INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY

GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

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Corporate Information

BOARD OF DIRECTORS	
Dato' Adnan bin Maaruf	Independent Non-Executive Director/ Chairman
Datuk Kamaruddin bin Awang	Independent Non-Executive Director
Dato' Haji Muda bin Mohamed	Independent Non-Executive Director
Dato' Tik bin Mustaffa	Independent Non-Executive Director
Dr. Radzuan bin A. Rahman	Independent Non-Executive Director
AUDIT COMMITTEE	
Datuk Kamaruddin bin Awang	Chairman
Dato' Haji Muda bin Mohamed	Member
Dato' Tik bin Mustaffa	Member
UK COMPANY NUMBER	SC007574
MALAYSIA COMPANY NUMBER	990261M
COMPANY SECRETARY	Lee Thai Thye (LS 0000737)
REGISTERED OFFICE IN UK	No. 2 Lochrin Square, 96 Fountainbridge Edinburgh EH3 9QA, Midlothian, United Kingdom Tel: 44 0131 226 5541 Fax: 44 0131 226 2278
PRINCIPAL OFFICE IN MALAYSIA	22nd Floor Menara Promet (KH) Jalan Sultan Ismail 50250 Kuala Lumpur, Malaysia Tel: 603-2144 4446 Fax: 603-2141 8463
PRINCIPAL REGISTRAR IN UK	Computershare Investor Services plc PO Box 82, The Pavillions, Bridgwater Road Bristol BS99 7NH, United Kingdom Tel: 44 0870 702 0003 Fax: 44 0870 703 6101
REGISTRAR IN MALAYSIA	Mestika Projek (M) Sdn Bhd (225545V) 22nd Floor Menara Promet (KH) Jalan Sultan Ismail 50250 Kuala Lumpur, Malaysia Tel: 603-2144 4446 Fax: 603-2141 9650
AUDITORS	UHY Hacker Young LLP Quadrant House 4 Thomas More Square London E1W 1YW, United Kingdom
MANAGING AGENTS	Akem Links Sdn Bhd (790623D) d/a Narsco Berhad Km 0.5 Jalan Air Hitam 43800 Dengkil Selangor Malaysia
WEBSITE	www.ikkr.com.my

PRINCIPAL BANKERS	Bank Islam Malaysia Berhad AmFunds Management Berhad Agrobank Berhad CIMB Bank Berhad Affin Hwang Asset Management Berhad Bank Kerjasama Rakyat Malaysia Berhad
STOCK EXCHANGE LISTINGS	Bursa Malaysia Securities Berhad – Main Board London Stock Exchange plc Singapore Exchange Securities Trading Limited

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors have pleasure in presenting their report, together with the audited financial statements of Inch Kenneth Kajang Rubber Public Limited Company ("the Company" or "the Parent") and its subsidiaries (together "the Group") for the financial year ended 31 December 2015.

Principal activities

The Company was incorporated in Scotland with company number SC007574, as a public company limited by shares.

The Company is involved in investment holding and carries on the business of an oil palm grower in Selangor, Malaysia.

The subsidiary undertakings are engaged in the operations of a block rubber manufacturer, tourist resort, retailing building supplies, property development and leasing of properties in Malaysia.

A more detailed review of the Group's operations is set out in the Chairman's Statement.

Group structure

The Group operates through its Parent and subsidiary companies, details of which are set out in note 15 to these financial statements.

Results and dividends

The Group's results for the year are set out on page 12. The Group's loss attributable to shareholders of the Company for the financial year ended 31 December 2015 amounted to RM1.941 million (2014: loss of RM7.127 million).

On 6 May 2015, the Directors approved and declared a 2% interim dividend for the financial year ended 31 December 2014. The total amount of RM4.396 million was paid on 9 June 2015. The interim dividend was under the single tier system of 1.109 sen per share, on 403,209,200 ordinary shares. A dividend of 2% is proposed for the financial year ended 31 December 2015.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.
The Board plays an active role in the development of the Company's strategy. It has in place a strategy planning process, whereby the management presents to the Board its recommended strategy annually, together with its proposed business and regulatory plans for the ensuing year at a dedicated session, for the Board's review and approval. At this session, the Board deliberates both the management's and its own perspectives, and challenges the management's views and assumptions, to ensure the best outcome. In conjunction with this, the Board also reviews and approves the annual budget for the ensuing year, and sets the Key Performance Indicators (KPIs) under the Corporate Balanced Scorecard (CBS), ensuring that the targets correspond to the Company's strategy and business plan, reflect competitive industry trends and internal capabilities as well as provide sufficient stretch for the management.

The following table indicates the areas that may be looked at for improvement:

Department	Areas
Finance	Return on Investment Cash Flow Return on Capital Employed Financial Results (Quarterly/Yearly)
Internal Business Processes	Number of activities per function Duplicate activities across functions Process alignment (is the right process in the right department) Process bottlenecks Process automation
Learning & Growth	Is there the correct level of expertise for the job Employee turnover Job satisfaction Training/Learning opportunities
Customer	Delivery performance to customer Quality performance for customer Customer satisfaction rate Customer percentage of market Customer retention rate

Post balance sheet events

No other events have occurred since the reporting period end which significantly affects the Company or the Group.

Directors

The Directors of the Company who held office during the year and at the date of this report are:

Dato' Adnan bin Maaruf
Datuk Kamaruddin bin Awang
Dato' Haji Muda bin Mohamed
Dato' Tik bin Mustaffa
Dr. Radzuan bin A. Rahman

In accordance with Malaysian Companies Act 1965 pursuant to Section 129(6), Dato' Adnan bin Maaruf, Dato' Haji Muda bin Mohamed, Dr. Radzuan bin A.Rahman and Dato' Tik bin Mustaffa retire from the Board at the forthcoming AGM, and being eligible, offer themselves for re-election.

Directors' interests

Neither at the end of the financial year ended 31 December 2015, nor at any time during that year, was there any arrangement to which the Company was a party, whereby the Directors could acquire benefits by means of the acquisition of shares in or debentures of, the Company or Group undertakings.

Since the end of the previous financial year, no Director has received or become entitled to receive any benefits (other than benefits included in the aggregate amount of emoluments received by the Directors as shown in the financial statements) by reason of a contract made by the Company or Group undertakings with any Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

None of the Directors who held office during the financial year and to the date of this report, together with their immediate families, had any interests in the shares of the Company or Group undertakings.

Substantial shareholders

The Company has been notified, in accordance with Rule 5 of the United Kingdom's FCA's Disclosure and Transparency Rules, of the following interests in its ordinary shares as at 8 April 2016 by shareholders holding 3% or more of the share capital:

Name	Number of shares of 10p each	% of Issued Capital
Concrete Engineering Products Berhad	58,088,000	14.41
Ng Ah Chai	50,283,200	12.47
Hamptons Property Sdn Bhd	49,327,700	12.23
FA Securities Sdn Bhd	29,672,500	7.36
Euston Technologies Sdn Bhd	22,662,066	5.62

No other person has notified an interest in the ordinary shares of the Company required to be disclosed to the Company in accordance with the United Kingdom's Companies Act 2006 ("UK Companies Act 2006").

No shareholders have any special rights or restrictions on voting rights attached to their shares.

Creditor payment policy and practice

It is the Group's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Group and its suppliers, provided that all trading terms and conditions have been complied with.

At 31 December 2015, the Group had an average of 15 days (2014: 2 days) purchase outstanding in trade payables.

Health and Safety

All aspects of health and safety at the Group's plantations are handled by our agent, Akem Links Sdn Bhd, and reviewed by the Board. The Company also places a high level of importance on health and safety aspects at its principal trading subsidiaries, Perhentian Island Resort Sdn Bhd, Motel Desa Sdn Bhd and Supara Company Limited. Any health and safety issues at these subsidiaries may be detrimental to its image and hence may affect revenues achieved.

Employees

The number of staff employed by the Group at the year end was 180 (2014: 192). At the resort, factory and estates, we provide employees with full quarters and required facilities, to provide a conductive environment, both for work and entertainment.

Political and charitable donations

There were no political or charitable donations made by the Group during the year ended 31 December 2015 except for community support by the subsidiary, Perhentian Island Resort Sdn Bhd, to the village committee, as and when the need arose.

Environment

The Group's business is situated within areas that are subject to environmental conditions imposed by the local government authorities. All conditions have been fulfilled throughout the year. There have been no issues raised by the authorities pertaining to the day to day operation in relation to these conditions.

Financial instruments

Details of the Group financial instruments and risks management are disclosed in note 28.

Information to shareholders

The Group has its own website (http://www.ikkr.com.my) for the purposes of improving information flow to shareholders and potential investors.

Going concern

After making appropriate enquiries and examining those areas which could give rise to financial exposure, the Directors are satisfied that no material or significant exposures exist and that the Group has adequate resources to continue its operations for the foreseeable future. For this reason, and as further discussed in note 2.1, the Directors continue to adopt the going concern basis in preparing the Company's and Group's financial statements.

Auditors

In accordance with Section 489 of the UK's Companies Act 2006, a resolution proposing that UHY Hacker Young be re-appointed as auditors of the Company and that the Directors be authorised to fix their remuneration will be put to the next AGM.

On behalf of the Board

Dato' Adnan bin Maaruf
Director

Datuk Kamaruddin bin Awang
Director

Kuala Lumpur, Malaysia
15 April 2016

STATEMENT OF RESPONSIBILITIES OF THOSE CHARGED WITH GOVERNANCE FOR THE YEAR ENDED 31 DECEMBER 2015

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom company law and International Financial Reporting Standards as adopted by the European Union ("IFRS").

