SEG INTERNATIONAL BHD.

(Incorporated in Malaysia)
Company No : 145998 - U

FINANCIAL REPORT

for the year ended 31 December 2009

CONTENTS

DIRECTORS' REPORT

The directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2009.

PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding and provision of management consultancy services, property management, rental of premises, business advisory services, educational and training services whilst the principal activities of the subsidiaries are set out in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	THE GROUP RM'000	THE COMPANY RM'000
Profit after taxation for the financial year	10,239	513
Minority interest	(216)	-
Profit attributable to equity holders of the Company	10,023	513

DIVIDENDS

Since the end of the previous financial year, the Company paid a final dividend of RM0.03 per ordinary share, less income tax at 25%, amounting to RM1,865,000 in respect of the financial year ended 31 December 2008.

The directors now recommend the payment of a final dividend of RM0.035 per ordinary share, less income tax at 25%, amounting to RM2,260,000 in respect of the financial year ended 31 December 2009, subject to the approval of members at the forthcoming Annual General Meeting of the Company.

RESERVES AND PROVISIONS

All material transfers to or from reserves and provisions during the financial year are disclosed in the financial statements.

ISSUES OF SHARES AND DEBENTURES

During the financial year:-

(a) there were no changes in the authorised and issued and paid-up share capital of the Company; and

(b) there were no issues of debentures by the Company.

TREASURY SHARES

During the financial year, the Company purchased and disposed of its issued ordinary shares on the open market under the share buy-back programme. Details are as follows:-

	PRICE PER SHARE			NO OF SHARES	COST OF SHARES RM'000
	LOWEST	HIGHEST	AVERAGE		
Balance at 1 January 2009				6,195,600	4,862
Addition during the financial year	0.810	0.930	0.870	4,000	4
Disposal during the financial year	0.935	0.955	0.945	(3,199,000)	(2,511)
Balance at 31 December 2009				3,000,600	2,355

The shares purchased under the share buy-back programme were financed by internally generated funds. The shares purchased were retained as treasury shares in accordance with Section 67A of the Companies Act 1965 in Malaysia and are presented as a deduction from shareholders' equity.

During the financial year, 3,199,000 treasury shares were sold for a total consideration of RM3,012,000, resulting in a gain of RM501,000, which was recognised in the statements of changes in equity. The proceeds from the sale of treasury shares were utilised for working capital purposes.

OPTIONS GRANTED OVER UNISSUED SHARES

During the financial year, no options were granted by the Company to any person to take up any unissued shares in the Company.

BAD AND DOUBTFUL DEBTS

Before the financial statements of the Group and 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 satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts.

At the date of this report, the directors are not aware of any circumstances that would require the further writing off of bad debts, or the additional allowance for doubtful debts in the financial statements of the Group and of the Company.

CURRENT ASSETS

Before the financial statements of the Group and of the Company were made out, the directors took reasonable steps to ascertain that any current assets other than debts, which were unlikely to be realised in the ordinary course of business, including their value as shown in the accounting records of the Group and of the Company, have been written down to an amount which they might be expected so 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 Group and 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 methods of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

The contingent liabilities of the Company are disclosed in Note 36 to the financial statements. At the date of this report, there does not exist:-

(a) any charge on the assets of the Group and of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or

(b) any contingent liability of the Group and of the Company which has arisen since the end of the financial year.

No contingent or other liability of the Group and of the Company has become enforceable or is likely to become enforceable within the 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 Group and of the Company to meet their obligations 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 Group and of the Company which would render any amount stated in the financial statements misleading.

ITEMS OF AN UNUSUAL NATURE

The results of the operations of the Group and of the Company during the financial year were not, in the opinion of the directors, substantially affected by any item, transaction or event of a material and unusual nature.

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, in the opinion of the directors, to affect substantially the results of the operations of the Group and of the Company for the financial year.

DIRECTORS

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

TAN SRI DATO' SERI MEGAT NAJMUDDIN BIN DATO' SERI DR. HAJI MEGAT KHAS
DATO' (DR.) PATRICK TEOH SENG FOO
DATO' CLEMENT HII CHII KOK
LEE KOK CHENG
AMOS SIEW BOON YEONG
SIMON HUE FOOK CHUAN
TONY FOO SAN KAN
DATU HAJI PUTIT BIN MATZEN (APPOINTED ON 20.4.2010)
GOH LENG CHUA (APPOINTED ON 20.4.2010)
HEW MOI LAN (APPOINTED ON 20.4.2010)

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors holding office at the end of the financial year in shares in the Company and its related corporations during the financial year are as follows:-

	NUMBER OF ORDINARY SHARES OF RM1 EACH			
	AT 1.1.2009	BOUGHT	SOLD	AT 31.12.2009
DIRECT INTERESTS				
DATO' (DR.) PATRICK TEOH SENG FOO	495,000	904,600	(20,000)	1,379,600
DATO' CLEMENT HII CHII KOK	708,000	30,000	(20,000)	718,000
TAN SRI DATO' SERI MEGAT NAJMUDDIN BIN DATO' SERI DR. HAJI MEGAT KHAS	297	-	-	297
INDIRECT INTERESTS				
DATO' (DR.) PATRICK TEOH SENG FOO (1)	21,855,025	-	(1,261,000)	20,594,025
DATO' CLEMENT HII CHII KOK (1)	21,855,025	-	(21,855,025)2	-

(1) Deemed interests through EcoFirst Consolidated Berhad and Sawitani Sdn. Bhd.
(2) Ceased to have deemed interests by virtue of Section 6A of the Companies Act, 1965.

By virtue of their interests in shares in the Company, the above directors are deemed interested in the shares of the subsidiaries during the financial year to the extent that the Company has an interest.

Other than as disclosed, none of the other directors holding office at the end of the financial year had any interest in shares in the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, no director has 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 directors as shown in the financial statements, or the fixed salary of a full-time employee of the Company or a related corporation) by reason of a contract made by the Company or a related corporation with the director 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. Crowe Horwath (formerly known as Messrs. Horwath), have expressed their willingness to continue in office.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 20 APRIL 2010

Tan Sri Dato' Seri Megat Najmuddin Bin Dato' Seri Dr. Haji Megat Khas

Dato' Clement Hii Chii Kok

STATEMENT BY DIRECTORS

We, Tan Sri Dato' Seri Megat Najmuddin Bin Dato' Seri Dr. Haji Megat Khas and Dato' Clement Hii Chii Kok being two of the directors of SEG International Bhd., state that, in the opinion of the directors, the financial statements set out on pages 12 to 84 are drawn up in accordance with Financial Reporting Standards and the Companies Act 1965 in Malaysia so as to give a true and fair view of the state of affairs of the Group and of the Company at 31 December 2009 and of their results and cash flows for the financial year ended on that date.

SIGNED IN ACCORDANCE WITH A RESOLUTION OF THE DIRECTORS
DATED 20 APRIL 2010

Tan Sri Dato' Seri Megat Najmuddin Bin Dato' Seri Dr. Haji Megat Khas

Dato' Clement Hii Chii Kok

STATUTORY DECLARATION

I, Chong Poh Yee, being the officer primarily responsible for the financial management of SEG International Bhd., do solemnly and sincerely declare that the financial statements set out on pages 12 to 84 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 Chong Poh Yee, at Subang Jaya in Selangor Darul Ehsan on this 20 April 2010

Chong Poh Yee

Before me

Niu Kian Aik
No. B309
Commissioner for Oaths

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
SEG INTERNATIONAL BHD.
(Incorporated in Malaysia)
Company No.: 145998 - U

Report on the Financial Statements

We have audited the financial statements of SEG International Bhd., which comprise the balance sheets as at 31 December 2009 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 12 to 84.

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 Financial Reporting Standards 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 or error. In making those risk assessments, we consider 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 Financial Reporting Standards and 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 of 31 December 2009 and of their financial performance and cash flows for the financial year then ended.

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 have considered the financial statements and the auditors' reports of the subsidiaries of which we have not acted as auditors, which are indicated in Note 6 to the financial statements.

(c) 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 purposes.

(d) 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 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.

Crowe Horwath	**Lee Kok Wai**
Firm No.: AF 1018	Approval No.: 2760/06/10 (J)
Chartered Accountants	Chartered Accountant

Kuala Lumpur

20 April 2010

BALANCE SHEETS AT 31 DECEMBER 2009

		THE GROUP		THE COMPANY	
		2009	2008	2009	2008
	NOTE	RM'000	RM'000	RM'000	RM'000
ASSETS					
NON-CURRENT ASSETS					
Investments in subsidiaries	6	-	-	67,019	71,039
Investments in associates	7	4,777	451	-	-
Property, plant and equipment	8	86,465	70,897	7,981	8,135
Prepaid land lease payments	9	4,944	4,951	-	-
Investment properties	10	91	156	91	156
Other receivables	11	4,400	11,768	-	-
Intangible assets	12	27,808	30,237	-	-
Other investments	13	2,459	3,837	-	1,180
Deferred tax assets	14	3,870	3,374	2,181	2,469
		134,814	125,671	77,272	82,979
CURRENT ASSETS					
Inventories	15	-	8	-	-
Receivables, deposits and prepayments	11	40,065	35,224	79,877	66,966
Tax recoverable		7,561	5,462	1,536	1,371
Cash and cash equivalents	16	36,898	47,545	21,475	38,454
		84,524	88,239	102,888	106,791
TOTAL ASSETS		219,338	213,910	180,160	189,770

BALANCE SHEETS AT 31 DECEMBER 2009 (CONT'D)

		THE GROUP		THE COMPANY	
		2009	2008	2009	2008
	NOTE	RM'000	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES					
EQUITY					
Share capital	17	89,093	89,093	89,093	89,093
Reserves	18	80,062	69,231	50,873	49,217
		169,155	158,324	139,966	138,310
MINORITY INTEREST		839	623	-	-
TOTAL EQUITY		169,994	158,947	139,966	138,310
NON-CURRENT LIABILITIES					
Long-term borrowings	19	12,466	7,840	9,295	-
Deferred tax liabilities	22	2,182	1,891	283	283
		14,648	9,731	9,578	283
CURRENT LIABILITIES					
Payables and accruals	23	27,971	22,170	27,418	31,177
Short-term borrowings	24	6,089	22,709	3,198	20,000
Current tax liabilities		636	184	-	-
Bank overdraft	25	-	169	-	-
		34,696	45,232	30,616	51,177
TOTAL LIABILITIES		49,344	54,963	40,194	51,460
TOTAL EQUITY AND LIABILITIES		219,338	213,910	180,160	189,770
NET ASSETS PER SHARE (RM)	26	1.96	1.91		

INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

		THE GROUP		THE COMPANY	
		2009	2008	2009	2008
	NOTE	RM'000	RM'000	RM'000	RM'000
REVENUE	27	176,874	127,407	37,241	28,648
COST OF SERVICES		(51,612)	(35,387)	(5,942)	(5,520)
GROSS PROFIT		125,262	92,020	31,299	23,128
OTHER INCOME		5,156	9,586	2,102	5,815
		130,418	101,606	33,401	28,943
DISTRIBUTION EXPENSES		(13,698)	(11,916)	(272)	(1,026)
ADMINISTRATIVE EXPENSES		(51,856)	(37,156)	(13,852)	(4,778)
OTHER EXPENSES		(49,159)	(40,625)	(16,712)	(16,632)
FINANCE COSTS		(1,694)	(2,025)	(1,045)	(1,325)
SHARE OF PROFIT IN AN ASSOCIATE		595	-	-	-
PROFIT BEFORE TAXATION	28	14,606	9,884	1,520	5,182
INCOME TAX EXPENSE	29	(4,367)	(2,564)	(1,007)	(421)
PROFIT AFTER TAXATION		10,239	7,320	513	4,761
ATTRIBUTABLE TO:-					
Equity holders of the Company		10,023	7,266	513	4,761
Minority interest		216	54	-	-
		10,239	7,320	513	4,761
EARNINGS PER SHARE:					
- Basic	30	12.09 sen	8.70 sen		
- Diluted	30	N/A	N/A		

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

		Attributable To Equity Holders Of The Company								
The Group	Note	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Retained Profits RM'000	Exchange Translation Reserve RM'000	Treasury Shares RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
Balance at 1.1.2008		89,093	35,876	2,027	30,245	(91)	(3,561)	153,589	749	154,338
Purchase of own shares		-	-	-	-	-	(1,301)	(1,301)	-	(1,301)
Acquisition of equity interest from minority shareholders		-	-	-	-	-	-	-	(180)	(180)
Exchange difference on retranslation of net assets of overseas subsidiary *		-	-	-	-	(3)	-	(3)	-	(3)
Profit after taxation for the financial year		-	-	-	7,266	-	-	7,266	54	7,320
Transfer to retained profits on realisation of revaluation reserve *		-	-	(25)	25	-	-	-	-	-
Dividend	31	-	-	-	(1,227)	-	-	(1,227)	-	(1,227)
Balance at 31.12.2008/1.1.2009 (balance carried forward)		89,093	35,876	2,002	36,309	(94)	(4,862)	158,324	623	158,947

* *gain/(loss) recognised directly in equity*

SEG INTERNATIONAL BHD.

(Incorporated in Malaysia)
Company No.: 145998 - U

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (CONT'D)

		Attributable To Equity Holders Of The Company								
THE GROUP (CONT'D)	NOTE	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	REVALUATION RESERVE RM'000	RETAINED PROFITS RM'000	EXCHANGE TRANSLATION RESERVE RM'000	TREASURY SHARES RM'000	TOTAL RM'000	MINORITY INTEREST RM'000	TOTAL EQUITY RM'000
Balance at 1.1.2009 (balance brought forward)		89,093	35,876	2,002	36,309	(94)	(4,862)	158,324	623	158,947
Purchase of own shares		-	-	-	-	-	(4)	(4)	-	(4)
Disposal of own shares *		-	-	-	501	-	2,511	3,012	-	3,012
Exchange difference on retranslation of net assets of overseas subsidiary *		-	-	-	-	(335)	-	(335)	-	(335)
Profit after taxation for the financial year		-	-	-	10,023	-	-	10,023	216	10,239
Transfer to retained profits on realisation of revaluation reserve *		-	-	(25)	25	-	-	-	-	-
Dividend	31	-	-	-	(1,865)	-	-	(1,865)	-	(1,865)
Balance at 31.12.2009		89,093	35,876	1,977	44,993	(429)	(2,355)	169,155	839	169,994

* *gain/(loss) recognised directly in equity*

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (CONT'D)

THE COMPANY	NOTE	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	REVALUATION RESERVE RM'000	RETAINED PROFITS RM'000	TREASURY SHARES RM'000	TOTAL RM'000
Balance at 1.1.2008		89,093	35,876	2,027	12,642	(3,561)	136,077
Purchase of own shares		-	-	-	-	(1,301)	(1,301)
Profit after taxation for the financial year		-	-	-	4,761	-	4,761
Transfer to retained profits on the realisation of revaluation reserve *		-	-	(25)	25	-	-
Dividends	31	-	-	-	(1,227)	-	(1,227)
Balance at 31.12.2008/1.1.2009		89,093	35,876	2,002	16,201	(4,862)	138,310
Purchase of own shares		-	-	-	-	(4)	(4)
Disposal of own shares *		-	-	-	501	2,511	3,012
Profit after taxation for the financial year		-	-	-	513	-	513
Transfer to retained profits on the realisation of revaluation reserve *		-	-	(25)	25	-	-
Dividends	31	-	-	-	(1,865)	-	(1,865)
Balance at 31.12.2009		89,093	35,876	1,977	15,375	(2,355)	139,966

* *gain/(loss) recognised directly in equity*

CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009

		THE GROUP		THE COMPANY	
		2009	2008	2009	2008
	NOTE	RM'000	RM'000	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit before taxation		14,606	9,884	1,520	5,182
Adjustments for:-					
Allowance for diminution:					
- unquoted bonds		1,180	500	1,180	500
- quoted shares		198	1,400	-	-
- investments in associates		-	255	-	-
- investments in subsidiaries		-	-	4,170	-
Goodwill on consolidation written off		2,468	-	-	-
Amortisation of prepaid land lease payments		7	6	-	-
Amortisation of development costs		182	122	-	-
Allowance for doubtful debts		4,132	2,828	2,018	1,942
Bad debts written off		1,558	190	96	100
Depreciation of property, plant and equipment		6,136	5,262	314	307
Depreciation of investment properties		4	8	4	8
Property, plant and equipment written off		2,163	84	-	-
Inventories written off		8	180	-	-
Interest expense		1,694	2,025	1,045	1,325
Gain on disposal of assets held for sale		-	(4,089)	-	(4,089)
Gain on disposal of property, plant and equipment		(482)	(1)	-	(11)
Gain on disposal on investment properties		(26)	(61)	(26)	(61)
Dividend income		(114)	(83)	(7,437)	(2,080)
Interest income		(499)	(836)	(1,630)	(1,465)
Unrealised gain on foreign exchange		(252)	-	-	-
Share of profit in an associate		(595)	-	-	-
Operating profit before working capital changes		32,368	17,674	1,254	1,658
(Increase)/Decrease in trade and other receivables		(1,328)	7,604	1,302	252
Increase/(Decrease) in trade and other payables		5,830	7,570	(347)	662
CASH FLOWS FROM OPERATIONS		36,870	32,848	2,209	2,572
Interest paid		(1,694)	(2,025)	(1,045)	(1,325)
Income tax paid		(6,150)	(4,316)	(884)	(560)
NET CASH FROM OPERATING ACTIVITIES CARRIED FORWARD		29,026	26,507	280	687

CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (CONT'D)

		THE GROUP		THE COMPANY	
		2009	2008	2009	2008
	NOTE	RM'000	RM'000	RM'000	RM'000
NET CASH FROM OPERATING ACTIVITIES BROUGHT FORWARD		29,026	26,507	280	687
CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES					
Additional investments in subsidiaries		-	-	(150)	(98)
Proceeds from disposal of property, plant and equipment		11,041	244	-	104
Purchase of property, plant and equipment	32	(19,191)	(11,093)	(160)	(41)
Net cash outflow on the acquisition of a subsidiary	33	-	(165)	-	-
Acquisition of equity interest from minority shareholders		-	(180)	-	-
Investment in an associate		(3,800)	-	-	-
Proceeds from disposal of unquoted bonds		-	240	-	240
Proceeds from disposal of investment properties		87	419	87	419
Proceeds from disposal of assets held for sale		-	77,520	-	77,520
Addition of development costs		(225)	-	-	-
Net advances to subsidiaries		-	-	(17,877)	(477)
Net (advances to)/repayment from affiliated companies		(29)	1,154	(29)	1,154
Dividends received		114	83	7,437	2,080
Interest received		499	836	1,632	1,465
NET CASH (FOR)/FROM INVESTING ACTIVITIES		(11,504)	69,058	(9,060)	82,366
BALANCE CARRIED FORWARD		17,522	95,565	(8,780)	83,053

CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (CONT'D)

		THE GROUP		THE COMPANY	
		2009	2008	2009	2008
	NOTE	RM'000	RM'000	RM'000	RM'000
BALANCE BROUGHT FORWARD		17,522	95,565	(8,780)	83,053
CASH FLOWS FOR FINANCING ACTIVITIES					
Proceeds from disposal of own shares		1,177	-	1,177	-
Purchase of own shares		(4)	(1,301)	(4)	(1,301)
Repayment of hire purchase and finance lease payables		(2,570)	(2,147)	-	-
Drawdown of term loan		-	-	14,000	-
Repayment of term loans		(24,659)	(353)	(21,507)	-
Decrease in revolving credits		-	(40,000)	-	(40,000)
Dividend paid		(1,865)	(1,227)	(1,865)	(1,227)
NET CASH FOR FINANCING ACTIVITIES		(27,921)	(45,028)	(8,199)	(42,528)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		(10,399)	50,537	(16,979)	40,525
EFFECTS OF FOREIGN EXCHANGE TRANSLATION ON CASH AND CASH EQUIVALENTS		(79)	(30)	-	-
CASH AND CASH EQUIVALENTS, NET OF BANK OVERDRAFT AT BEGINNING OF THE FINANCIAL YEAR		47,376	(3,131)	38,454	(2,071)
CASH AND CASH EQUIVALENTS, NET OF BANK OVERDRAFT AT END OF THE FINANCIAL YEAR		36,898	47,376	21,475	38,454
CASH AND CASH EQUIVALENTS, NET OF BANK OVERDRAFT COMPRISE:-					
Cash and cash equivalents	16	36,898	47,545	21,475	38,454
Bank overdrafts	25	-	(169)	-	-
		36,898	47,376	21,475	38,454

1. GENERAL INFORMATION

The Company is a public company limited by shares and is incorporated under the Companies Act 1965 in Malaysia. The domicile of the Company is Malaysia. The registered office and principal place of business are as follows:-

Registered office	:	6th Floor, SEGi University College, No. 9, Jalan Teknologi, Taman Sains Selangor, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan.
Principal place of business	:	No. 9, Jalan Teknologi, Taman Sains Selangor, Kota Damansara, PJU 5, 47810 Petaling Jaya, Selangor Darul Ehsan.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors dated 20 April 2010.

