other receivables	4,803	3,765
Cash and bank balances	68,545	72,860
	<u>73,717</u>	<u>77,091</u>
<b>TOTAL ASSETS</b>	<b><u>263,625</u></b>	<b><u>273,472</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	197,002	197,002
Reserves	42,064	51,492
	<u>239,066</u>	<u>248,494</u>
Non-controlling interests	1,873	1,828
<b>Total equity</b>	<b><u>240,939</u></b>	<b><u>250,322</u></b>
<b>Non-current liability</b>		
Long term borrowings	38	-
Deferred taxation	17,194	17,857
	<u>17,232</u>	<u>17,857</u>
<b>Current liabilities</b>		
Borrowings	33	-
Trade & other payables	5,421	5,204
Current tax payable	-	89
	<u>5,454</u>	<u>5,293</u>
<b>Total liabilities</b>	<b><u>22,686</u></b>	<b><u>23,150</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>263,625</u></b>	<b><u>273,472</u></b>
Net assets per share (RM)	1.21	1.26

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2015 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 FOURTH QUARTER ENDED 31 DECEMBER 2016**

	← 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			Total RM'000
12-month quarter ended 31 December 2016						
<b>At 1 January 2016</b>	197,002	2,395	49,097	248,494	1,828	250,322
(Loss)/profit for the period	-	-	(5,488)	(5,488)	45	(5,443)
Dividends	-	-	(3,940)	(3,940)	-	(3,940)
<b>At 31 December 2016</b>	<b>197,002</b>	<b>2,395</b>	<b>39,669</b>	<b>239,066</b>	<b>1,873</b>	<b>240,939</b>
12-month quarter ended 31 December 2015						
<b>At 1 January 2015</b>	197,002	2,395	55,011	254,408	1,960	256,368
(Loss)/profit for the period	-	-	(1,974)	(1,974)	78	(1,896)
Dividends	-	-	(3,940)	(3,940)	(210)	(4,150)
<b>At 31 December 2015</b>	<b>197,002</b>	<b>2,395</b>	<b>49,097</b>	<b>248,494</b>	<b>1,828</b>	<b>250,322</b>

*The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2015 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 FOURTH QUARTER ENDED 31 DECEMBER 2016**

	<u>2016</u> <b>12 Months</b> <b>Ended</b> <b>31.12.2016</b> <b>RM'000</b>	<u>2015</u> <b>12 Months</b> <b>Ended</b> <b>31.12.2015</b> <b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(3,209)	(1,600)
Adjustments:-		
Bad debts written off	13	-
Depreciation	6,469	6,260
Gain on disposal of property, plant and equipment	(11)	(33)
Inventories written off	5	2
Interest expenses	5	1
Interest income	(2,528)	(2,532)
Property, plant and equipment written off (Reversal)/provision of short term accumulating compensated absences	-	1
	(20)	15
Operating profit before changes in working capital	724	2,114
Net change in current receivables	(171)	273
Net change in current payables	237	43
Cash generated from operating activities	790	2,430
Interest paid	(5)	(1)
Net taxes paid	(317)	(988)
<b>Net cash generated from operating activities</b>	<b>468</b>	<b>1,441</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	1,971	2,777
Withdrawal of fixed deposits	3,556	1,655
Proceeds from disposal of property, plant and equipment	12	34
Purchase of property, plant and equipment	(2,796)	(4,011)
<b>Net cash generated from investing activities</b>	<b>2,743</b>	<b>455</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid to equity shareholders of the Company	(3,940)	(3,940)
Repayment of lease payables	(29)	(51)
Dividends paid to non-controlling interests	-	(210)
<b>Net cash used in financing activities</b>	<b>(3,969)</b>	<b>(4,201)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(758)</b>	<b>(2,305)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>9,063</b>	<b>11,368</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR</b>	<b>8,305</b>	<b>9,063</b>

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2016 (CONT'D.)**

	<b>As at</b> <b>31.12.2016</b> <b>RM'000</b>	<b>As at</b> <b>31.12.2015</b> <b>RM'000</b>
<b>CASH AND BANK BALANCES</b>		
Cash on hand and at bank	7,290	7,512
Deposits with licensed banks	61,255	65,348
Total cash and bank balances	<u>68,545</u>	<u>72,860</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	68,545	72,860
Less: Short-term deposits with licensed banks	<u>(60,240)</u>	<u>(63,797)</u>
Total cash and cash equivalents	<u>8,305</u>	<u>9,063</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 (2015: RM1,185,000) pledged as bank guarantees for credit facilities granted to the Group.

*The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2015 and the accompanying explanatory notes attached to the interim financial statements.*

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

**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 2015. 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 2015.

**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 2015 except for the adoption of the new and amended MFRSs for annual financial periods beginning on or after 1 January 2016. 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 2015 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.