The Directors are required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company and of the profit or loss and cash flows of the Group and of the Company for that period. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business;
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- state that the Group and the Company has complied with IFRS, subject to any material departures disclosed and explained in the financial statements.

The Directors confirm that the financial statements comply with the above requirements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the UK's Companies Act 2006 and Article 4 of the International Accounting Standards (IAS) Regulation. The Directors are also responsible for safeguarding the assets of the Group and of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of disclosure to auditors

The Directors who were members of the Board at the time of approving this report are listed on page 1. Having made enquiries of fellow Directors and of the Company's auditors, each of these Directors confirms that:

- to the best of each Director's knowledge and belief, there is no relevant audit information of which the Company's auditors are unaware; and

- each Director has taken all the steps a Director might reasonably be expected to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The United Kingdom Corporate Governance Statement

The Financial Conduct Authority in the United Kingdom ("the FCA") requires the Company to comply with the FCA's Listing Rules 14.3.24 and 18.4.3(2) and Disclosure and Transparency Rule 7.2. The Annual Report contains in the Statements of Corporate Governance and Internal Control the information required by these rules.

Disclosures in respect of the Malaysian Code on Corporate Governance 2012

As required by the Main LR of Bursa Securities, the Annual Report contains a Corporate Governance Statement pursuant to the MCCG 2012.

STATUTORY DECLARATION
PURSUANT TO SECTION 169 (16) OF THE MALAYSIAN COMPANIES ACT, 1965

I, **HUSSAIN AHMAD BIN ABDUL KADER**, being the officer primarily responsible for the financial management of **Inch Kenneth Kajang Rubber Public Limited Company**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 12 to 51 are in my opinion correct and make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by
The above named **HUSSAIN AHMAD BIN ABDUL KADER**
at Kuala Lumpur in the Federal Territory on
15 April 2016

HUSSAIN AHMAD BIN ABDUL KADER

Before me

PESURUHJAYA SUMPAH
AGONG SIA
W460
MALAYSIA

Commissioner for Oaths

Kuala Lumpur
15 April 2016

2-5-4, Menara KLH
(Business Centre)
No: 2, Jalan Kasipillay
Batu 2 1/2, Off Jalan Ipoh
51200 Kuala Lumpur.

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF INCH KENNETH KAJANG RUBBER PUBLIC LIMITED COMPANY
FOR THE YEAR ENDED 31 DECEMBER 2015

We have audited the financial statements of Inch Kenneth Kajang Rubber Public Limited Company for the year ended 31 December 2015 which comprise of the Group and Company Statement of Profit or Loss, Group and Company Statement of Profit or Loss and Other Comprehensive Income, Group and Company Statement of Financial Position, Group and Company Statement of Changes in Equity, Group and Company Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the UK Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Responsibilities of those Charged with Governance set out on page 8, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2015 and of the Group's and the Parent Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the UK Companies Act 2006; and, as regards the Group financial statements, Article 4 of the IAS Regulation.

Opinion on other matters prescribed by the UK Companies Act 2006

In our opinion:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the UK Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Julie Zhuge Wilson (Partner)
Senior Statutory Auditor
for and on behalf of UHY Hacker Young
Chartered Accountants and Statutory Auditors

Quadrant House
4 Thomas More Square
London E1W 1YW

19 April 2016

The maintenance and integrity of the Inch Kenneth Kajang Rubber Public Limited Company website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website; and legislation governing the preparation and dissemination of financial statements may differ from one jurisdiction to another.

GROUP AND COMPANY STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	GROUP 2015 RM'000	GROUP 2014 RM'000	COMPANY 2015 RM'000	COMPANY 2014 RM'000
Revenue	4	10,289	23,639	376	696
Cost of sales		(4,968)	(18,520)	(305)	(445)
Gross profit		5,321	5,119	71	251
Other income	5	618	5,450	699	4,402
Administrative expenses		(16,801)	(16,122)	(8,215)	(7,417)
Selling and marketing expenses		(330)	(948)	-	-
Operating loss	6	(11,192)	(6,501)	(7,445)	(2,764)
Finance income	7	4,554	4,759	4,462	4,576
Finance costs	7	-	-	-	-
Other gains and losses	5	142	424	80	413
Share of results of associate	16	4,598	(1,170)	-	-
Impairment of investment in associate	16	-	(4,500)	-	(4,500)
Loss before taxation		(1,898)	(6,988)	(2,903)	(2,275)
Taxation	8	(43)	(139)	-	-
Loss for the year		(1,941)	(7,127)	(2,903)	(2,275)
Attributable to:					
Equity holders of the Company		(1,941)	(7,127)	(2,903)	(2,275)
Loss per share (Sen):	9				
Basic		(0.48)	(1.77)		
Diluted		(0.48)	(1.77)		
Net dividend per share (Sen)		1.118	1.090		

The results for 2015 and 2014 relate entirely to continuing operations.

GROUP AND COMPANY STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

	GROUP		COMPANY	
	2015 RM'000	**2014 RM'000** *restated*	**2015 RM'000**	**2014 RM'000**
Loss for the year	(1,941)	(7,127)	(2,903)	(2,275)
Other comprehensive income:				
Items that will not be reclassified subsequently to profit or loss				
Revaluation of properties, net of tax	12,557	750	3,750	-
Items that may be reclassified subsequently to profit or loss				
Revaluation of available-for-sale investments and short term investments	214	(412)	130	(368)
Reclassification adjustments on short term investments	(189)	15	(167)	14
Exchange differences on translating foreign operations	1,113	(58)	-	-
Other comprehensive income, net of tax	13,695	295	3,713	(354)
Total comprehensive income/(loss) for the year	11,754	(6,832)	810	(2,629)

GROUP AND COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Notes	GROUP 2015 RM'000	GROUP 2014 RM'000 *restated*	COMPANY 2015 RM'000	COMPANY 2014 RM'000 *restated*
ASSETS					
Non-current assets					
Property, plant and equipment	12	462,381	441,712	119,774	111,080
Investment property	13	71	72	-	-
Intangible assets	14	35	20	32	18
Investments in subsidiaries	15	-	-	237,075	231,116
Investment in associate	16	24,740	20,142	18,146	18,146
Available-for-sale investments	17	84	57	13	20
Goodwill	18	71	71	-	-
		487,382	462,074	375,040	360,380
Current assets					
Assets held for sale	19	-	29,654	-	-
Inventories	20	1,555	3,410	-	-
Trade and other receivables	21	93,820	44,026	1,299	1,148
Short term investments	22	110,422	123,719	107,940	119,263
Cash and cash equivalents	23	26,755	43,738	24,275	29,843
		232,552	244,547	133,514	150,254
TOTAL ASSETS		719,934	706,621	508,554	510,634
EQUITY AND LIABILITIES					
Equity attributable to shareholders of the Company					
Share capital	24	287,343	287,343	287,343	287,343
Share premium		8	8	8	8
Property revaluation reserve		228,085	215,528	68,700	64,950
Investment revaluation reserve		15,222	15,197	(417)	(380)
Foreign currency translation reserve		(190)	(1,303)	-	-
Retained earnings		123,821	130,158	144,747	152,046
		654,289	646,931	500,381	503,967
Less : Treasury shares	25	(15,980)	(15,980)	(15,980)	(15,980)
Total Equity		638,309	630,951	484,401	487,987
Current liabilities					
Trade and other payables	26	5,507	3,737	1,238	982
Taxation payable		75	75	-	-
		5,582	3,812	1,238	982
Non-current liabilities					
Employee entitlements	27	15	15	15	15
Deferred tax liabilities	8	76,028	71,843	22,900	21,650
		76,043	71,858	22,915	21,665
Total Liabilities		81,625	75,670	24,153	22,647
TOTAL EQUITY AND LIABILITIES		719,934	706,621	508,554	510,634

The financial statements of Inch Kenneth Kajang Rubber Public Limited Company [registered numbers: SC007574 (Scotland) and 990261M (Malaysia)] were approved by the Board of Directors on 15 April 2016 and signed on its behalf by:

Dato' Adnan bin Maaruf
Director

Datuk Kamaruddin bin Awang
Director

GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Share Capital	Share Premium	Property Revaluation Reserve	Investment Revaluation Reserve	Foreign Currency Translation	Retained Earnings	Treasury Shares	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Year ended 31 December 2015								
At 1 January 2015	287,343	8	215,528	15,197	(1,303)	130,158	(15,980)	630,951
Total comprehensive income for year	-	-	12,557	25	1,113	(1,941)	-	11,754
Dividends paid	-	-	-	-	-	(4,396)	-	(4,396)
At 31 December 2015	287,343	8	228,085	15,222	(190)	123,821	(15,980)	638,309
Year ended 31 December 2014								
At 1 January 2014 (as previously reported)	287,343	8	286,371	12,709	(1,245)	144,601	(15,980)	713,807
Adjustments (see note 31)	-	-	(71,593)	2,885	-	(2,885)	-	(71,593)
At 1 January 2014 (restated)	287,343	8	214,778	15,594	(1,245)	141,716	(15,980)	642,214
Total comprehensive loss for year	-	-	750	(397)	(58)	(7,127)	-	(6,832)
Dividends paid	-	-	-	-	-	(4,431)	-	(4,431)
At 31 December 2014	287,343	8	215,528	15,197	(1,303)	130,158	(15,980)	630,951

Share capital represents the nominal value of ordinary shares issued to shareholders of the company. The amount of share capital a company reports on its statement of financial position only accounts for the initial amount for which the original shareholders purchased the shares from the issuing company. Any price differences arising from price appreciation/depreciation as a result of transactions in the secondary market are not included.