2. PRINCIPAL ACTIVITIES

The Company is principally engaged in the businesses of investment holding and provision of management consultancy services, property management, rental of premises, business advisory services, educational and training services whilst the principal activities of the subsidiaries are set out in Note 6 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. FINANCIAL RISK MANAGEMENT POLICIES

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its market, credit, liquidity and cash flow risks. The Group operates within clearly defined guidelines that are established by the Audit Committee and approved by the Board and the policies in respect of the major areas of treasury activity are as follows:-

3. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D)

(a) Market Risk

(i) Foreign Currency Risk

The Group does not have material foreign currency transactions, assets or liabilities and hence is not significantly exposed to currency risk.

(ii) Interest Rate Risk

The Group obtains financing through banking, hire purchase and finance lease facilities. Its policy is to obtain the most favourable interest rate available.

Surplus funds are placed with licensed financial institutions at the most favourable interest rates.

(iii) Price Risk

The Group has investments in quoted shares, which are subject to market risk as the market values of these investments are affected by changes in market prices.

The Group manages its exposure to price risk by maintaining a portfolio of equities with different risk profiles.

(b) Credit Risk

The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from receivables. The maximum exposure to credit risk is represented by the total carrying amount of this financial asset in the balance sheet reduced by the effects of any netting arrangements with counterparties.

The Group does not have any major concentration of credit risk related to any individual customer or counterparty.

The Group manages its exposure to credit risk by the application of credit approvals, credit limits and monitoring procedures on an ongoing basis.

(c) Liquidity and Cash Flow Risks

The Group's exposure to liquidity and cash flow risks arises mainly from general funding and business activities. It practises prudent liquidity risk management by maintaining sufficient cash balances to meet its working capital requirements.

4. BASIS OF PREPARATION

The financial statements of the Group and of the Company are prepared under the historical cost convention and modified to include other bases of valuation as disclosed in other sections under significant accounting policies, and in compliance with Financial Reporting Standards ("FRS") and the Companies Act 1965 in Malaysia.

The Group and the Company have not applied in advance the following accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective for the current financial year:

FRSs/IC Interpretations	**Effective date**
Revised FRS 1 (2010) First-time Adoption of Financial Reporting Standards	1 July 2010
Revised FRS 3 (2010) Business Combinations	1 July 2010
FRS 4 Insurance Contracts	1 January 2010
FRS 7 Financial Instruments: Disclosures	1 January 2010
FRS 8 Operating Segments	1 July 2009
Revised FRS 101 (2009) Presentation of Financial Statements	1 January 2010
Revised FRS 123 (2009) Borrowing Costs	1 January 2010
Revised FRS 127 (2010) Consolidated and Separate Financial Statements	1 July 2010
Revised FRS 139 (2010) Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1 and FRS 127 – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendment to FRS 1: Limited Exemption from Comparative FRS 7 Disclosure for First-time Adopters	1 January 2011
Amendments to FRS 2: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 2: Scope of FRS 2 and Revised FRS 3 (2010)	1 July 2010

5. BASIS OF PREPARATION (CONT'D)

FRSs/IC Interpretations (Cont'd)	Effective date
Amendments to FRS 5: Plan to Sell the Controlling Interest in a Subsidiary	1 July 2010
Amendments to FRS 7, FRS 139 and IC Interpretation 9	1 January 2010
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 132: Classification of Rights Issues and the Transitional Provision In Relation To Compound Instruments	1 January 2010/1 March 2010
Amendments to FRS 138 – Consequential Amendments Arising from Revised FRS 3 (2010)	1 July 2010
IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10 Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 13 Customer Loyalty Programmes	1 January 2010
IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15 Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to IC Interpretation 9: Scope of IC Interpretation 9 and Revised FRS 3 (2010)	1 July 2010
Annual Improvements to FRSs (2009)	1 January 2010

The above FRSs, IC Interpretations and amendments are not relevant to the Company's operations.

5. BASIS OF PREPARATION (CONT'D)

The revised FRS 3 (2010) introduces significant changes to the accounting for business combinations, both at the acquisition date and post-acquisition, and requires greater use of fair values. In addition, all transaction costs, other than share and debt issue costs, will be expensed as incurred. This revised standard will be applied prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.

The Group considers financial guarantee contracts entered into to be insurance arrangements and accounts for them under FRS 4. In this respect, the Group treats the guarantee contract as a contingent liability until such a time as it becomes probable that the Group will be required to make a payment under the guarantee. The adoption of FRS 4 is expected to have no material impact on the financial statements of the Group.

The possible impacts of FRS 7 (including the subsequent amendments) and the revised FRS 139 (2010) on the financial statements upon their initial applications are not disclosed by virtue of the exemptions given in these standards.

FRS 8 replaces FRS 114_{2004} Segment Reporting and requires a "management approach", under which segment information is presented on the same basis as that used for internal reporting purposes. The adoption of this standard only impacts the form and content of disclosures presented in the financial statements of the Group. This FRS is expected to have no material impact on the financial statements of the Group upon its initial application.

The revised FRS 101 (2009) has introduced terminology changes (including revised titles for the financial statements) and changes in the format and content of the financial statements. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. The adoption of this revised standard will only impact the form and content of the presentation of the Group's financial statements in the next financial year.

The revised FRS 127 (2010) requires accounting for changes in ownership interests by the group in a subsidiary, while maintaining control, to be recognised as an equity transaction. When the group loses control of a subsidiary, any interest retained in the former subsidiary will be measured at fair value with the gain or loss recognised in profit or loss. The revised standard also requires all losses attributable to the minority interest to be absorbed by the minority interest instead of by the parent. The Group will apply the major changes of the revised FRS 127 (2010) prospectively and therefore there will not have any financial impact on the financial statements of the Group for the current financial year but may impact the accounting for future transactions or arrangements.

5. BASIS OF PREPARATION (CONT'D)

Amendments to FRS 1 and FRS 127 remove the definition of "cost method' currently set out in FRS 127, and instead require an investor to recognise all dividend from subsidiaries, jointly controlled entities or associates as income in its separate financial statements. In addition, FRS 127 has also been amended to deal with situations where a parent reorganises its group by establishing a new entity as its new parent. Under this circumstance, the new parent shall measure the cost of its investment in the original parent at the carrying amount of its share of the equity items shown in the separate financial statements of the original parent at the reorganisation date. The amendments will be applied prospectively and therefore there will not have any financial impact on the financial statements of the Company for the current financial year but may impact the accounting for future transactions or arrangements.

Amendments to FRS 138 clarify the requirements under the revised FRS 3 (2010) regarding accounting for intangible assets acquired in a business combination. These amendments are expected to have no material impact on the financial statements of the Group upon their initial application.

IC Interpretation 9 requires embedded derivatives to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date the entity first became a party to the contract. The possible impacts of IC Interpretation 9 on the financial statements upon its initial application are not disclosed by virtue of the exemptions given under the revised FRS 139 (2010).

IC Interpretation 10 prohibits the impairment losses recognised in an interim period on goodwill, investments in equity instruments and financial assets carried at cost to be reversed at a subsequent balance sheet date. This interpretation is expected to have no material impact on the financial statements of the Group upon its initial application.

Amendments to IC Interpretation 9 are a consequential amendment from the revised FRS 3 (2010). These amendments are expected to have no material impact on the financial statements of the Group upon its initial application.

Annual Improvements to FRSs (2009) contain amendments to 21 accounting standards that result in accounting changes for presentation, recognition or measurement purposes and terminology or editorial amendments. These amendments are expected to have no material impact on the financial statements of the Group upon their initial application except for leasehold land where in substance a finance lease, will be reclassified from "prepaid land lease payments" to "property, plant and equipment" and measured as such respectively.

5. SIGNIFICANT ACCOUNTING POLICIES

(a) Critical Accounting Estimates And Judgements

Estimates and judgements are continually evaluated by the directors and management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates and judgements that affect the application of the Group's accounting policies and disclosures, and have a significant risk of causing a material adjustment to the carrying amounts of assets, liabilities, income and expenses are discussed below:-

(i) Depreciation of Property, Plant and Equipment

The estimates for the residual values, useful lives and related depreciation charges for the property, plant and equipment are based on commercial factors which could change significantly as a result of technical innovations and competitors' actions in response to the market conditions.

The Group anticipates that the residual values of its property, plant and equipment will be insignificant. As a result, residual values are not being taken into consideration for the computation of the depreciable amount.

Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

(ii) Income Taxes

There are certain transactions and computations for which the ultimate tax determination may be different from the initial estimate. The Group recognises tax liabilities based on its understanding of the prevailing tax laws and estimates of whether such taxes will be due in the ordinary course of business. Where the final outcome of these matters is different from the amounts that were initially recognised, such difference will impact the income tax and deferred tax provisions in the period in which such determination is made.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Critical Accounting Estimates And Judgements (Cont'd)

(iii) Impairment of Assets

When the recoverable amount of an asset is determined based on the estimate of the value-in-use of the cash-generating unit to which the asset is allocated, the Group is required to make an estimate of the expected future cash flows from the cash-generating unit and also to apply a suitable discount rate in order to determine the present value of those cash flows.

(iv) Amortisation of Development Costs/Intangible Assets

Changes in the expected level of usage and technological development could impact the economic useful lives therefore future amortisation charges could be revised.

(v) *Allowance for Doubtful Debts*

The Group makes allowance for doubtful debts based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyses historical bad debt, customer concentrations, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the allowance for doubtful debts of receivables. Where the expectation is different from the original estimate, such difference will impact the carrying value of receivables.

(vi) Allowance for Inventories

Reviews are made periodically by management on damaged, obsolete and slow-moving inventories. These reviews require judgement and estimates. Possible changes in these estimates could result in revisions to the valuation of inventories.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(a) Critical Accounting Estimates And Judgements (Cont'd)

(vii) Revaluation of Properties

The Group's properties which are reported at valuation are based on valuations performed by independent professional valuers.

The independent professional valuers have exercised judgement in determining discount rates, estimates of future cash flows, capitalisation rate, terminal year value, market freehold rental and other factors used in the valuation process. Also, judgement has been applied in estimating prices for less readily observable external parameters. Other factors such as model assumptions, market dislocations and unexpected correlations can also materially affect these estimates and the resulting valuation estimates.

(viii) Fair Value Estimates for Certain Financial Assets and Liabilities

The Group carries certain financial assets and liabilities at fair value, which requires extensive use of accounting estimates and judgement. While significant components of fair value measurement were determined using verifiable objective evidence, the amount of changes in fair value would differ if the Group uses different valuation methodologies. Any changes in fair value of these assets and liabilities would affect profit and equity.

(b) Financial Instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instruments.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends, gains and losses relating to financial instruments classified as a liability are reported as an expense or income. Distributions to holders of financial instruments classified as equity are charged directly to equity.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(b) Financial Instruments (Cont'd)

Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

Financial instruments recognised in the balance sheet are disclosed in the individual policy statement associated with each item.