	<b>Current Year To Date 31.12.2016 RM'000</b>	<b>Preceding Year Corresponding Period 31.12.2015 RM'000</b>
Revenue from external customers	27,589	29,837
Reportable segment profit	192	1,748
Reportable segment assets	263,268	270,445
Reportable segment liabilities	5,421	5,204
Reportable segment profit is reconciled as follows:		
Total profit for reportable segment	192	1,748
Interest income	2,528	2,532
Other income	540	380
Depreciation	(6,469)	(6,260)
Loss before taxation	(3,209)	(1,600)



**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
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**4 SEGMENTAL REPORTING (Cont'd.)**

	<b>Current Year To Date 31.12.2016 RM'000</b>	<b>Preceding Year Corresponding Period 31.12.2015 RM'000</b>
Reportable segment assets is reconciled as follows:		
Total assets for reportable segment	263,268	270,445
Tax recoverable	357	128
Deferred tax assets	-	2,899
Total assets	<u>263,625</u>	<u>273,472</u>
Reportable segment liabilities is reconciled as follows:		
Total liabilities for reportable segment	5,421	5,204
Income tax payable	-	89
Deferred tax liabilities	17,194	17,857
Borrowings	71	-
Total liabilities	<u>22,686</u>	<u>23,150</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.

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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:

	<b>As At End Of Current Quarter 31.12.2016 RM'000</b>	<b>As At End Of Preceding Year End 31.12.2015 RM'000</b>
Approved but not contracted for: Property, plant and equipment	187	500

**13 CONTINGENT LIABILITIES**

The Group does not have any contingent liabilities as at 31 December 2016.

**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**

During the year ended 31 December 2016, the Group recorded a revenue of RM27.59 million (2015: RM29.84 million) and loss before taxation of RM3.21 million (2015: RM1.60 million). The decrease in revenue was mainly due to overall lower 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 lower revenue being achieved for the current period despite an improvement in the current quarter results 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 31.12.2016 RM'000	Preceding Year Quarter 31.12.2015 RM'000	Current Year To Date 31.12.2016 RM'000	Preceding Year Corresponding Period 31.12.2015 RM'000
Current period's provision	152	367	186	841
Deferred taxation	915	(470)	2,235	(470)
Overprovision in respect of previous year	-	-	(187)	(75)
	<u>1,067</u>	<u>(103)</u>	<u>2,234</u>	<u>296</u>

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.

Deferred taxation represents deferred tax assets of a subsidiary company not recognised during the financial period as there is no probable expectation that future taxable income will be sufficient to allow the benefit to be realised.

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**20 CORPORATE PROPOSALS**

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

**21 BORROWINGS**

	<b>As At End Of Current Quarter 31.12.2016 RM'000</b>	<b>As At End Of Preceding Year End 31.12.2015 RM'000</b>
<b>Short Term Borrowings</b>		
Hire purchase creditors	33	-
<b>Long Term Borrowings</b>		
Hire purchase creditors	38	-
	<u>71</u>	<u>-</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 dividend has been recommended for the year ended 31 December 2016.

The first and final single tier dividend of 2% (i.e. 2 sen per share) totalling RM3,940,040 was paid in year 2016 for the year ended 31 December 2015.

**24 (LOSS)/EARNINGS PER SHARE**

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

	← <b>INDIVIDUAL PERIOD</b> →		← <b>CUMULATIVE PERIOD</b> →	
	<b>Current Year Quarter 31.12.2016</b>	<b>Preceding Year Quarter 31.12.2015</b>	<b>Current Year To Date 31.12.2016</b>	<b>Preceding Year Corresponding Period 31.12.2015</b>
(Loss)/profit attributable to ordinary equity holders of the Company (RM'000)	(662)	260	(5,488)	(1,974)
Number of ordinary shares in issue ('000)	<u>197,002</u>	<u>197,002</u>	<u>197,002</u>	<u>197,002</u>
(Loss)/earnings per share (sen)	<u>(0.34)</u>	<u>0.13</u>	<u>(2.79)</u>	<u>(1.00)</u>

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
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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 31.12.2016 RM'000	Preceding Year Quarter 31.12.2015 RM'000	Current Year To Date 31.12.2016 RM'000	Preceding Year Corresponding Period 31.12.2015 RM'000
Interest income	620	649	2,528	2,532
Sundry revenue	222	72	529	347
Interest expense	(1)	-	(5)	(1)
Depreciation	(1,662)	(1,652)	(6,469)	(6,260)
Reversal of impairment loss on receivables	-	-	-	-
Bad debts written off	(13)	-	(13)	-
Inventories written off	(1)	(1)	(5)	(2)
Gain on disposal of investments	-	-	-	-
Gain on disposal of property, plant and equipment	-	28	11	33
Loss on disposal of property, plant and equipment	-	-	-	-
Property, plant and equipment written off	-	-	-	(1)
Impairment of assets	-	-	-	-
Foreign exchange gain	-	-	-	-

**26 REALISED AND UNREALISED PROFITS DISCLOSURE**

	As At End Of Current Quarter 31.12.2016 RM'000	As At End Of Preceding Year End 31.12.2015 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	54,436	59,832
- Unrealised	(14,917)	(12,018)
	39,519	47,814
Add: Consolidated adjustments	150	1,283
Retained profits as per financial statements	39,669	49,097

**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 22 February 2017.