Share premium is a contribution made by a shareholder when shares are issued and paid-in above the par value of such shares.

Property revaluation reserve is the capital reserve where changes in the value of the properties are recognised when they are revalued.

Investment revaluation reserve is the change in the value of investments recognised when they are revalued.

Foreign currency translation reserve represents the exchange differences resulting from the retranslation of net investments in subsidiary undertakings.

Retained earnings are net earnings not paid out as dividends, but retained by the company to be reinvested in its core business.

Treasury shares are those issued but re-purchased by the company. They are considered as issued but not outstanding and are not therefore included when calculating earnings per share and are not entitled to receive dividends. Treasury shares are treated as a reduction from equity.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Share Capital RM'000	Share Premium RM'000	Property Revaluation Reserve RM'000	Investment Revaluation Reserve RM'000	Retained Earnings RM'000	Treasury Shares RM'000	Total Equity RM'000
Year ended 31 December 2015							
At 1 January 2015	287,343	8	64,950	(380)	152,046	(15,980)	487,987
Total comprehensive income for year	-	-	3,750	(37)	(2,903)	-	810
Dividends paid	-	-	-	-	(4,396)	-	(4,396)
At 31 December 2015	287,343	8	68,700	(417)	144,747	(15,980)	484,401
Year ended 31 December 2014							
At 1 January 2014 (as previously reported)	287,343	8	86,600	(2,911)	161,637	(15,980)	516,697
Adjustments (see note 31)	-	-	(21,650)	2,885	(2,885)	-	(21,650)
At 1 January 2014 (restated)	287,343	8	64,950	(26)	158,752	(15,980)	495,047
Total comprehensive loss for year	-	-	-	(354)	(2,275)	-	(2,629)
Dividends paid	-	-	-	-	(4,431)	-	(4,431)
At 31 December 2014	287,343	8	64,950	(380)	152,046	(15,980)	487,987

GROUP AND COMPANY STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2015

	GROUP		COMPANY	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Cash flows from operating activities				
Operating loss	(11,192)	(6,501)	(7,445)	(2,764)
Adjustments for items not requiring an outflow of funds:				
Dividend income	-	(1)	-	(1)
Fixed assets written off	-	135	-	12
Provision for diminution in value of stocks	81	925	-	-
Depreciation and amortisation	1,777	1,656	30	32
Operating loss before changes in working capital	(9,334)	(3,786)	(7,415)	(2,721)
Changes in working capital:				
Decrease in inventories	1,774	13,640	-	-
(Increase)/decrease in trade and other receivables	(19,075)	(13,511)	(151)	787
Increase/(decrease) in trade and other payables	1,997	(1,155)	256	(1,241)
Taxation refunded	-	23	-	-
Taxation paid	(270)	(272)	-	-
Net cash used in operating activities	(24,908)	(5,061)	(7,310)	(3,175)
Investing activities				
Proceeds from disposal of property, plant and equipment	58	12	-	-
Proceeds from disposal of investments	36,450	34,337	34,350	33,736
Interest and dividends received	4,554	4,760	4,462	4,576
Loans granted to subsidiaries	-	-	(5,959)	(16,038)
Payments to acquire investments	(23,064)	(11,426)	(22,977)	(10,155)
Payments to acquire intangible assets	(31)	(9)	(28)	(9)
Payments to acquire property, plant and equipment	(5,646)	(3,037)	(3,710)	(1,076)
Net cash generated from investing activities	12,321	24,637	6,138	11,034
Financing activities				
Dividends paid	(4,396)	(4,431)	(4,396)	(4,431)
Net cash used in financing activities	(4,396)	(4,431)	(4,396)	(4,431)
(Decrease)/increase in cash and cash equivalents	(16,983)	15,145	(5,568)	3,428
Cash and cash equivalents at 1 January	43,738	28,593	29,843	26,415
Cash and cash equivalents at 31 December	26,755	43,738	24,275	29,843
Cash and cash equivalents comprise of:				
Short term deposits	23,926	29,629	23,716	28,680
Cash and bank balances	2,829	14,109	559	1,163
	26,755	43,738	24,275	29,843

1. Corporate information

The consolidated financial statements of Inch Kenneth Kajang Rubber Public Limited Company ("the Company") and its subsidiaries (together "the Group") for the year ended 31 December 2015 were authorised for issue by the Directors on 15 April 2016. Inch Kenneth Kajang Rubber Public Limited Company is a public limited company incorporated in Scotland. Its shares are publicly traded on Bursa Securities, SGX-ST and LSE. The principal activities of the Group are oil palm plantation owners, tourism resort operators, manufacturers of constant viscosity (CV) block rubber and property development. Further information on the Company's subsidiaries is in note 15.

2. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated below.

2.1 Basis of preparation and going concern

The Group's financial statements are prepared on a going concern basis and in accordance with International Financial Reporting Standards, as adopted by the European Union ("IFRS") and in accordance with those parts of the UK's Companies Act 2006 applicable to companies preparing their accounts in accordance with IFRS.

The Company's financial statements have also been prepared in accordance with IFRS and the UK Companies Act 2006.

The financial statements of the Group and Company are prepared on an historical cost basis as modified by the revaluation of freehold lands and available-for-sale investments.

The Group's financial statements are presented in Ringgit Malaysia and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated. The exchange rate of Ringgit Malaysia to Pounds Sterling at 31 December 2015 was £1: RM6.3607 (RM1: £0.1572) and 31 December 2014 was £1: RM5.4454 (RM1: £0.1836).

Going concern

During the year ended 31 December 2015 the Group made a loss of RM1.941 million (2014: loss of RM7.127 million) and at the year end date the Group had net current assets of RM226.97 million (2014: RM240.74 million) and net assets of RM638.31 million (2014: RM630.95 million restated). The operations of the Group are currently being financed by funds raised from the Group's operations and proceeds from disposal of land in year 2011. The Group has adequate resources to continue its operations for the foreseeable future as there are assets available that could be converted to cash or cash equivalents, should the need arise. The financial statements have, therefore, been prepared on the going concern basis.

2.2 New IFRS Standards and Interpretations

The Group has adopted all relevant standards effective for accounting periods beginning on or after 1 January 2015 from the beginning of the reporting period.

As at end of the reporting period, the Group has not adopted the following standards as it is either not effective or not applicable to the Group's business.

Standards, amendments and interpretations

- Amendments to IAS 16 and IAS 41: Bearer Plants (June 2014) – EU effective date 1 January 2016;
- Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations (May 2014) – EU effective date 1 January 2016;
- Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation (May 2014) - EU effective date 1 January 2016;
- Annual improvements to IFRSs 2012 – 2014 Cycle (September 2014) – EU effective date 1 January 2016;
- Amendments to IAS 1: Disclosure Initiative (December 2014) – EU effective date 1 January 2016;
- Amendments to IAS 27: Equity Method in Separate Financial Statements (August 2014) – EU effective date 1 January 2016.

2.2 New IFRS Standards and Interpretations (continued)

Standards, amendments and interpretations (not yet endorsed by EU at 30 March 2016)

- IFRS 9 Financial Instruments (July 2014);
- IFRS 14 Regulatory Deferral Accounts (January 2014);
- IFRS 15 Revenue from Contracts with Customers (May 2014) including amendments to IFRS 15: Effective date of IFRS 15 (September 2015);
- IFRS 16 Leases (January 2016);
- Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception (December 2014);
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (September 2014);
- Amendments to IAS 12: Recognition of Deferred Tax Assets for unrealised Losses (January 2016);
- Amendments to IAS 27: Disclosure Initiative (January 2016).

Except for those in issue but not yet adopted above that the Directors anticipate will have material effect on the reported income or net assets of the Group.

2.3 Basis of consolidation and goodwill

The Group financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved where the Company: has power over the investee; is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to use its power to affect its return.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of the subsidiaries to bring their accounting policies into line with the Group's accounting policies.

The consolidated financial statements have been prepared by using the principles of acquisition accounting ("the purchase method") which includes the results of the subsidiaries from their date of acquisition.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions are eliminated fully on consolidation.

Goodwill is the difference between the amount paid on the acquisition of a subsidiary company or a business and the aggregate fair value of the identifiable assets and liabilities acquired. Goodwill is capitalised as an intangible asset. In accordance with IFRS 3 'Business Combinations', goodwill is not amortised but tested for impairment annually or when there are any other indications that its carrying value is not recoverable.

Goodwill is therefore stated at cost less any provision for impairment in value. If a subsidiary undertaking is subsequently sold, goodwill arising on acquisition is taken into account in determining the profit and loss on sale. Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or groups of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

2.4 Investment in associated undertaking

Companies, other than subsidiary undertakings, in which the Group has an investment and over which it exerts significant influence but does not control, are treated as associated undertakings.

Investments in associated undertakings are equity accounted and carried in the Group statement of financial position at cost plus post acquisition changes in the Group's share of net assets of the associate, less any impairment in value.

Any goodwill arising on the acquisition of an associate, representing the excess of the cost of the investment compared to the Group's share of the net fair value of the associate's identifiable assets and liabilities, is included in the carrying amount of the associate. Goodwill on the acquisition of associates is not amortised.

The Group statement of profit or loss includes the Group's share of the associate's profit after tax. To the extent that losses of an associate exceed the carrying amount of the investment, the Group discontinues including its share of further losses and the investment is reported at nil value. Additional losses are only provided if the Group has an obligation to a third party.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss of the Group's investment in its associate at each period end date. The Group calculates the amount of impairment as being the difference between the fair value of the associate and the carrying value and recognises the amount in the profit or loss.