(c) Functional and Foreign Currencies

(i) Functional and Presentation Currency

The functional currency of the Group and each of the Group's entity is the currency of the primary economic environment in which the Company or that entity operates.

The consolidated financial statements are presented in Ringgit Malaysia ("RM") which is the Company's functional and presentation currency.

(ii) Transactions and Balances

Transactions in foreign currencies are converted into the respective functional currencies on initial recognition, using the exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities at the balance sheet date are translated at the rates ruling as of that date. Non-monetary assets and liabilities are translated using exchange rates that existed when the values were determined. All exchange differences are taken to the income statement.

(iii) Foreign Operations

Assets and liabilities of foreign operations are translated to RM at the rates of exchange ruling at the balance sheet date. Revenues and expenses of foreign operations are translated at exchange rates ruling at date of transaction. All exchange differences arising on translation are recognised directly in equity.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Basis of Consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December 2009.

A subsidiary is defined as an enterprise in which the Company has the power, directly or indirectly, to exercise control over the financial and operating policies so as to obtain benefits from its activities.

All subsidiaries are consolidated using the purchase method of accounting. Under the purchase method of accounting, the results of subsidiaries acquired or disposed of are included from the date of acquisition or up to the date of disposal. At the date of acquisition, the fair values of the subsidiaries' net assets are determined and these values are reflected in the consolidated financial statements. The cost of acquisition is measured at the aggregate of the fair value, at the date of exchange, of assets given, liabilities incurred and assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination.

Intragroup transactions, balances and unrealised gains on transactions are eliminated; unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group.

Minority interests in the consolidated balance sheets consist of the minorities' share of fair values of the identifiable assets and liabilities of the acquiree as at the date of acquisition and the minorities' share of movements in the acquiree's equity.

Minority interests are presented in the consolidated balance sheet of the Group within equity, separately from the Company's equity holders, and are separately disclosed in the consolidated income statement of the Group.

(e) Intangible Assets

(i) Goodwill on Consolidation

Goodwill on consolidation represents the excess of the fair value of the purchase consideration over the Group's share of the fair values of the identifiable net assets of the subsidiaries at the date of acquisition.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Intangible Assets (Cont'd)

(i) Goodwill on Consolidation (Cont'd)

Goodwill is measured at cost less accumulated impairment losses, if any. The carrying value of goodwill is reviewed for impairment annually. The impairment value of goodwill is recognised immediately in the consolidated income statement. An impairment loss recognised for goodwill is not reversed in a subsequent period.

If, after reassessment, the Group's interest in the fair values of the identifiable net assets of the subsidiaries exceeds the cost of the business combinations, the excess is recognised immediately in the consolidated income statement.

(ii) Research and Development Expenditure

Research expenditure is recognised as an expense when it is incurred.

Development expenditure is recognised as an expense except that expenditure incurred on development projects are capitalised as long-term assets to the extent that such expenditure is expected to generate future economic benefits. Development expenditure is capitalised if, and only if an entity can demonstrate all of the following:-

(a) its ability to measure reliably the expenditure attributable to the asset under development;

(b) the product or process is technically and commercially feasible;

(c) its future economic benefits are probable;

(d) its ability to use or sell the developed asset; and

(e) the availability of adequate technical, financial and other resources to complete the asset under development.

Capitalised development expenditure is transferred at cost to other intangible assets upon completion of the developed project.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(e) Intangible Assets (Cont'd)

(iii) Other Intangible Assets

An intangible asset shall be recognised if, and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and that the cost of the asset can be measured reliably. An entity shall assess the probability of the expected future economic benefits using reasonable and supportable assumptions that represent management's best estimate of the set of economic conditions that will exist over the useful life of the asset. An intangible asset shall be measured initially at cost.

The useful lives of intangible assets are assessed to be either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement in the expense category consistent with the function of the intangible asset.

Intangible assets that have been capitalised are amortised on a straight line basis over the period of their expected benefit, but not exceeding 5 years from the commencement of the commercial production of the products.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Investments in Subsidiaries

Investments in subsidiaries are stated at cost in the balance sheet of the Company, and are reviewed for impairment at the end of the financial year if events or changes in circumstances indicate that their carrying values may not be recoverable.

On the disposal of the investments in subsidiaries, the difference between the net disposal proceeds and the carrying amount of the investments is taken to the income statement.

(g) Investments in Associates

Investments in associates are stated at cost in the balance sheet of the Company, and are reviewed for impairment at the end of the financial year if events or changes in circumstances indicate that their carrying values may not be recoverable.

The investments in associates in the consolidated financial statements are accounted for under the equity method, based on the financial statements of the associate made up to 31 December 2009. The Group's share of the post acquisition profit of the associate is included in the consolidated income statement and the Group's interest in associate is stated at cost plus the Group's share of the post-acquisition retained profits and reserves.

Unrealised gains on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are eliminated unless cost cannot be recovered.

On the disposal of the investment in an associate, the difference between the net disposal proceeds and the carrying amount of the investment is taken to the income statement.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(h) Investment Properties

Investment properties are property held either to earn rental income or for capital appreciation or for both. Investment properties are stated at cost less accumulated depreciation and impairment losses, if any, consistent with the accounting policy for property, plant and equipment as stated in Note 5(j) to the financial statements.

Investment properties are derecognised when they have either been disposed of or when the investment property is permanently withdrawn from use and no future benefit is expected from its disposal.

On the derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount is charged to the income statement.

(i) Other Investments

Other investments are held on a long-term basis and are stated at cost less allowance for diminution in value of the investment. Allowance for diminution in value is only made if the directors are of the opinion that the diminution is other than temporary.

On the disposal of these investments, the difference between the net disposal proceeds and the carrying amount of the investments is taken to the income statement.

(j) Property, Plant and Equipment

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

Freehold land is stated at revalued amount less impairment losses, if any, and is not depreciated.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(j) Property, Plant and Equipment (Cont'd)

Depreciation is calculated under the straight-line method to write off the cost of the assets over their estimated useful lives. Depreciation of an asset does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated. The principal annual rates used for this purpose are:-

Buildings	2%
Computer hardware and software	15-25%
Fixtures, fittings and office equipment	10-33%
Library books and manuals	10-33%
Motor vehicles	20%
Plant and equipment	10-25%

The depreciation method, useful life and residual values are reviewed, and adjusted if appropriate, at each balance sheet date 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 the property, plant and equipment.

Capital work-in-progress represents assets under construction, and which are not ready for commercial use at the balance sheet date. Capital work-in-progress is stated at cost, and is transferred to the relevant category of assets and depreciated accordingly when the assets are completed and ready for commercial use.

Cost of capital work-in-progress includes direct cost, related expenditure and interest cost on borrowings taken to finance the construction or acquisition of the assets to the date that the assets are completed and put into use.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising from derecognition of the asset is included in the income statement in the year the asset is derecognised.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(k) Impairment of Assets

The carrying amounts of assets, other than those to which FRS 136 - Impairment of Assets does not apply, are reviewed at each balance sheet date for impairment when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' net selling price and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is charged to the income statement immediately unless the asset is carried at its revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of a previously recognised revaluation surplus for the same asset.

In respect of assets other than goodwill, and when there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at its revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to the revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

(l) Assets under Finance Lease and Hire Purchase

Leases of plant and equipment where substantially all the benefits and risks of ownership are transferred to the Group are classified as finance leases.

Plant and equipment acquired under finance lease and hire purchase are capitalised in the financial statements.

Each lease or hire purchase payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding outstanding obligations due under the finance lease and hire purchase after deducting finance charges are included as liabilities in the financial statements.

Finance charges are allocated to the income statement over the period of the respective lease and hire purchase agreements.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(l) Assets under Finance Lease and Hire Purchase (Cont'd)

Plant and equipment acquired under finance leases and hire purchase are depreciated over the useful lives of the assets. If there is no reasonable certainty that the ownership will be transferred to the Group, the assets are depreciated over the shorter of the lease terms and their useful lives.

(m) Operating Leases

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments are made under operating leases (net of any incentives received from the lessor) are charged to the income statement on the straight-line basis over the lease period. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(n) Prepaid Land Lease Payments

Leases of land under which the lessor has not transferred all the risks and benefits of ownership are classified as operating leases. Lease prepayment for land use rights is stated at cost less accumulated amortisation and impairment losses, if any. Amortisation is charged to the income statement on a straight-line basis over the term of the leases.

(o) Revaluation Reserve

Surpluses arising from the revaluation of properties are credited to the revaluation reserve account. Deficits arising from the revaluation, to the extent that they are not supported by any previous revaluation surpluses, are charged to the income statement.

In the year of disposal of the revalued asset, the attributable remaining revaluation surplus is transferred from the revaluation reserve account to retained profits.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(p) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis, and includes all incidentals incurred in bringing the inventories to their present location and condition.

In arriving at net realisable value, due allowance is made for all damaged, obsolete and slow-moving items.

(q) Receivables

Receivables are carried at anticipated realisable value. Bad debts are written off in the period in which they are identified. An estimate is made for doubtful debts based on a review of all outstanding amounts at the balance sheet date.

(r) Payables

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

(s) Income Taxes

Income taxes for the year comprises current and deferred tax.

Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax liabilities are recognised for all taxable temporary differences other than those that 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.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(s) Income Taxes (Cont'd)

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 taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are 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 the 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. The carrying amounts of deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax assets to be utilised.

(t) Interest-bearing Borrowings

Interest-bearing borrowings are recorded at the amount of proceeds received, net of transaction costs.

All borrowing costs are charged to the income statement as expenses in the period in which they are incurred.

(u) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised as liabilities when approved for appropriation.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(v) Purchase of Own Shares

When the share capital recognised as equity is bought by the Company under the share buy-back programme, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity. Shares bought that are not subsequently cancelled are classified as treasury shares and are presented as a deduction from total equity.

Where such shares are subsequently sold or reissued, any consideration received, net of any direct costs, is included in shareholders' equity.

(w) Cash and Cash Equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, deposits pledged with financial institutions and short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(x) Employee Benefits

(i) Short-term Benefits

Wages, salaries, paid annual leave, bonuses and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group and of the Company.

(ii) Defined Contribution Plans

The Group and the Company's contributions to defined contribution plans are charged to the income statement in the period to which they relate. Once the contributions have been paid, the Group and the Company have no further liability in respect of the defined contribution plans.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(y) Related Parties

A party is related to an entity if:-

(i) directly, or indirectly through one or more intermediaries, the party:-

- controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
- has an interest in the entity that gives it significant influence over the entity; or
- has joint control over the entity;

(ii) the party is an associate of the entity;

(iii) the party is a joint venture in which the entity is a venturer;

(iv) the party is a member of the key management personnel of the entity or its parent;

(v) the party is a close member of the family of any individual referred to in (i) or (iv);

(vi) the party is an affiliated company. An affiliated company refers to a company in which certain directors/shareholders have substantial financial interests;

(vii) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(viii) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

Close members of the family of an individual are those family members who may be expected to influence, or be influenced by, that individual in their dealings with the entity.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(z) Contingent Liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that an outflow of economic resources will be required or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision.

A contingent asset is a probable asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Company.

(aa) Revenue Recognition

(i) Sale of Goods

Sales are recognised upon delivery of goods and customers' acceptance or performance of services and where applicable, net of returns and trade discounts.

(ii) Services

Revenue is recognised upon the rendering of services and when the outcome of the transaction can be estimated reliably. In the event the outcome of the transaction could not be estimated reliably, revenue is recognised to the extent of the expenses incurred that are recoverable.

5. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(ab) Revenue Recognition (Cont'd)

(iii) Rental and Interest Income

Rental income and interest income is recognised on an accrual basis.

(iv) Dividend Income

Dividend income from the investment in subsidiaries is recognised upon declaration by the subsidiaries.

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

6. INVESTMENTS IN SUBSIDIARIES

	THE COMPANY	
	2009 RM'000	2008 RM'000
Unquoted shares, at cost:-		
At 1 January	71,464	71,366
Additional investment in a subsidiary	150	98
	71,614	71,464
Less: Accumulated impairment loss of subsidiaries	(4,595)	(425)
At 31 December	67,019	71,039
Accumulated impairment loss of subsidiaries:-		
At 1 January	(425)	(425)
Arising during the financial year	(4,170)	-
At 31 December	(4,595)	(425)

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

The details of the subsidiaries are as follows:-

Name of Company	Country of Incorporation	Effective Equity Interest 2009 %	Effective Equity Interest 2008 %	Principal Activities
SEGi Holdings Sdn. Bhd.	Malaysia	100	100	Investment holding and management consultancy.
SEGi University College (M) Sdn. Bhd.	Malaysia	100	100	Provision of professional, commercial and academic education.
SEGi College (KL) Sdn. Bhd.	Malaysia	100	100	Provision of professional, commercial and academic education.
SEGi College of Technology (KL) Sdn. Bhd.	Malaysia	100	100	Provision of computer training, commercial and academic education.
SEGi College (Subang Jaya) Sdn. Bhd.	Malaysia	98.63	98.63	Operation of an institute providing educational programmes.
SEGi College (PG) Sdn. Bhd.	Malaysia	100	100	Provision of professional, commercial and academic education.
SEGi College (Sarawak) Sdn. Bhd. ~	Malaysia	100	100	Operation of an educational institution for further studies.

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of Company	Country of Incorporation	Effective Equity Interest 2009 %	2008 %	Principal Activities
SEGi College (PJ) Sdn. Bhd.	Malaysia	100	100	Provision of professional, commercial and academic education.
Summit Multimedia Education Sdn. Bhd.	Malaysia	73.97	73.97	Operation of an institution providing educational programmes.
SEGi-IGS Sdn. Bhd.	Malaysia	70	70	Provision of educational services.
SEGi Training Centre (Kuching) Sdn. Bhd. ~	Malaysia	100	100	Operation of a training centre for vocational and professional courses.
SEGi Learning Resources (Sarawak) Sdn. Bhd. ~	Malaysia	100	100	Provision of educational and training services.
SMRC Learning Alliance Sdn. Bhd.	Malaysia	100	100	Provision of educational and training services.
SMRC Learning Alliance (KL) Sdn. Bhd.~	Malaysia	100	100	Provision of educational and training services.

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of Company	Country of Incorporation	Effective Equity Interest 2009 %	Effective Equity Interest 2008 %	Principal Activities
SMRC Learning Alliance (EM) Sdn. Bhd. ~	Malaysia	100	100	Provision of management consultancy services and investment holding.
SEGi EyeCare Sdn. Bhd. (formerly known as SMRC Learning Alliance (PG) Sdn. Bhd.)	Malaysia	100	100	Provision of eye care and optometry related services.
IFPA Resources Sdn. Bhd.	Malaysia	100	100	Provision of financial planning and financial related courses.
Summit Early Childhood Edu-Care Sdn. Bhd. ~	Malaysia	100	100	Provision of child educational and related services.
Summit Early Childhood Edu-Care (Rawang) Sdn. Bhd. ~	Malaysia	70	70	Provision of child educational and related services.
Pusat Kemahiran Maju Ria Sdn. Bhd. ~	Malaysia	100	100	Provision of educational and training services.
SEG International Group Sdn. Bhd.	Malaysia	100	100	Provision of training and educational services.
SEGi Skills Development & Placement Services Sdn. Bhd. ~	Malaysia	100	100	Provision of training services.

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of Company	Country of Incorporation	Effective Equity Interest 2009 %	2008 %	Principal Activities
SEGi Youth Training Sdn. Bhd.	Malaysia	100	100	Provision of training services.
SEGi Methods Sdn. Bhd. ~	Malaysia	100	100	Investment holding.
SEGi Jobs Sdn. Bhd. ~	Malaysia	100	100	Dormant.
SEG International Training Sdn. Bhd. ~	Malaysia	100	100	Provision of services in information and computer technologies.
Shaw Commercial Institution Sdn. Bhd.	Malaysia	100	100	Investment property holding.
Systematic Training Network Sdn. Bhd.	Malaysia	95	95	Investment holding and provision of educational services.
SBT Professional Publications Sdn. Bhd.	Malaysia	100	100	Operation of a book centre, dealing in all kinds of reading materials, information research and related business.
Agensi Pekerjaan Job Venture Sdn. Bhd.	Malaysia	100	100	Provision of job placement consultancy services.
Prestige Front Sdn. Bhd.	Malaysia	100	100	Property investment and property management.
Binary Mark Sdn. Bhd.	Malaysia	98.63	98.63	Property investment.

6. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of Company	Country of Incorporation	Effective Equity Interest 2009 %	Effective Equity Interest 2008 %	Principal Activities
SEG Equity Sdn. Bhd.	Malaysia	100	100	Investment holding.
Summit Education Sdn. Bhd.	Malaysia	98.63	98.63	Investment holding and management consultancy.
Prim Edu-Services Sdn. Bhd.	Malaysia	100	100	Investment holding.
SEGi Unisel Sdn. Bhd. ~	Malaysia	97	97	Recruitment and placement of students.
CEPI Resources (Selangor) Sdn. Bhd. ~	Malaysia	100	100	Provide training services for environmental management and protection.
Sino-Malaysia EduCulture Centre Sdn. Bhd.	Malaysia	100	100	Provision of cross border education and culture activities.
I-Station Solutions Sdn. Bhd.	Malaysia	100	100	Provision of E-learning solutions.
Worldwide Accreditation Ltd ~	Republic of Mauritius	100	100	Provision of licensing and accreditation of educational programmes.

~ *The financial statements of these subsidiaries are audited by auditors other than the auditors of the Company*

The Company carried out a review of the recoverable amount of its investments in subsidiaries during the financial year. As a result of the review, no further impairment loss was deemed necessary. The recoverable amount was based on the net asset value of the subsidiaries.

7. INVESTMENTS IN ASSOCIATES

	THE GROUP	
	2009 RM'000	2008 RM'000
Unquoted shares, at cost	2,041	2,041
Addition during the financial year	3,800	-
Share of post-acquisition profit	614	88
Goodwill amortised	(278)	(278)
	6,177	1,851
Less: Allowance for diminution in value	(1,400)	(1,400)
	4,777	451
Allowance for diminution in value:-		
At 1 January	(1,400)	(1,145)
Addition during the financial year	-	(255)
At 31 December	(1,400)	(1,400)

The details of the associates are as follows:-

Name of Company	Country of Incorporation	Effective Equity Interest 2009 %	Effective Equity Interest 2008 %	Principal Activities
Palm Leisure Sdn. Bhd. ~	Malaysia	30	30	Dormant.
My Training Providers Sdn. Bhd. * ~	Malaysia	40	40	Dormant.
Eduspec Sdn. Bhd. ~	Malaysia	22	-	Investment holding, provision of educational services and materials.

* *The shareholders of the company are in the process of applying to the Companies Commission of Malaysia to strike off the company from the registry pursuant to Section 308 of the Companies Act 1965 in Malaysia.*

~ *The financial statements of the associates are audited by auditors other than the auditors of the Company.*

8. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	AT 1.1.2009 RM'000	ADDITIONS RM'000	DISPOSALS RM'000	WRITTEN OFF RM'000	DEPRECIATION CHARGE RM'000	AT 31.12.2009 RM'000
NET BOOK VALUE						
2009						
Freehold land	4,250	-	-	-	-	4,250
Buildings	26,545	-	(2,557)	-	(438)	23,550
Computer hardware and software	2,054	1,351	-	(1)	(851)	2,553
Fixtures, fittings and office equipment	25,362	5,294	(1)	(157)	(4,015)	26,483
Library books and manuals	1,429	1,193	-		(334)	2,288
Motor vehicles	1,264	1,454	-		(456)	2,262
Plant and equipment	69	-	-		(42)	27
Capital work-in-progress	9,924	25,134	(8,001)	(2,005)	-	25,052
	70,897	34,426	(10,559)	(2,163)	(6,136)	86,465

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

THE GROUP (CONT'D)	AT 1.1.2008 RM'000	ACQUISITION OF SUBSIDIARY RM'000	ADDITIONS RM'000	DISPOSALS RM'000	WRITTEN OFF RM'000	RECLASSIFICATION RM'000	DEPRECIATION CHARGE RM'000	AT 31.12.2008 RM'000
NET BOOK VALUE								
2008								
Freehold land	4,250	-	-	-	-	-	-	4,250
Buildings	20,834	-	-	(93)	-	6,305	(501)	26,545
Computer hardware and software	1,593	162	951	(40)	-	165	(777)	2,054
Fixtures, fittings and office equipment	16,744	75	13,685	(31)	(82)	(1,630)	(3,399)	25,362
Library books and manuals	1,631	-	175	-	(2)	(208)	(167)	1,429
Motor vehicles	627	-	1,082	(79)	-	(26)	(340)	1,264
Plant and equipment	493	-	17	-	-	(363)	(78)	69
Capital work-in-progress	14,167	-	-	-	-	(4,243)	-	9,924
	60,339	237	15,910	(243)	(84)	-	(5,262)	70,897