Unrealised gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the associate are changed where necessary to ensure consistency with the accounting policies of the Group.

The Parent Company's investment in its associate is included in the Company statement of financial position at cost, less any provision for impairment.

2.5 Intangible assets

Intangible assets of the Group consist of computer software and are capitalised at their cost and are amortised through administrative expenses on a straight-line basis over their expected useful lives of 5 years.

The carrying value of intangible assets is tested for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

2.6 Property, plant and equipment

Freehold lands are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated impairment losses. Revaluations are performed with sufficient regularity such that the carrying amounts do not differ materially from those that would be determined using fair values at the end of the reporting period. Fair value is based on periodic valuations made at least once in every five years and an interim valuation every three years. Valuations are carried out by an independent external licensed valuer on an open market value basis. Any surplus or deficit arising on valuation is transferred directly to equity as a revaluation surplus in the property revaluation reserve, except for those deficits expected to be permanent, which are charged to profit or loss. Freehold lands are not depreciated.

Other property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses.

Depreciation is calculated on a straight-line basis to write off the costs, less estimated residual values of each asset over its estimated useful lives, as follows:

Buildings	10 – 50 years
Land improvements	5 – 20 years
Other assets	5 – 10 years

2.6 Property, plant and equipment (continued)

The carrying values of property, plant and equipment are tested for impairment if events or changes in circumstances indicate the carrying values may not be recoverable. Any impairment losses are recognised in the profit or loss.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each period end date. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within the statement of profit or loss.

When revalued assets are sold, the amounts included in property revaluation reserves are transferred to retained earnings.

2.7 Biological assets

The Group's biological assets consist of oil palm tree plantations. According to IAS 41 'Agriculture', biological assets should be valued annually at their fair values. The gain or loss in fair value of biological assets is to be included in the profit or loss.

The Group has used IAS 41's cost model to value the biological assets because the Directors believe that fair values cannot be measured reliably as the trees on the plantations are mature (greater than 25 years old). At 31 December 2015 the costs of the biological assets have been fully depreciated. Even though the plantations are still producing income the Directors believe that any attempt to revalue the plantations to their fair values would not be reliable as market-determined prices or values are not readily available and alternative estimates of fair value are unreliable. The biological assets (i.e. the oil palm trees) are therefore carried in the Company's and Group's financial statements at a nil net book value.

The freehold estate land is carried at its fair value as discussed in note 2.6 above.

The harvested produce (fresh fruit bunches) are sold immediately after being harvested. Therefore the requirement under IAS 41 to value agricultural produce at market value as inventories does not apply.

2.8 Investment property

Investment property consists of investment in building that is held for long-term rental yield and/or for capital appreciation and is not occupied by the Group.

Investment property is stated at cost less accumulated depreciation and impairment losses. Depreciation for investment property is calculated using the straight-line method to allocate their cost over their estimated economic lives as follows:

Leasehold building	remaining lease period

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

Gains and losses on disposal are determined by comparing the net disposal proceeds with the carrying amount and are included in the profit or loss.

2.9 Non-current asset held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to sale, which should be expected to qualify for recognition as a completed sale within a year from date of classification.

Non-current assets classified as held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell.

2.10 Financial assets

The Group classifies its financial assets in the following categories: fair value through profit or loss, held-to-maturity, short term investments, loans and receivables, and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition. At the end of the reporting period, the Group had all of the above except for assets with fair value through profit or loss and held-to-maturity.

Held-to-maturity investments

Non-derivative financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intent and ability to hold the assets to maturity. Investments intended to be held for an undefined period are not included in this classification. Other long-term investments that are intended to be held-to-maturity, such as bonds, are subsequently measured at amortised cost using the effective interest method less any impairment.

Short term investments

Short term investments are investments in unquoted unit trust with licensed investment banks. After initial recognition, short term investments are measured at fair value with gains or losses being recognised in other comprehensive income and accumulated under investment revaluation reserve until the investment is derecognised or until the investment is determined to be impaired at which time the accumulate gain or loss previously reported in equity is included in the profit or loss. The fair value of the investments is measured at mark to market based on the net asset value at each reporting date.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are measured at amortised cost using the effective interest method less any impairment and are included in current assets, except for maturities greater than twelve months after the reporting period date. These are classified as non-current assets. The Group's loans and receivables comprise "trade and other receivables" and "cash and cash equivalents" in the statement of financial position.

Interest income is recognised by applying the effective interest rate except for short-term receivables when the recognition of interest would be immaterial.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within twelve months after the period end date.

Purchases and sales of financial assets are recognised on the trade-date; the date on which the Group commits to purchase or sell the assets. Investments are initially recognised at fair value plus transaction costs. Available-for-sale financial assets are subsequently carried at fair value with gains or losses being recognised in other comprehensive income and accumulated under investment revaluation reserve until the investment is derecognised or until the investment is determined to be impaired at which time the accumulate gain or loss previously reported in equity is included in the profit or loss. The fair value of investments that are traded in active market at the end of each reporting period is determined by reference to the relevant stock exchange's quoted market bid prices at the close of business on the reporting period date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument, which is substantially the same; discounted cash flow analysis and option pricing models.

2.11 Parent Company investments in subsidiaries and associates

The Parent Company's investments in subsidiaries and associated undertakings are included in the Company statement of financial position at cost less any provisions for impairments.

2.12 Inventories

Inventories are being held at the lower of cost and net realisable value.

No harvested fresh fruit bunches are held at year end, therefore, the requirement under IAS 41 'Agriculture' to value agricultural produce at market value does not apply.

2.13 Cash and cash equivalents

Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes. For an investment to qualify as a cash equivalent it must be readily convertible to a known amount of cash and be subject an insignificant risk of changes in value. The amount in the statement of financial position is stated at cost, which is approximately equal to the fair value, and comprises cash in hand, cash at bank, short term deposits and short term investments.

2.14 Impairment of non-current assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the profit or loss in those expense categories consistent with the function of the impaired asset.

2.15 Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Financial liabilities include trade and other payables and bank borrowings.

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company.

All borrowings and overdrafts are recorded at the amount of the proceeds received, net of direct issue costs. Finance charges are charged to the statement of profit or loss on an accruals basis using the effective interest rate method.

Equity instruments are recorded at the fair value of the consideration received, net of direct issue costs

2.16 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable net of value added tax, returns, rebates or discounts and after eliminating sales with the Group.

Revenue derived from plantation activities represents the sale of oil palm fresh fruit bunches and is recognised on the accruals basis.

Revenue derived at manufacturing activities is recognised from sales when the goods are delivered, and the risks and rewards of ownership of the goods are transferred to buyers.

Revenue derived from resort activities represents room rentals, net of hotel room tax, and the sale of food and beverages. Accommodation revenue is recognised on the arrival of customers. Payments received in advance of the arrival of guests are included in current liabilities as accommodation rental received in advance.

Dividend income is recognised when the right to receive payments is established.

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

The Group's policy for recognition of revenue from operating leases is described in note 2.17 below.

2.17 Leases

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases.

The Group as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging as operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

Operating lease payments are recognised as an expense on a straight line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

2.18 Employee entitlements

The liability for employees' compensation for unutilised leave is accrued in relation to services rendered by employees and relates to rights which have been vested. These amounts are not discounted.

The Group's contribution to a defined contribution plan is charged to the profit or loss in the period to which the contribution relates.

2.19 Provisions

Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

Where the Group expects some or all of a provision to be reimbursed, for example under an insurance policy, the reimbursement is recognised as a separate asset but only when recovery is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement. Where discounting is used, the increase in the provision due to unwinding of discount is recognised as a finance cost.

2.20 Dividend distributions

Dividend distributions proposed by the Board of Directors and unpaid at the year end are not recognised in the financial statements as a liability until they have been approved by the Company's shareholders at the AGM.

2.21 Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party, or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

2.22 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the period end date and any adjustments to tax payable in respect of previous years.

Deferred income 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 consolidated financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the period end date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax liabilities are recognised for the temporary timing differences associated with subsidiaries, joint ventures and associates, but only where the Group is able to control the timing of the reversal of the temporary difference.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the assets can be utilised.

2.22 Current and deferred income tax (continued)

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of freehold lands measured at fair value is presumed to be recovered through sale after implementation of the Group business plan.

2.23 Foreign currency translation

Functional and presentational currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'Ringgit Malaysia' ('RM'), which is the Company's and the Group's functional and presentation currency.

Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

The assets, liabilities and the results of the foreign subsidiary undertakings are translated into Ringgit Malaysia at the rates of exchange ruling at the year end. Exchange differences resulting from the retranslation of net investments in subsidiary undertakings are treated as movements on reserves.

3. Significant accounting judgements and estimates

In the process of applying the Group's accounting policies, which are described in note 2 above, the Directors have made the following judgments and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom exactly equal the related actual results. The estimates and assumptions that have a risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Carrying value of associate
The directors assess the fair value of the Group's investment in its associated undertaking, Concrete Engineering Products Berhad ("Cepco") is more than the carrying value. No impairment or reversal of impairment was recommended. The assessment was made by reference to the value-in-use of the associate to the Group.

The value-in-use calculation includes a discounted cash flow assessment model; the primary assumptions underlying the model were:

- Sales growth rate 4.50%
- Terminal value equal to Price Earnings ratio 12

Additional assumptions utilised include:

- Duration of assessment period 5 years
- Discount rate of 7%

Depreciation, useful lives and residual values of property, plant & equipment
The Directors estimate the useful lives and residual values of property, plant & equipment in order to calculate the depreciation charges. Changes in these estimates could result in changes being required to the annual depreciation charges in the statement of profit or loss and the carrying values of the property, plant and equipment in the statement of financial position.

3. Significant accounting judgements and estimates (continued)

Fair value measurements
A number of the group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The group has an established control framework with respect to the measurement of fair values. When measuring the fair value of an asset or a liability, the management uses market observable data as far possible. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are included in the relevant notes.

Deferred tax asset
Deferred tax assets are recognised for all unutilised tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant judgment and measurement is required to determine the amount of deferred tax asset that can be recognised, based on the likely timing of future taxable profit together with future tax planning strategies. The carrying value of deferred tax assets recognised as at 31 December 2015 is RM Nil (2014: RM Nil) and the unrecognised tax losses as at 31 December 2015 is approximate RM7.0 million (2014: RM4.3 million) in respect of which the future economic benefit is uncertain. Further details are shown in note 8.

4. Segmental information

The Group applies IFRS 8 'Operating Segments'. The accounting policy for identifying segments is based on internal management reporting information that is regularly reviewed by the chief operating decision maker. In identifying its operating segments, management generally follows the Group's service lines, which represent the main products and services provided by the Group.

The Group's operating businesses are organised and managed separately according to the nature of products produced and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

At 31 December 2015, the Group was organised into four operating segments as follows:

- Plantations – sale of fresh fruit bunches;
- Manufacturing – producing constant viscosity (CV) rubber blocks;
- Tourism – operation of two tourist resorts, sale of rooms and sale of food and beverages;
- Others being:
  i) Property development and leasing – development and sale of land and properties and leasing of buildings;
  ii) Trading – trading of building materials; and
  iii) Investment – holding of equity interests in quoted shares.

4. Segmental information (continued)

The segment results for the year ended 31 December 2015 are as follows:

	Plantation RM'000	Tourism RM'000	Manufacturing RM'000	Others RM'000	Total RM'000
Revenue					
From external customers	376	6,744	3,016	153	10,289
Segment revenues	376	6,744	3,016	153	10,289
Finance income	-	92	-	4,462	4,554
Other gains and losses	-	61	-	81	142
Share of profit of Cepco	-	-	-	4,598	4,598
Depreciation and amortisation	(30)	(1,188)	(468)	(91)	(1,777)
Provision for diminution in value of stocks	-	-	(81)	-	(81)
Tax expenses	-	(7)	-	(36)	(43)
Other expenses (net of other income)	(305)	(7,040)	(3,947)	(8,331)	(19,623)
Segment profit/(loss)	41	(1,338)	(1,480)	836	(1,941)
Segment assets	133,514	2,015	3,301	581,104	719,934
Segment liabilities	1,238	2,223	100	78,064	81,625
Other disclosures					
Investment in Cepco	-	-	-	24,740	24,740
Capital expenditure					
Tangible	35	1,804	36	96	1,971
Assets under construction	3,675	-	-	-	3,675
Intangible	28	-	3	-	31

Segment revenue reported above represents revenue generated from external customers. Inter-segment sales within the Group amounted to approximate RM2.27 million (2014: RM11.5 million).

4. Segmental information (continued)

The segmented results for the year ended 31 December 2014 are as follows:

	Plantation RM'000	Tourism RM'000	Manufacturing RM'000	Others RM'000	Total RM'000
Revenue					
From external customers	696	8,396	14,385	162	23,639
Segment revenues	696	8,396	14,385	162	23,639
Finance income	-	183	-	4,576	4,759
Other gains and losses	-	(1)	12	413	424
Fixed assets written off	-	(123)	-	(12)	(135)
Share of loss of Cepco	-	-	-	(1,170)	(1,170)
Depreciation and amortisation	(32)	(1,101)	(149)	(374)	(1,656)
Provision for diminution in value of stocks	-	-	(925)	-	(925)
Impairment of Cepco	-	-	-	(4,500)	(4,500)
Tax expenses	-	(100)	-	(39)	(139)
Other expenses (net of other income)	(446)	(7,404)	(16,084)	(3,490)	(27,424)
Segment profit/(loss)	218	(150)	(2,761)	(4,434)	(7,127)
Segment assets	114,429	24,990	19,075	548,127	706,621
Segment liabilities (restated)	997	1,445	101	73,127	75,670
Other disclosures					
Investment in Cepco	-	-	-	20,142	20,142
Capital expenditure					
Tangible	22	692	32	1,237	1,983
Assets under construction	1,054	-	-	-	1,054
Intangible	9	-	-	-	9

Geographic information

The Group operates in two principal geographical areas – Malaysia and Thailand.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets* by location of assets are detailed below.

	Revenue from external customers		Non-current assets	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Malaysia	7,950	13,281	460,285	439,221
Thailand	2,339	10,358	2,202	2,583
	10,289	23,639	462,487	441,804

*non-current assets for this purpose consist of property, plant and equipment, investment property and intangible assets.

4. Segmental information (continued)

Information about major customers

Included in revenues arising from manufacturing are revenues of approximately RM1.2 million (2014: RM2.7 million) which arose from sales to the Group's largest customer. No other single customers contributed 10% or more to the Group's revenue for both 2015 and 2014.

5. Other income and other gains and losses

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Other income				
Interest received *	-	3,523	-	3,523
Rebates from investment in unit trust	379	373	379	373
Sundry income	61	43	28	31
Rental income from investment property	12	12	-	-
Other rental income	195	195	-	-
Management fee to subsidiary	-	-	300	300
Gain on foreign exchange	(29)	1,122	(8)	-
Insurance claim	-	7	-	-
Compensation received	-	175	-	175
	618	5,450	699	4,402

***** Interest received for late settlement by government on compulsory acquisition of the Company's land.

	Group		Company	
	2015	2014	2015	2014
	RM'000	RM'000	RM'000	RM'000
Other gains and losses				
Gain on sale of assets	51	12	-	-
(Loss)/gain on sale of investment	(98)	7	(87)	7
Cumulative gain reclassified from equity on redemption of short term investment	189	405	167	406
	142	424	80	413

6. Operating loss

	Group		Company	
	2015 **RM'000**	**2014** **RM'000**	**2015** **RM'000**	**2014** **RM'000**
The operating loss is stated after charging/(crediting):				
Auditors' remuneration:				
- Parent Company auditor	200	200	200	200
- Subsidiaries' auditor	146	93	-	-
Depreciation	1,761	1,648	16	24
Amortisation of intangible assets	16	8	14	7
Operating leases	665	565	350	360
Staff costs (note 10)	6,798	6,211	3,712	3,129
Bad debts written off	-	13	-	-
Loss/(gain) on foreign exchange	29	(1,112)	8	-
Provision for contingent liability	-	(64)	-	(64)
Fixed assets written off	-	135	-	12
Loss from diminution in value of stocks	81	925	-	-

The non-audit fees paid to the Company's external auditors amounted to RM3,457 for the financial year 2015 (2014: RM28,240).

Direct operating expenses from investment property that generated rental income for the Group during the financial year amounted to RM2,533 (2014: RM2,517).

7. Finance income and costs

	Group		Company	
	2015 **RM'000**	**2014** **RM'000**	**2015** **RM'000**	**2014** **RM'000**
Finance income				
Short term deposits	825	798	823	786
Short term investments	3,729	3,961	3,639	3,790
	4,554	4,759	4,462	4,576

8. Taxation

8.1 *Income taxes recognised in profit and loss*

The tax charge is made up as follows:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
In Malaysia				
- Current taxation	41	180	-	-
- Under/(over) provision in respect of prior years	2	(41)	-	-
	43	139	-	-

Other than the subsidiary in Thailand which is a tax resident there, the Company and the Group are tax residents in Malaysia. The Group is liable to corporation tax in Malaysia and Thailand but is not subject to United Kingdom corporation tax. The Group's effective tax rate differs from the standard rate of corporation tax in Malaysia of 25% (2014: 25%) as follows:

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Loss before taxation	(1,898)	(6,988)	(2,903)	(2,275)
Tax credit at standard corporation tax rate in Malaysia of 25% (2014: 25%)	(474)	(1,747)	(726)	(569)
Tax effects of:				
Expenses not deductible for tax purposes	1,545	2,219	435	1,556
Income not subject to tax	(188)	(1,464)	(20)	(1,061)
Utilisation of business losses	(8)	798	-	-
Temporary timing differences not recognised	(834)	374	311	74
Under/(over) provision in respect of prior years	2	(41)	-	-
Total tax charge for year	43	139	-	-

8.2 *Income taxes recognised in other comprehensive income*

The tax charge relating to components of other comprehensive income is as follows:

	Group		Company	
	2015 RM'000	2014 RM'000 *restated*	2015 RM'000	2014 RM'000
Fair value gain on freehold land				
Before tax	16,742	1,000	5,000	-
Tax charge	(4,185)	(250)	(1,250)	-
After tax				
	12,557	750	3,750	-
Other comprehensive income	12,557	750	3,750	-
Deferred tax liabilities	4,185	250	1,250	-

8. Taxation (continued)

8.3 Deferred tax balances

The estimated deferred tax assets at 25% (2014: 25%) not recognised in these financial statements are as follows:

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Arising from:				
Unused tax losses	7,033	4,259	5,744	3,965
Unutilised capital allowances	494	132	49	46
	7,527	4,391	5,793	4,011

The key factors that may affect future tax charges include the ability to claim capital allowances in excess of depreciation, utilisation of unrelieved tax losses and changes in tax legislation. The Group expects to be able to claim capital allowances in excess of depreciation in future years based on its capital investment plans. The Group also has unutilised tax losses estimated to be RM28 million,(2014: RM17 million) which arise mainly in relation to activities in Malaysia and which may generally be carried forward without time limits applying. The availability of the unused tax losses for offsetting against future taxable profits of the Company and its subsidiaries are subject to there being no substantial changes in shareholdings of the Company and its subsidiaries under Section 44 (5A) & (5B) of Income Tax Act, 1967 in Malaysia.