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

THE GROUP	AT COST RM'000	AT VALUATION RM'000	ACCUMULATED DEPRECIATION RM'000	NET BOOK VALUE RM'000
AT 31.12.2009				
Freehold land	-	4,250	-	4,250
Buildings	26,913	100	(3,463)	23,550
Computer hardware and software	12,534	-	(9,981)	2,553
Fixtures, fittings and office equipment	47,756	-	(21,273)	26,483
Library books and manuals	5,157	-	(2,869)	2,288
Motor vehicles	4,308	-	(2,046)	2,262
Plant and equipment	785	-	(758)	27
Capital work-in-progress	25,052	-	-	25,052
	122,505	4,350	(40,390)	86,465

THE GROUP	AT COST RM'000	AT VALUATION RM'000	ACCUMULATED DEPRECIATION RM'000	NET BOOK VALUE RM'000
At 31.12.2008				
Freehold land	-	4,250	-	4,250
Buildings	29,523	100	(3,078)	26,545
Computer hardware and software	14,360	-	(12,306)	2,054
Fixtures, fittings and office equipment	43,876	-	(18,514)	25,362
Library books and manuals	3,964	-	(2,535)	1,429
Motor vehicles	3,492	-	(2,228)	1,264
Plant and equipment	785	-	(716)	69
Capital work-in-progress	9,924	-	-	9,924
	105,924	4,350	(39,377)	70,897

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

THE COMPANY	AT 1.1.2009 RM'000	ADDITIONS RM'000	DEPRECIATION CHARGE RM'000	AT 31.12.2009 RM'000
CARRYING AMOUNT				
2009				
Freehold land	4,250	-	-	4,250
Buildings	2,823	-	(78)	2,745
Computer hardware and software	82	90	(48)	124
Fixtures, fittings and office equipment	980	70	(188)	862
	8,135	160	(314)	7,981

THE COMPANY	AT 1.1.2008 RM'000	ADDITIONS RM'000	DISPOSAL RM'000	DEPRECIATION CHARGE RM'000	AT 31.12.2008 RM'000
CARRYING AMOUNT					
2008					
Freehold land	4,250	-	-	-	4,250
Buildings	2,994	-	(93)	(78)	2,823
Computer hardware and software	84	39	-	(41)	82
Fixtures, fittings and office equipment	1,165	2	-	(187)	980
Library books and manuals	1	-	-	(1)	-
	8,494	41	(93)	(307)	8,135

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

THE COMPANY	AT COST RM'000	AT VALUATION RM'000	ACCUMULATED DEPRECIATION RM'000	CARRYING AMOUNT RM'000
AT 31.12.2009				
Freehold land	-	4,250	-	4,250
Buildings	3,777	100	(1,132)	2,745
Computer hardware and software	1,902	-	(1,778)	124
Fixtures, fittings and office equipment	2,070	-	(1,208)	862
Library books and manuals	4	-	(4)	-
Motor vehicles	638	-	(638)	-
	8,391	4,350	(4,760)	7,981
AT 31.12.2008				
Freehold land	-	4,250	-	4,250
Buildings	3,777	100	(1,054)	2,823
Computer hardware and software	1,812	-	(1,730)	82
Fixtures, fittings and office equipment	2,001	-	(1,021)	980
Library books and manuals	4	-	(4)	-
Motor vehicles	638	-	(638)	-
	8,232	4,350	(4,447)	8,135

8. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

The freehold land and certain buildings of the Group and the Company have been pledged as security for banking facilities.

In December 1993, the freehold land and buildings were revalued by the directors using the open market value basis based on a valuation carried out by an independent firm of professional valuers. The surplus net of deferred taxation, arising from the revaluation has been credited to the revaluation reserve account. The Group has availed itself the transitional provision when MASB first adopted IAS 16, Property, Plant and Equipment.

The carrying amount, had the revalued freehold land and building been carried at cost less accumulated depreciation, could not be determined as the required records are not available.

At the balance sheet date, the carrying amount of the assets acquired under hire purchase and finance lease terms are as follows:-

	THE GROUP	
	2009 RM'000	2008 RM'000
Computer hardware and software	153	208
Fixtures, fittings and office equipment	6,257	6,941
Motor vehicles	1,237	670

9. PREPAID LAND LEASE PAYMENTS

	THE GROUP	
	2009 RM'000	2008 RM'000
Long-term leasehold land, at cost	4,963	4,963
Less: Accumulated amortisation	(19)	(12)
	4,944	4,951
Accumulated amortisation:-		
At 1 January	(12)	(6)
Charge for the financial year	(7)	(6)
At 31 December	(19)	(12)

The leasehold land has been pledged as security for banking facilities.

10. INVESTMENT PROPERTIES

	THE GROUP/THE COMPANY	
	2009 RM'000	2008 RM'000
Leasehold apartments, at cost		
At 1 January	217	643
Disposals	(87)	(426)
	130	217
Less: Accumulated depreciation	(39)	(61)
At 31 December	91	156
Accumulated depreciation:-		
At 1 January	(61)	(121)
Charge for the financial year	(4)	(8)
Disposals	26	68
At 31 December	(39)	(61)

The directors estimate the fair value of the investment properties based on comparable market value of similar properties. Based on the directors' estimation, the fair value of the apartments is RM130,000 (2008 - RM207,000).

11. RECEIVABLES, DEPOSITS AND PREPAYMENTS

		THE GROUP		THE COMPANY	
	Note	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Non-Current					
Other receivables	(a)	4,400	11,768	-	-
Current					
Trade					
Trade receivables	(b)	4,610	8,405	832	470
Non Trade					
Other receivables, deposits and prepayments	(c)	35,453	26,816	11,452	13,375
Amount owing by subsidiaries	(d)	-	-	67,591	53,118
Amount owing by an associate	(e)	2	3	2	3
		40,065	35,224	79,877	66,966

(a) Other Receivables - Non-current

The amount is due from former subsidiaries. The purchaser of the former subsidiaries has undertaken to assume these outstanding amounts which are to be settled by instalments.

11. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

(b) Trade Receivables

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Trade receivables	4,970	8,787	832	470
Less: Allowance for doubtful debts	(360)	(382)	-	-
	4,610	8,405	832	470
Allowance for doubtful debts:-				
At 1 January	(382)	(826)	-	-
Charge for the financial year	-	(188)	-	-
Written off during the financial year	22	632	-	-
At 31 December	(360)	(382)	-	-

The normal trade credit terms granted by the Group ranged from 30 to 90 days.

(c) Other Receivables, Deposits and Prepayments

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Other receivables, deposits and prepayments	42,225	29,456	15,412	15,317
Less: Allowance for doubtful debts	(6,772)	(2,640)	(3,960)	(1,942)
	35,453	26,816	11,452	13,375
Allowance for doubtful debts:-				
At 1 January	(2,640)	-	(1,942)	-
Charge for the financial year	(4,132)	(2,640)	(2,018)	(1,942)
At 31 December	(6,772)	(2,640)	(3,960)	(1,942)

11. RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONT'D)

(c) Other Receivables, Deposits and Prepayments (Cont'd)

Included in the other receivables, deposits and prepayments are the following:-

		THE GROUP		THE COMPANY	
		2009	2008	2009	2008
	Note	RM'000	RM'000	RM'000	RM'000
Interest prepaid		-	42	-	42
Due from guarantor	(i)	3,930	3,930	-	-
Due from former subsidiaries	(ii)	1,000	3,972	-	-

(i) The guarantor of profit guarantee for the acquisition of certain subsidiaries in prior years has proposed to settle the outstanding amount by end of 2010.

(ii) The purchaser of former subsidiaries has undertaken to assume the outstanding amount which is to be settled by instalments.

(d) Amount Owing By Subsidiaries

	THE COMPANY	
	2009	2008
	RM'000	RM'000
Interest bearing	63,410	30,403
Non-interest bearing	4,181	22,715
	67,591	53,118

The amounts owing by subsidiaries are non-trade in nature, unsecured and receivable on demand. The interest bearing portion bore an effective interest rate of 1% (2008 - 1% to 8.5%) per annum at the balance sheet date.

(e) Amount Owing By An Associate

The amount owing by an associate is non-trade in nature, unsecured, interest-free and receivable on demand.

12. INTANGIBLE ASSETS

COST:-	GOODWILL RM'000	DEVELOPMENT COSTS RM'000	TOTAL RM'000
At 1 January 2008	37,676	5,453	43,129
Arising from acquisition of a subsidiary	167	-	167
Effect of movement in exchange rates	-	27	27
At 31 December 2008/1 January 2009	37,843	5,480	43,323
Addition during the financial year	-	225	225
Written off during the financial year	(2,468)	-	(2,468)
Effect of movement in exchange rates	-	(1)	(1)
At 31 December 2009	35,375	5,704	41,079
ACCUMULATED AMORTISATION:-			
At 1 January 2008	(7,869)	(5,095)	(12,964)
Amortisation for the financial year	-	(122)	(122)
At 31 December 2008/1 January 2009	(7,869)	(5,217)	(13,086)
Amortisation for the financial year	-	(182)	(182)
Effect of movement is exchange rates	-	(3)	(3)
At 31 December 2009	(7,869)	(5,402)	(13,271)
CARRYING AMOUNT:-			
At 1 January 2008	29,807	358	30,165
At 31 December 2008/1 January 2009	29,974	263	30,237
At 31 December 2009	27,506	302	27,808

12. INTANGIBLE ASSETS (CONT'D)

With effect from 1 January 2006, the Group no longer amortises goodwill on consolidation. Such goodwill is reviewed annually for impairment, including in the year of its initial recognition, as well as when there are indications of impairment. Impairment losses are recognised when the carrying amount of the cash-generating unit ("CGU") to which the goodwill has been allocated exceeds its recoverable amount. Impairment loss is recognised in the income statement and subsequent reversal is not allowed.

Impairment testing for CGUs containing goodwill

For the purpose of impairment testing, goodwill is allocated to groups of companies acquired ("the Units") at which the goodwill is monitored for internal management purposes.

The recoverable amount for the above is based on value in use calculations using cash flow projections covering a five-year period approved by the management.

The following describes the key assumptions on which management has based its cash flow projections to undertake impairment testing of goodwill:

- There will be no material changes in the structure and principal activities of the Group.

- There will not be any significant increase in the labour costs, adverse changes in the economic conditions or other abnormal factors, which will adversely affect the operations of the Units.

- Statutory income tax rate - the rate in Malaysia is 25%. There will be no material changes in the present legislation or regulations, rate of duties, levies and taxes affecting the Units' activities.

- Discount rate of 8% is applied in determining the recoverable amounts of the Units. The discount rate was estimated based on the Group's existing rate of borrowings.