As for the subsidiary in Thailand, the unutilised tax losses is estimated to be THB64.7 million (approximate RM7.7 million) (2014: THB70.0 million (approximate RM7.4 million)) which may be carried forward for a maximum of five (5) years.

The revaluation of available-for-sale investments and short term investments that has been reported as part of other comprehensive income on page 13 of these financial statements is not shown net of taxation. This is on the basis that the Group and the Company have unutilised losses which exceed the revalued amount. Unused tax losses carried forward at the end of reporting period, which is disclosed above, have been reduced correspondingly.

As disclosed in note 12, freehold lands have been revalued, and a revaluation surplus arises. Deferred tax has been provided in respect of the revaluation surplus where the carrying amount of freehold lands is presumed to be recovered through sale after implementation of the Group business plan.

The analysis of deferred tax liabilities is as follows:

	Group		Company	
	2015	**2014**	**2015**	**2014**
	RM'000	**RM'000**	**RM'000**	**RM'000**
		restated		
Deferred tax liabilities due more than 12 months	76,028	71,843	22,900	21,650
Deferred tax liabilities due within 12 months	-	-	-	-
	76,028	71,843	22,900	21,650

8.3 Deferred tax balances (continued)

The movement in deferred tax liabilities during the year, without taking consideration the offsetting of balances within same jurisdiction, is as follow:

	Group		Company	
	2015 RM'000	**2014 RM'000** *restated*	**2015 RM'000**	**2014 RM'000** *restated*
At 1 January	71,843	71,593	21,650	21,650
Charge to other comprehensive income	4,185	250	1,250	-
At 31 December	76,028	71,843	22,900	21,650

9. Loss per share

The calculation of loss per share is based on the Group's loss for the year and the weighted average number of shares in issue after adjusting for movement in treasury shares during the financial year. There are no potential dilutive shares or share options outstanding and therefore, the diluted loss per share is the same as basic loss per share.

	2015	**2014**
Net loss attributable to the owners of the Company (RM'000)	(1,941)	(7,127)
Weighted average number of ordinary shares in issue after adjusting for movement in treasury shares [Number of shares ('000)]	403,209	403,209
Basic and diluted loss per share (Sen)	(0.48)	(1.77)

10. Employee information

	Group		Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Staff costs comprises:				
Wages and salaries	6,406	5,819	3,558	2,975
Contribution to a statutory employees' provident fund	392	392	154	154
	6,798	6,211	3,712	3,129

The increase of Group wages and salaries in 2015 is due to an upward salary adjustment and bonus payment.

The statutory employees' provident fund is a defined contribution scheme funded by a government body in Malaysia.

10. Employee information (continued)

The average monthly number of employees employed by the Group during the year was as follows:

	Group		Company	
	2015 Number	2014 Number	2015 Number	2014 Number
Plantation	20	20	20	20
Tourism	121	130	-	-
Manufacturing	32	36	-	-
Property development and leasing	5	4	-	-
Investment	2	2	2	2
	180	192	22	22

11. Directors' emoluments

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Directors' fees & allowances	190	193	190	193
Highest paid Director	46	46	46	46

The above emoluments are made up as follows:

	Basic Salary & Fees (RM)	Meeting Allowances (RM)	Total 2015 (RM)	Total 2014 (RM)
Non-Executive Directors				
Dato' Adnan bin Maaruf	40,000	6,000	46,000	46,000
Datuk Kamaruddin bin Awang	30,000	8,250	38,250	38,250
Dato' Haji Muda bin Mohamed	30,000	7,000	37,000	37,000
Dato' Tik bin Mustaffa	30,000	5,750	35,750	37,000
Dr. Radzuan bin A. Rahman	30,000	3,000	33,000	34,500
	160,000	30,000	190,000	192,750

12. Property, plant and equipment

Group	Freehold lands	Prepaid land and land improvements	Buildings	Assets under construction	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost or valuation						
At 1 January 2014	430,879	3,565	50,749	-	12,130	497,323
Additions	958	-	178	1,054	847	3,037
Revaluations	1,000	-	-	-	-	1,000
Transfer to assets held for sale (note 19)	-	-	(31,034)	-	(522)	(31,556)
Transfer to investment property (note 13)	-	-	(100)	-	-	(100)
Disposals	-	-	-	-	(3,870)	(3,870)
Exchange differences	15	25	128	-	190	358
At 1 January 2015	432,852	3,590	19,921	1,054	8,775	466,192
Additions	-	-	1,342	3,675	629	5,646
Revaluations	16,742	-	-	-	-	16,742
Disposals	-		-	-	(10)	(10)
Exchange differences	29	49	255	-	378	711
At 31 December 2015	449,623	3,639	21,518	4,729	9,772	489,281
Accumulated depreciation						
At 1 January 2014	-	1,054	17,074	-	10,037	28,165
Charge for the year	-	51	981	-	616	1,648
Transfer to assets held for sale (note 19)	-	-	(1,840)	-	(62)	(1,902)
Transfer to investment property (note 13)	-	-	(28)	-	-	(28)
On disposals	-	-	-	-	(3,735)	(3,735)
Exchange differences	-	24	124	-	184	332
At 1 January 2015	-	1,129	16,311	-	7,040	24,480
Charge for the year	-	39	1,080	-	641	1,760
On disposals	-	-	-	-	(3)	(3)
Exchange differences	-	48	248	-	367	663
At 31 December 2015	-	1,216	17,639	-	8,045	26,900
Carrying amount						
At 31 December 2015	449,623	2,423	3,879	4,729	1,727	462,381
At 31 December 2014	432,852	2,461	3,610	1,054	1,735	441,712

12. Property, plant and equipment (continued)

Fair value measurement of the Group's and Company's freehold lands

The Group's freehold lands are stated at their revalued amounts, being the fair value at the date of revaluation. In order to establish the 31 December 2015 valuation of the Group's freehold lands, valuations were obtained.

The fair value measurement of the Group's freehold lands in Kajang and Bangi as at 31 December 2015 and 31 December 2014 were performed by Nilai Properties Consultants Sdn Bhd (V(1) 0065), an independent valuer not related to the Group, using the open market basis method. These lands are currently being used for the Group's plantation activities for growing of oil palm fresh fruit bunches. The Group has been given consent for the change of use of the lands. Further commentary on the Group's plans for its land is included in the Chairman's Statement.

In the opinion of the Directors, there is no indication of any significant difference between the carrying amount and market values of the other freehold lands of the Group at 31 December 2015.

The historical cost of the above freehold lands of the Group is RM107.242 million and of the Company is RM0.407 million. There are no restrictions on the title of the Group's property, plant and equipment.

The fair values of all the freehold lands of the Group and Company are classified as Level 2. There were no transfers between Levels 1 and 2 during the year.

Assets under construction

This represents 22 units of low cost terrace houses under construction at Dunedin estate, Mukim of Semenyih. The total contract sum is approximate RM4 million. The construction is almost completed pending the issuance of separate title which is expected to be obtained in second half of year 2016.

12. Property, plant and equipment (continued)

Company	Freehold lands RM'000	Buildings RM'000	Assets under construction RM'000	Others RM'000	Total RM'000
Cost or valuation					
At 1 January 2014	110,000	477	-	920	111,397
Additions	-	-	1,054	22	1,076
Disposals	-	-	-	(536)	(536)
At 1 January 2015	110,000	477	1,054	406	111,937
Additions	-	-	3,675	35	3,710
Revaluations	5,000	-	-	-	5,000
At 31 December 2015	115,000	477	4,729	441	120,647
Accumulated depreciation					
At 1 January 2014	-	477	-	879	1,356
Charge for the year	-	-	-	24	24
On disposals	-	-	-	(523)	(523)
At 1 January 2015	-	477	-	380	857
Charge for the year	-	-	-	16	16
At 31 December 2015	-	477	-	396	873
Carrying amount					
At 31 December 2015	115,000	-	4,729	45	119,774
At 31 December 2014	110,000	-	1,054	26	111,080

13. Investment Property

Group	31 December 2015 RM'000	31 December 2014 RM'000
Cost		
At 1 January	100	-
Transfer from property, plant & equipment	-	100
At 31 December	100	100
Accumulated depreciation		
At 1 January	28	-
Charge for the year	1	-
Transfer from property, plant & equipment	-	28
At 31 December	29	28
Carrying amount		
At 31 December	71	72

Included in investment property is apartment at Amber Tower Seri Mas Condominium, Cheras, Kuala Lumpur.

The investment property is valued at cost less accumulated depreciation. The fair value of the investment property is estimated at RM0.3 million.

14. Intangible assets

Computer software and corporate website creation

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Cost				
At 1 January	75	68	71	64
Additions	31	9	28	9
Disposals	-	(2)	-	(2)
At 31 December	106	75	99	71
Accumulated amortisation				
At 1 January	55	49	53	48
Amortisation for the year	16	8	14	7
On disposals	-	(2)	-	(2)
At 31 December	71	55	67	53
Carrying amount				
At 31 December	35	20	32	18

15. Investments in subsidiaries

	Company 2015 RM'000	Company 2014 RM'000
Cost		
Shares in subsidiary undertakings	6,338	6,338
Provision for impairment loss on investment in subsidiary	(5,338)	(5,338)
Loans to subsidiary undertakings	243,044	237,085
Allowance for doubtful debts	(6,969)	(6,969)
	237,075	231,116

The loans to subsidiary undertakings are interest free and have no fixed repayment terms.

The subsidiaries of the Group are as follows:

Name of company	Country of incorporation	Nature of business	Type of holding	Percentage of share capital held 2015 %	Percentage of share capital held 2014 %
Inch Kenneth Hotels & Resorts (M) Sdn Bhd	Malaysia	Investment holding	Ordinary shares	100	100
Perhentian Island Resort Sdn Bhd #	Malaysia	Operation of tourist resort	Ordinary shares	100	100
Inch Kenneth Development (M) Sdn Bhd	Malaysia	Property development and leasing	Ordinary shares	100	100
Inch Kenneth Trading (M) Sdn Bhd #	Malaysia	Dormant	Ordinary shares	100	100
IKK Property (M) Sdn Bhd#	Malaysia	Dormant	Ordinary shares	100	100
Inch Kenneth Plantations (M) Sdn Bhd	Malaysia	Dormant	Ordinary shares	100	100
Inch Kenneth Sea Sports Adventure (M) Sdn Bhd #	Malaysia	Dormant	Ordinary shares	100	100
IKK Rubber International (M) Sdn Bhd	Malaysia	Trading of rubber blocks	Ordinary Shares	100	100
Supara Company Limited #	Thailand	Manufacturing of rubber blocks	Ordinary Shares	100	100
Motel Desa Sdn Bhd #	Malaysia	Operation of a motel	Ordinary shares	100	100
Inch Kenneth Tours (M) Sdn Bhd #	Malaysia	Dormant	Ordinary shares	100	100

These subsidiaries are held indirectly by the Company.

16. Investment in associated undertaking

Group

The Group's investment in its associated undertaking represents a 22.40% (2014: 22.40%) interest in Concrete Engineering Products Berhad ("Cepco"), a public company incorporated in Malaysia. The principal activity of Cepco is the manufacture and distribution of prestressed spun concrete piles and poles. The Group's investment in Cepco is accounted for under the equity accounting method as follows:

	2015 RM'000	2014 RM'000
Shares		
At 1 January and 31 December	40,914	40,914
Share of retained profits		
At 1 January	10,843	12,013
Share of profit /(loss)	4,598	(1,170)
At 31 December	15,441	10,843
Share of dividend		
At 1 January	(1,104)	(1,104)
Share of dividend	-	-
At 31 December	(1,104)	(1,104)
Accumulated impairment		
At 1 January	(30,511)	(26,011)
Impairment charge	-	(4,500)
At 31 December	(30,511)	(30,511)
Carrying amount	24,740	20,142

The Group's share of the net assets of Cepco is as follow:	2015 RM'000	2014 RM'000
Share of assets		
Share of non-current assets	19,290	19,917
Share of current assets	31,243	21,195
	50,533	41,112
Share of liabilities		
Share of non-current liabilities	(2,338)	(2,122)
Share of current liabilities	(21,948)	(17,341)
	(24,286)	(19,463)
Share of net assets	26,247	21,649
Goodwill (net of impairment) arising on the acquisition of Cepco	(1,507)	(1,507)
Carrying value of Cepco	24,740	20,142

16. Investment in associated undertaking (continued)

Group (continued)

The Group's share of the results of Cepco is as follow:

	2015 RM'000	2014 RM'000
Share of revenue	52,186	37,616
Share of operating profit/(loss)	5,622	(286)
Share of finance costs	(712)	(641)
Share of taxation	(312)	(243)
Share of profit/(loss) which included in Group statement of profit or loss	4,598	(1,170)

Cepco's shares are quoted on the Bursa Securities and the market value of the Group's investment in Cepco at the end of reporting period was RM18.256 million (2014: RM18.056 million).

The financial year end for Cepco is 31 August while for the Group it is 31 December. In order to equity account for the associate as at 31 December the result from 1 September to 31 December is added to the results for the year ended 31 August 2015 while the results for the period in the prior year are deducted. Accordingly the accounting period used to equity account for Cepco is the same as the financial year for the Group.

Company

The movement in the Company's investment in Cepco is as follows:

	2015 RM'000	2014 RM'000
Cost		
At 1 January and 31 December	40,236	40,236
Accumulated impairment		
At 1 January	22,090	17,590
Impairment charge	-	4,500
	22,090	22,090
Carrying amount	18,146	18,146

17. Available-for-sale investments

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Quoted shares:				
At 1 January	57	61	20	19
Disposal of investments	-	(18)	-	(18)
Fair value adjustments	27	14	(7)	19
At 31 December	84	57	13	20

The above available-for-sale investments are stated at their fair values. The historical cost of the above investments of the Group is RM182,000 and of the Company is RM92,000.

18. Goodwill

Group

	2015 RM'000	2014 RM'000
At cost		
At 1 January and 31 December	4,573	4,573
Accumulated impairment		
At 1 January and 31 December	(4,502)	(4,502)
Carrying amount	71	71

The Group has tested goodwill for impairment in accordance with IAS 36. No provision for impairment has been recommended for the financial year ended 31 December 2015.

19. Assets held for sale

In December 2015, the Group's properties held under assets held for sale (a leasehold property with Lot No. 27327 and a freehold property with Lot No. 46010, both under Mukim Kuala Lumpur) were agreed to be part of the settlement of the leasehold industrial land acquired by the Group (see Note 21). The transfers were made at book value which is approximate the fair value of the assets.

20. Inventories

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Resort stores	62	57	-	-
Rubber blocks	1,493	3,353	-	-
	1,555	3,410	-	-

No harvested fresh fruit bunches are shown as inventory at the year end because they are all sold immediately after being harvested.

The amount stated at the estate and the resort is within the normal inventories level.

The cost of rubber block recognised as an expense include RM0.08 million (2014: RM0.925 million) in respect of write down of rubber block to net realisable value.

21. Trade and other receivables

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Trade receivables	381	220	10	9
Other receivables and prepayments	92,409	42,776	259	109
Corporation tax recoverable	1,030	1,030	1,030	1,030
	93,820	44,026	1,299	1,148

21. Trade and other receivables (continued)

Included in other receivables is an amount of approximate RM11.3 million (2014: RM8.19 million) as deposit for the proposed acquisition of land and building paid to a company where a key management personnel of the Group is a Director.

Also included in other receivables an amount of RM6.9 million (2014: RM5.9 million) related to consideration paid for land acquired in which the title has yet to be transferred to the Group.

On 21 December, as part of a settlement agreement signed, the Group acquired a leasehold industrial land with an area approximate 8.75 acres (Plot 64006 of Parent Lot PT 16708) in Mukim Petaling for the cost of approximate RM72 million included in other receivables above. This transaction is expected to be completed in second half of 2016.

At 31 December 2015 the trade and other receivables balances are mainly incurred during the normal course of business. The receivables outside their payment terms yet not provided for are as follows:

Within credit terms	87,747	15,679	10	9
Outside credit terms but not impaired:				
0-1 month	27	57	10	19
1-2 months	-	-	-	-
More than 2 months	5,016	27,260	249	90
	92,790	42,996	269	118

The directors are of the opinion that the receivables, both within and outside the credit terms, are creditworthy and there should be no issues on its recoverability.

22. Short term investments

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Investments on unit trusts with:				
Licensed investment banks	110,422	123,719	107,940	119,263

Unquoted unit trusts are measured at mark to market based on the net asset value at each reporting date. The time weighted rate of return of these investments at the reporting date were between 1.76% and 3.47% (2014: 2.50% to 3.41%).

23. Cash and cash equivalents

	Group		Company	
	2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Cash at bank	2,763	14,053	558	1,161
Cash in hand	66	56	1	2
Deposits with licensed banks	22,683	27,704	22,640	26,917
Investments with licensed banks	1,243	1,925	1,076	1,763
	26,755	43,738	24,275	29,843

23. Cash and cash equivalents (continued)

The effective interest rates of deposits at the reporting date were between 2.64% and 4.08% (2014: 1.5% to 3.25%). Included in deposits with licensed banks is the short term deposits totalling to RM27,588 (2014: RM24,278) which was pledged with commercial banks as collateral for issuing letters of guarantee.

The investments with licensed banks are qualified as a cash equivalent as they are readily convertible to a known amount of cash with an insignificant risk of changes in value.

24. Share capital

Group and Company

	2015 GBP'000	2014 GBP'000
Authorised		
1,000,000,000 ordinary shares of 10p each	100,000	100,000

	2015 RM'000	2014 RM'000	2015 GBP'000	2014 GBP'000
Allotted, called up and fully paid				
420,750,000 ordinary shares of 10p each	287,343	287,343	42,075	42,075

No ordinary shares were allotted during the year and the Company does not have any share options or share warrants in issue at 31 December 2015.

25. Treasury shares

Group and Company

	2015		2014	
	Number of shares	Amount RM	Number of shares	Amount RM
At 1 January and 31 December	17,540,800	15,979,529	17,540,800	15,979,529

The shareholders of the Company approved an ordinary resolution at the One Hundred and Fifth AGM held on 16 June 2015 for the Company to repurchase its own shares up to a maximum of 10% of the issued and paid-up capital of the Company ("Share Buy Back"). The Directors of the Company are committed to enhancing the value of the Company and believe that the purchase plan is being implemented in the best interest of the Company and its shareholders.