13. OTHER INVESTMENTS

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Quoted shares, at cost	4,201	4,201	-	-
Allowance for diminution in value:-				
At 1 January	(1,544)	(144)	-	-
Charge for the financial year	(198)	(1,400)	-	-
	(1,742)	(1,544)	-	-
At 31 December	2,459	2,657	-	-
Unquoted bonds, at cost	2,080	2,320	2,080	2,320
Bonds redemption	-	(240)	-	(240)
Allowance for diminution in value:-				
At 1 January	(900)	(400)	(900)	(400)
Charge for the financial year	(1,180)	(500)	(1,180)	(500)
	(2,080)	(900)	(2,080)	(900)
At 31 December	-	1,180	-	1,180
	2,459	3,837	-	1,180
Market value of quoted investments in Malaysia	1,405	1,275	N/A	N/A

14. DEFERRED TAX ASSETS

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At 1 January	3,374	3,007	2,469	2,469
Recognised in income statement (Note 29)	496	367	(288)	-
At 31 December	3,870	3,374	2,181	2,469

Deferred tax assets comprise the following:-

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Unabsorbed capital allowances	3,776	2,993	2,181	2,469
Unutilised tax losses	94	381	-	-
At 31 December	3,870	3,374	2,181	2,469

15. INVENTORIES

Inventories represent books and manuals stated at cost.

None of the inventories were stated at net realisable value.

16. CASH AND CASH EQUIVALENTS

		THE GROUP		THE COMPANY	
		2009	2008	2009	2008
	Note	RM'000	RM'000	RM'000	RM'000
Short-term investments with financial institutions	(a)	7,000	25,246	7,000	25,246
Fixed deposits with licensed banks	(b)	10,790	10,146	10,737	10,095
Cash and bank balances		19,108	12,153	3,738	3,113
		36,898	47,545	21,475	38,454

(a) Short-term investments with financial institutions

	THE GROUP		THE COMPANY	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Short-term investments with financial institutions	9,000	25,246	9,000	25,246
Less: Allowance for diminution in value	(2,000)	-	(2,000)	-
	7,000	25,246	7,000	25,246

(b) The fixed deposits of the Group and the Company have been pledged for banking facilities.

At the balance sheet date, the fixed deposits:

- bore a weighted average effective interest rate of 2.87% (2008 - 4.13%) per annum; and

- have maturity periods ranging from 6 months to 12 months (2008 - 6 month to 12 months).

17. SHARE CAPITAL

	THE GROUP/THE COMPANY			
	2009	2008	2009	2008
	NUMBER OF SHARES		RM'000	RM'000
ORDINARY SHARES OF RM1 EACH:-				
AUTHORISED	100,000,000	100,000,000	100,000	100,000
ISSUED AND FULLY PAID-UP	89,092,755	89,092,755	89,093	89,093

18. RESERVES

	THE GROUP		THE COMPANY	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Share premium	35,876	35,876	35,876	35,876
Revaluation reserve	1,977	2,002	1,977	2,002
Retained profits	44,993	36,309	15,375	16,201
Exchange translation reserve	(429)	(94)	-	-
Treasury shares	(2,355)	(4,862)	(2,355)	(4,862)
	80,062	69,231	50,873	49,217

Share premium

This relates to the premium arising from shares issued and is not distributable by way of dividends.

Revaluation reserve

This relates to the revaluation of a freehold land and building of the Group and the Company and is not distributable by way of dividends.

Retained profits

Subject to the agreement of the tax authorities, at the balance sheet date, the Company has sufficient tax credits under Section 108 of the Income Tax Act, 1967 and tax-exempt income to frank the payment of dividends out of its entire retained profits without incurring additional tax liabilities.

18. RESERVES (CONT'D)

Retained profits (Cont'd)

At the balance sheet date, the Company has not elected for the single tier tax system. When the tax credit balance is fully utilised, or by 31 December 2013 at the latest, the Company will automatically move to the single tier tax system. Under the single tier tax system, tax on the Company's profits is a final tax, and dividends distributed to the shareholders will be exempted from tax.

Exchange fluctuation reserve

The exchange fluctuation reserve arose from the translation of the financial statements of the foreign subsidiary and is not distributable by way of dividends.

Treasury shares

During the financial year, the Company purchased and disposed of its issued ordinary shares on the open market under the share buy-back programme. Details are as follows:-

	PRICE PER SHARE			NO OF	COST OF SHARES
	LOWEST	HIGHEST	AVERAGE	SHARES	RM'000
Balance at 1 January 2009				6,195,600	4,862
Addition during the financial year	0.810	0.930	0.870	4,000	4
Disposal during the financial year	0.935	0.955	0.945	(3,199,000)	(2,511)
Balance at 31 December 2009				3,000,600	2,355

The share buy-back programme was financed by internally generated funds. The shares purchased were retained as treasury shares in accordance with Section 67A of the Companies Act 1965 in Malaysia and are presented as a deduction from shareholders' equity.

During the financial year, 3,199,000 treasury shares were sold for a total consideration of RM3,012,000, resulting in a gain of RM501,000, which was recognised in the statements of changes in equity. The proceeds from the sale of treasury shares were utilised for working capital purposes.

19. LONG-TERM BORROWINGS

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Hire purchase and finance lease payables (Note 20)	3,039	4,624	-	-
Term loans (Note 21)	9,427	3,216	9,295	-
	12,466	7,840	9,295	-

20. HIRE PURCHASE AND FINANCE LEASE PAYABLES

	THE GROUP	
	2009 RM'000	2008 RM'000
Minimum hire purchase and finance lease payments:		
- not later than one year	3,127	3,131
- later than one year but not later than five years	3,106	4,719
- later than five years	91	71
	6,324	7,921
Less: Future finance charges	(489)	(751)
Present value of hire purchase and finance lease payables	5,835	7,170
The net hire purchase and finance lease payables are repayable as follows:-		
Non-current:		
- later than one year but not later than five years	2,950	4,555
- later than five years	89	69
Total payable after one year (Note 19)	3,039	4,624
Current:		
- not later than one year (Note 24)	2,796	2,546
	5,835	7,170

The hire purchase and finance lease payables are subject to interest rates ranging from 3.67% to 4.29% (2008 - 3.67% to 4.29%) per annum.

21. TERM LOANS

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Non-current portion (Note 19):				
- repayable between one to two years	3,592	295	3,489	-
- repayable between two to five years	5,835	1,009	5,806	-
- repayable after five years	-	1,912	-	-
	9,427	3,216	9,295	-
Current portion (Note 24):				
- repayable within one year	3,293	20,163	3,198	20,000
	12,720	23,379	12,493	20,000

Details of the term loans at the balance sheet date are as follows:-

	NUMBER OF MONTHLY INSTALMENTS	MONTHLY INSTALMENTS RM	EFFECTIVE DATES OF COMMENCEMENT OF REPAYMENT	AMOUNT OUTSTANDING 2009 RM'000	2008 RM'000
Term loan 1	[1]	N/A	[1]	-	20,000
Term loan 2	[2]	N/A	[2]	-	3,379
Term loan 3	48	345,155	July 2009	12,493	-
Term loan 4	36	9,119	March 2009	227	-
				12,720	23,379

[1] - *Term loan 1 was repaid in full in June 2009.*
[2] - *Term loan 2 was repaid in full in December 2009.*

21. TERM LOANS (CONT'D)

The outstanding term loans at the balance sheet date are subjected to a weighted average effective interest rate of 8.44% (2008 - 5.49%) per annum and are secured by a first legal charge over the leasehold properties of certain subsidiaries.

22. DEFERRED TAX LIABILITIES

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
At 1 January	1,891	1,874	283	283
Recognised in income statement (Note 29)	291	17	-	-
At 31 December	2,182	1,891	283	283

Deferred tax liabilities comprise the following:-

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Accelerated capital allowances	1,899	1,608	-	-
Revaluation of property	283	283	283	283
	2,182	1,891	283	283

23. PAYABLES AND ACCRUALS

		THE GROUP		THE COMPANY	
		2009	2008	2009	2008
	Note	RM'000	RM'000	RM'000	RM'000
Trade					
Trade payables	(a)	1,066	796	-	-
Non Trade					
Other payables and accruals		26,905	21,345	3,650	3,976
Amount owing to subsidiaries	(b)	-	-	23,768	27,172
Amount owing to affiliated companies	(c)	-	29	-	29
		27,971	22,170	27,418	31,177

(a) Trade Payables

The normal trade credit terms granted to the Group ranged from 30 to 90 days.

(b) Amount Owing To Subsidiaries

The amount owing to subsidiaries is unsecured, interest-free and repayable on demand.

The foreign currency exposure profile of the amount owing to the subsidiaries of the Company at the balance sheet date is as follows:-

	THE COMPANY	
	2009	2008
	RM'000	RM'000
United States Dollar	10,031	11,671

(c) Amount Owing To Affiliated Companies

The amount owing to affiliated companies is unsecured, interest-free and repayable on demand.

24. SHORT-TERM BORROWINGS

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Hire purchase and finance lease payables (Note 20)	2,796	2,546	-	-
Term loans (Note 21)	3,293	20,163	3,198	20,000
	6,089	22,709	3,198	20,000

25. BANK OVERDRAFT

The bank overdraft in the previous financial year bore effective interest rates ranging from 6.25% to 8.00% per annum and was secured by:-

(i) a first legal charge over certain buildings and leasehold land of a subsidiary;

(ii) fixed and floating charges over certain assets of a subsidiary; and

(iii) a corporate guarantee of the Company.