During the financial year, the Company did not repurchase any of its issued share capital. Pursuant to the provisions of Section 67A of the Companies Act, 1965 (the "Act"), the Company may either retain the repurchased shares as treasury shares or cancel the repurchased shares or a combination of both. The repurchased shares held as treasury shares may either be distributed as share dividends, resold on Bursa Securities in accordance with the relevant rules of Bursa Securities, subsequently cancelled or any combination of the three.

As treasury shares, the rights attached as to voting, dividends and participation in other distribution and otherwise are suspended and the treasury shares shall not be taken into account in calculating the number or percentage of shares or of a class of shares for any purposes including substantial shareholdings, takeovers, notices, the requisitioning of meetings, the quorum for a meeting and the result of a vote on a resolution at a meeting.

26. Trade and other payables

	Group		Company	
	2015 RM'000	**2014 RM'000**	**2015 RM'000**	**2014 RM'000**
Trade payables	211	102	8	22
Other payables	5,296	3,635	1,230	960
	5,507	3,737	1,238	982

The normal trade credit terms granted to the Group ranges from 7 to 90 days.

27. Employee entitlements

Group and Company	**Provision for employee entitlements RM'000**
At 1 January and 31 December 2015	15

28. Financial instruments

28.1 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may return capital to shareholders, issue new shares or sell assets to reduce debt. The Group is not subjected to any externally imposed capital requirement.

28.2 Classification of financial instruments

Financial assets and financial liabilities are measured on an ongoing basis either at fair value or at amortised cost. The principal accounting policies of the Group described how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognised, The following table analysed the financial assets and liabilities at the reporting date by the classes of financial instruments to which they are assigned, and therefore by the measurement basis.

Group

31 December 2015	**Loans and receivables RM'000**	**Available-for-sale investments RM'000**	**Financial liabilities at amortised cost RM'000**	**Total RM'000**
Financial Assets				
Available-for-sale investments	-	84	-	84
Trade and other receivables	93,820	-	-	93,820
Short term investments	-	110,422	-	110,422
Cash and cash equivalents	26,755	-	-	26,755
	120,575	110,506	-	231,081
Financial Liabilities				
Trade and other payables	-	-	5,507	5,507
	-	-	5,507	5,507

28. Financial instruments (continued)

28.2 Classification of financial instruments (continued)

Group

31 December 2014	Loans and receivables RM'000	Available-for-sale investments RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Financial Assets				
Available-for-sale investments	-	57	-	57
Trade and other receivables	44,026	-	-	44,026
Short term investments	-	123,719	-	123,719
Cash and cash equivalents	43,738	-	-	43,738
	87,764	123,776	-	211,540
Financial Liabilities				
Trade and other payables	-	-	3,737	3,737
	-	-	3,737	3,737

Company

31 December 2015	Loans and receivables RM'000	Available-for-sale investments RM'000	Financial liabilities at amortised cost RM'000	Total RM'000
Financial Assets				
Available-for-sale investments	-	13	-	13
Trade and other receivables	1,299	-	-	1,299
Short term investments	-	107,940	-	107,940
Cash and cash equivalents	24,275	-	-	24,275
	25,574	107,953	-	133,527
Financial Liabilities				
Trade and other payables	-	-	1,238	1,238
	-	-	1,238	1,238
31 December 2014				
Financial Assets				
Available-for-sale investments	-	20	-	20
Trade and other receivables	1,148	-	-	1,148
Short term investments	-	119,263	-	119,263
Cash and cash equivalents	29,843	-	-	29,843
	30,991	119,283	-	150,274
Financial Liabilities				
Trade and other payables	-	-	982	982
	-	-	982	982

28. Financial instruments (continued)

28.3 Financial risk management objectives and policies

The Group's principal financial instruments consist of cash, short-term deposits and short term investments. The main purpose of these financial instruments is to finance the Group's operations and investments. The Group has other financial instruments such as receivables and payables that arise directly from its operations.

The Directors recognise that financial risk management is an area in which they may need to develop specific policies should the Group become exposed to further financial risks as the business develops.

The main risks arising from the Group's financial instruments are credit risk and market risk which include foreign exchange rates and equity prices. The Board reviews and agrees policies for managing each of these risks as and when they arise. Currently, the Group does not expose to interest rate risk and liquidity risk.

Credit risk
The Group has adopted a policy of only dealing with recognised creditworthy third parties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group and the Company manages the exposures to credit risk by performing credit evaluations on all of their major customers requiring credit, and where appropriate, credit guarantee insurance is purchased. The Group's maximum exposure to credit risk is represented by the carrying amount of financial assets in the financial statements which amounts to RM231 million.

As the Group trades only with recognised creditworthy third parties, there is no requirement for collateral. The credit risk on liquid funds is limited because counterparties are banks with high credit ratings.

Foreign currency risk
The Group has some structural currency exposure as some of its investments and operations are in Thai Baht. Apart from the proceeds derived in Ringgit Malaysia, the Group also receives proceeds from rubber block sales in US Dollars. However the foreign currency risk is considered immaterial to the Group and the Company as a whole.

Market price risk
The Group is exposed to unquoted unit trusts market price and equity securities price risk, from the investments held by the Group and classified as short term investments and available-for-sale investments respectively.

Market price sensitivity analysis
The following table demonstrates the sensitivity to a reasonably possible change in market price, with all other variables held constant, of the Group's and the Company's profit before tax (through the impact on fair value through profit or loss).

	Group RM'000	Company RM'000
31 December 2015		
Investment in Malaysia		
Market price increase by 10 percentage point	14,219	13,710
Market price decrease by 10 percentage point	(14,219)	(13,710)
31 December 2014		
Investment in Malaysia		
Market price increase by 10 percentage point	13,550	13,046
Market price decrease by 10 percentage point	(13,550)	(13,046)

Hedges
The Group did not enter into any interest rate swaps or forward currency contracts to hedge against interest rate risk or foreign currency risk.

28. Financial instruments (continued)

28.4 Fair values measurements

The fair values of financial assets and financial liabilities of the Group and the Company approximates to their carrying amounts, as disclosed in the statement of financial position and related notes.

Fair value hierarchy

The Group's and the Company's financial instruments carried at fair value are analysed as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3: Inputs for the assets or liabilities that are not based on observable market date (unobservable inputs).

As at reporting date, the Group's and the Company's quoted other investments are classified as Level 1.

There were no material transfers between Level 1, Level 2 and Level 3 during the financial year. The Group and the Company do not have any financial instruments classified as Level 2 and Level 3 as at 31 December 2015.

29. Related party transactions

Transactions within the Group have been eliminated in the preparation of the financial information set out in this report and are not disclosed in this note. Balance and transaction with other related parties are either disclosed under the relevant notes or disclosed below.

Compensation of key management personnel of the Group

Key management personnel of the Group are defined as those persons having authority and responsibility for the planning, directing and controlling the activities of the Group, directly or indirectly. Key management of the Group are therefore considered to be the Directors and top management personnel of the Company. The following table summarises compensation paid to key personnel:

	Group and Company	
	2015	**2014**
	RM'000	**RM'000**
Short-term employment benefits	662	609

Further information about the remuneration of individual Directors is shown in note 11 and in the Corporate Governance Statement.

30. Control

The Company and Group are controlled by its shareholders. No one individual has overall control of the Company.

31. Prior year adjustments

Prior to 2014, available-for-sale investment was written down due to fair value adjustment. Subsequently, certain investment had fully impaired. The investment revaluation reserve relating to this investment of RM2.885 million should have been reclassified to profit and loss account. This adjustment is the effect of the correction of the error.

The adjustment to deferred tax liability arose from the revaluation of land which should have reflected the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover the carrying amount through sale after implementation of the Group business plan.

32. Commitments

Financial commitment

The Group and Company have the following future minimum lease obligations payable under operating leases:

	Land and buildings	
	2015	**2014**
	RM'000	**RM'000**
Group		
Operating leases which expire:		
Within one year	760	340
Between two and five years	517	-
	1,277	340
Company		
Operating leases which expire:		
Within one year	328	240
Between two and five years	219	-
	547	240

Operating lease payment represents rental payable by the Group and the Company for the use of office premise.

Capital commitment

	2015	**2014**
	RM'000	**RM'000**
Group		
Commitment for the construction of low cost houses in Dunedin estate	-	2,900
Acquisition of land in Sandakan	-	1,048
Renovation of resorts and motel rooms	243	-

33. Events after the balance sheet date

There were no material subsequent events since 31 December 2015 until 15 April 2016. The Directors proposed that a 2% interim dividend for the financial year ended 31 December 2015 be distributed to the shareholders during the year 2016. The interim dividend is under the single tier system of £0.002 per share, on 403,209,200 ordinary shares..

34. Realised and unrealised Profits

The breakdown of retained profits of the Group, pursuant to the format prescribed by Bursa Securities, is as follows:

	As at 31 Dec 2015 RM'000	**As at 31 Dec 2014 RM'000** *restated*
Total Retained Profits of the Company and its subsidiaries:		
- Realised	133,187	144,394
- Unrealised	90	(183)
	133,277	144,211
Total share of Retained Profits from associated company:		
- Realised	-	-
- Unrealised	(2,149)	(6,747)
	(2,149)	(6,747)
Less **:** Consolidation effects	(7,307)	(7,306)
Total Group Retained Profit	**123,821**	**130,158**