26. NET ASSETS PER SHARE

The net assets per share is calculated based on the net assets value of the Group at the balance sheet date of RM169,155,000 (2008 - RM158,324,000), divided by the number of ordinary shares of RM1 each in issue, excluding treasury shares at the balance sheet date, details as follows:-

	THE GROUP	
	2009 NUMBER OF SHARES	2008 NUMBER OF SHARES
Ordinary shares of RM1 each in issue	89,092,755	89,092,755
Treasury shares	(3,000,600)	(6,195,600)
	86,092,155	82,897,155

27. REVENUE

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Services	165,142	120,511	5,069	6,786
Management fee	-	-	7,914	4,242
Rental income	11,618	6,813	16,821	15,540
Dividend income	114	83	7,437	2,080
	176,874	127,407	37,241	28,648

28. PROFIT BEFORE TAXATION

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Profit before taxation is arrived at after charging/ (crediting):-				
Allowance for diminution:				
- investments in associates	-	255	-	-
- quoted shares	198	1,400	-	-
- unquoted bonds	1,180	500	1,180	500
- Short-term investments with financial institutions	2,000	-	2,000	-
- investments in subsidiaries	-	-	4,170	-
Allowance for doubtful debts:				
- trade receivables	-	188	-	-
- other receivables	4,132	2,640	2,018	1,942
Amortisation expense:				
- development costs	182	122	-	-
- prepaid land lease payments	7	6	-	-
Audit fee:				
- for the current financial year	188	193	35	38
- underprovision in the previous financial year	13	1	-	-
Bad debts written off	1,558	190	96	100
Depreciation expense:				
- investment properties	4	8	4	8
- property, plant and equipment	6,136	5,262	314	307
Directors' fee	203	197	203	197
Directors' non-fee emoluments	1,420	1,161	1,420	1,161
Goodwill on consolidation written off	2,468	-	-	-
Interest expense:				
- bank overdrafts	48	185	24	119
- term loans, hire purchase and finance lease	1,646	1,786	1,021	1,206
- other borrowings	-	54	-	-

28. PROFIT BEFORE TAXATION (CONT'D)

	THE GROUP		THE COMPANY	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Inventories written off	8	180	-	-
Lease of premises	15,535	14,729	14,935	14,729
Property, plant and equipment written off	2,163	84	-	-
Rental expense:				
- equipment	666	869	-	-
- hostel	8,034	1,450	-	-
- land and building	-	24	-	24
- motor vehicles	-	42	-	-
- premises	6,255	5,233	-	-
Staff costs	54,784	34,397	2,059	1,098
Dividend income	(114)	(83)	(7,437)	(2,080)
Gain on disposal of property, plant and equipment	(482)	(1)	-	(11)
Gain on disposal of investment properties	(26)	(61)	(26)	(61)
Gain on disposal of assets held for sale	-	(4,089)	-	(4,089)
Interest income:				
- subsidiaries	-	-	(1,135)	(744)
- others	(499)	(836)	(495)	(721)
Gain on foreign exchange:				
- realised	(9)	(87)	(7)	-
- unrealised	(252)	-	-	-
Rental income	(11,618)	(6,813)	(16,821)	(15,540)

29. INCOME TAX EXPENSE

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current taxation:-				
- for the financial year	4,938	3,095	430	421
- share of taxation in associates	70	-	-	-
- (over)/underprovision in the previous financial year	(436)	(181)	289	-
	4,572	2,914	719	421
Deferred tax assets (Note 14):				
- for the financial year	(713)	94	149	-
- under/(over)provision in the previous financial year	217	(461)	139	-
	(496)	(367)	288	-
Deferred tax liabilities (Note 22):				
- for the financial year	372	(95)	-	-
- (over)/underprovision in the previous financial year	(81)	112	-	-
	291	17	-	-
	4,367	2,564	1,007	421

During the current financial year, the statutory tax rate was reduced from 26% to 25% as announced in the Malaysian Budget 2008.

As gazetted in the Finance Act 2009, certain subsidiaries of the Company will no longer enjoy the preferential tax rate of 20% on their chargeable income of up to RM500,000 effective from year of assessment 2009.

29. INCOME TAX EXPENSE (CONT'D)

A reconciliation of income tax expense applicable to the profit before taxation at the statutory tax rate to income tax expense at the effective tax rate of the Group and of the Company is as follows:-

	THE GROUP		THE COMPANY	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	14,606	9,884	1,520	5,182
Tax at the statutory tax rate of 25% (2008 - 26%)	3,651	2,569	380	1,347
Tax effects of:-				
Non-deductible expenses	5,117	1,793	1,998	276
Non-taxable gain	(4,275)	(1,583)	(1,799)	(1,202)
Deferred tax assets not recognised during the financial year	505	494	-	-
Utilisation of previously unrecognised deferred tax assets	(193)	(35)	-	-
(Over)/Underprovision in the previous financial year:				
- current tax	(436)	(181)	289	-
- deferred tax	136	(349)	139	-
Differential in tax rates	(138)	(144)	-	-
Tax for the financial year	4,367	2,564	1,007	421

30. EARNINGS PER SHARE

The basic earnings per share is arrived at by dividing the Group's profit attributable to shareholders of RM10,023,000 (2008 - RM7,266,000) by the weighted average number of ordinary shares in issue during the financial year, net of treasury shares, of approximately 82,925,000 (2008 - 83,500,000).

Diluted earnings per share is not presented as there were no potential dilutive ordinary shares.

31. DIVIDEND

	THE GROUP/THE COMPANY	
	2009 RM'000	2008 RM'000
Paid, in respect of the financial year ended:-		
31 December 2007:		
- final dividend of RM0.02 per ordinary share, less 26% tax	-	1,227
31 December 2008:		
- final dividend of RM0.03 per ordinary share, less 25% tax	1,865	-
	1,865	1,227

32. PURCHASE OF PROPERTY, PLANT AND EQUIPMENT

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Cost of property, plant and equipment purchased	34,426	15,910	160	41
Amount finance through:				
- term loan	(14,000)	-	-	-
- hire purchase and finance lease	(1,235)	(4,817)	-	-
Cash disbursed for purchase of property, plant and equipment	19,191	11,093	160	41

33. ACQUISITION OF A SUBSIDIARY

The details of net assets acquired and cash flow arising from the acquisition of a subsidiary in the previous financial year were as follows:-

	THE GROUP RM'000
Equipment	237
Trade receivables	442
Other receivables and deposits	73
Cash at bank	35
Other payables and accruals	(80)
Amount owing to related companies	(674)
Fair value of net assets acquired	33
Goodwill on acquisition	167
Total purchase consideration	200
Less: Cash at bank of the subsidiary	(35)
Net cash outflow from acquisition of a subsidiary	165

34. DIRECTORS' REMUNERATION

The aggregate amount of emoluments received and receivable by Directors of the Group and of the Company during the financial year are as follows:-

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Executive directors:				
- salary and other short-term employee benefits	1,271	1,050	1,271	1,050
- contribution to Employees' Provident Fund ("EPF")	149	111	149	111
	1,420	1,161	1,420	1,161
Non-executive directors:				
- fee	203	197	203	197

34. DIRECTORS' REMUNERATION (CONT'D)

The details of emoluments for the directors of the Group and of the Company received/receivable for the financial year in bands of RM50,000 are as follows:-

	THE GROUP/THE COMPANY			
	2009		2008	
	Executive Directors	Non-Executive Directors	Executive Directors	Non-Executive Directors
Below RM50,000	-	3	-	7
RM50,001 - RM100,000	-	1	-	-
RM300,001 - RM350,000	-	-	1	-
RM350,001 - RM400,000	1	-	1	-
RM450,001 - RM500,000	1	-	1	-
RM550,001 – RM600,000	1	-	-	-

35. RELATED PARTY DISCLOSURES

(a) Identities of related parties

For the purposes of these financial statements, parties are considered to be related to Group and the Company if a group or a company 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 Company and party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company either directly or indirectly. The key management personnel include all the Directors of the Company, and certain members of senior management of the Group and the Company.

35. RELATED PARTY DISCLOSURES (CONT'D)

(b) During the financial year, the Group and the Company carried out the following transactions with the related parties during the financial year:-

	THE COMPANY	
	2009	2008
	RM'000	RM'000
Sale of services to subsidiaries:		
- examination fee	-	1,136
- interest charge	1,135	744
- maintenance fee	552	552
- management fee	7,914	4,242
- rental of premises	16,291	15,067
- service charge	180	180
Purchase of services from subsidiary:		
- accreditation fee	5,512	4,008
- management fee	2,856	-
Dividend income from subsidiaries	7,357	2,000

Key management personnel compensation

	THE GROUP		THE COMPANY	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Directors' of the Company:				
- fee	203	197	203	197
- remuneration	1,271	1,050	1,271	1,050
- contribution to EPF	149	111	149	111
	1,623	1,358	1,623	1,358
Other key management personnel:				
- salary and other short-term employee benefits	2,252	1,904	1,310	1,242
- contribution to EPF	260	207	153	131
Total	2,512	2,111	1,463	1,373
	4,135	3,469	3,086	2,731

35. RELATED PARTY DISCLOSURES (CONT'D)

(a) Balances with the related parties are disclosed in Note 11(d), Note 11(e), Note 23(b) and Note 23(c) to the financial statements respectively.

The outstanding amounts of the related parties will be settled in cash. No guarantees have been given or received. No expenses have been recognised during the financial year as bad and doubtful debts in respect of the amounts owing by the related parties.

36. CONTINGENT LIABILITIES

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Corporate guarantees given to secure banking facilities granted to certain subsidiaries	-	-	17,210	4,817
Bank guarantees given to an electricity provider *	117	117	-	-
	117	117	17,210	4,817

* *This is secured by a pledge over the fixed deposits of a subsidiary.*

37. COMMITMENTS

Operating lease commitments

The future minimum lease payments under the non-cancellable operating leases are as follows:-

	THE GROUP		THE COMPANY	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Not later than one year	24,778	21,442	15,632	15,632
Later than one year and not later than five years	71,686	72,533	68,779	68,617
Later than five years	70,007	72,806	70,007	72,806
Total	166,471	166,781	154,418	157,055

38. FOREIGN EXCHANGE RATE

The applicable closing foreign exchange rate used (expressed on the basis of one unit of foreign currency to RM equivalent) for the translation of foreign currency balances at the balance sheet date is as follows:-

	2009 RM	2008 RM
United States Dollar	3.42	3.46

39. SEGMENTAL REPORTING

Segmental reporting is not presented as the Group is principally engaged in the provision of educational activities, which is substantially within a single business segment and operates wholly in Malaysia.

40. FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is defined as the amount at which the financial instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in a forced sale or liquidation.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments:

(a) Long-Term Borrowings

The fair value of the long-term borrowings is determined by discounting the relevant cash flows using current interest rates for similar types of instruments.

(b) Hire Purchase And Finance Lease Obligations

The fair values of hire purchase and finance lease payables are determined by discounting the relevant cash flows using current interest rates for similar types of instruments.

40. FAIR VALUES OF FINANCIAL INSTRUMENTS (CONT'D)

(c) Quoted And Unquoted Investments

The fair values of quoted investments are estimated based on quoted market prices for these instruments.

For unquoted investments, it is not practicable to determine the fair values because of the lack of quoted market prices and the assumptions used in valuation models to value these investments cannot be reasonably determined.

(d) Cash And Cash Equivalents And Other Short-Term Receivables/Payables

The carrying amounts approximated their fair values due to the relatively short-term maturity of these instruments.

(e) Contingent Liabilities

It is not practicable to estimate the fair value of contingent liabilities reliably due to uncertainties of timing, costs and eventual outcome.

The nominal amount and net fair value of financial instruments not recognised in the balance sheet of the Company are as follows:

		THE GROUP		THE COMPANY	
At 31 December 2009	Note	Nominal Amount RM'000	Net Fair Value RM'000	Nominal Amount RM'000	Net Fair Value RM'000
Contingent liabilities	36	117	*	17,210	*
At 31 December 2008					
Contingent liabilities	36	117	*	4,817	*

* The net fair value of the contingent liability is estimated to be minimal as the subsidiaries are expected to fulfil their obligations to repay their borrowings.