2. Summary of significant accounting policies (cont'd.)

2.3 Standards issued but not yet effective (cont'd.)

FRS 10 Consolidated Financial Statements

FRS 10 replaces part of FRS 127 Consolidated and Separate Financial Statements that deals with consolidated financial statements and IC Interpretation 112 Consolidation – Special Purpose Entities.

Under FRS 10, an investor controls an investee when (a) the investor has power over an investee, (b) the investor has exposure or rights to variable returns from its investment with the investee, and (c) the investor has ability to use its power over the investee to affect the amount of the investor's returns. Under FRS 127 Consolidated and Separate Financial Statements, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

FRS 10 includes detailed guidance to explain when an investor that owns less than 50 per cent of the voting shares in an investee has control over the investee. FRS10 requires the investor to take into account all relevant facts and circumstances particularly the size of the investor's holdings of voting rights relative to the size and dispersion of holdings of the other vote holders.

FRS 11 Joint Arrangements

FRS 11 replaces FRS 131 Interests in Joint Ventures and IC Interpretation 113 Jointly Controlled Entities - Non- monetary Contributions by Venturers.

The classification of joint arrangements under FRS 11 is determined based on the rights and obligations of the parties to the joint arrangements by considering the structure, the legal form, the contractual terms agreed by the parties to the arrangement and when relevant, other facts and circumstances. Under FRS 11, joint arrangements are classified as either joint operations or joint ventures.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

FRS 11 removes the option to account for jointly controlled entities ("JCE") using proportionate consolidation. Instead, JCE that meet the definition of a joint venture must be accounted for using the equity method.

FRS 11 has been applied in accordance with the relevant transitional provisions set out in FRS 11. The initial investment as at 1 January 2012 for the purposes of applying the equity method is measured as the aggregate of the carrying amounts of the assets and liabilities that the Economic Entity had previously proportionately consolidated.

FRS 12 Disclosure of Interests in Other Entities

FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

FRS 13 Fair Value Measurement

FRS 13 establishes a single source of guidance under FRS for all fair value measurements. FRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS when fair value is required or permitted. The Group and the Company are currently assessing the impact of adoption of FRS 13.

2. Summary of significant accounting policies (cont'd.)

2.3 Standards issued but not yet effective (cont'd.)

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (Transitioning Entities).

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework and continue to use the existing Financial Reporting Standards (FRS) Framework. The adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2015.

The Group and the Company fall within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in their first MFRS financial statements for the year ending 31 August 2016. In presenting their first MFRS financial statements, the Group and the Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group and the Company have commenced transitioning their accounting policies and financial reporting from the current Financial Reporting Standards to MFRS Framework. At the date of these financial statements, the Group and the Company have not completed their quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework due to the ongoing assessment. Accordingly, the financial performance and financial position as disclosed in these financial statements for the year ended 31 August 2013 could be different if prepared under the MFRS Framework.

The Group and the Company consider that they are achieving their scheduled milestones and expect to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 August 2016.

2.4 Subsidiary

Subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investment in subsidiary is stated at cost less impairment losses.

On derecognition of such investment, the difference between the carrying amount and the sum of the consideration received is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd.)

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at the reporting date. The financial statements of the subsidiary used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions are eliminated.

Acquisition of subsidiary is accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

In business combinations achieved in stages, previously held equity interests in the acquiree are re-measured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any) is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree net identifiable assets.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill in the statement of financial position.

Subsidiary is consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

2.6 Associates

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using equity method. Under the equity method, the investments in associates are measured in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the associate's identifiable assets, liabilities and contingent liabilities over the cost of the investment is excluded from the carrying amount of the investment and is instead included as income in the determination of the Group's share of the associate's profit or loss for the period in which the investment is acquired.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairments as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with that of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in profit or loss.

2. Summary of significant accounting policies (cont'd.)

2.7 Jointly controlled entity

The Group has an interest in a joint venture which is a jointly controlled entity. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest.

Investment in jointly controlled entity is accounted for in the Group's financial statements using the equity method of accounting as described in Note 2.6.

In the Company's separate financial statements, investment in jointly controlled entity is stated at cost less impairment losses.

On disposal of the investment, the difference between net disposal proceeds and its carrying amount is included in profit or loss.

2.8 Revenue recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

(a) Sale of goods

Revenue from sale of goods is recognised upon the transfer of significant risks and rewards of ownership of the goods to the customers. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(b) Interest income

Interest income is recognised using the effective interest method.

(c) Dividend income

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

2.9 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment except for freehold land and a leasehold land are measured at cost less accumulated depreciation and accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs are recognised in profit or loss as incurred.

Freehold land and a leasehold land are measured at fair value less accumulated impairment losses and accumulated depreciation. Fair value is determined from market-based evidence by appraisal that is undertaken by accredited independent valuer.

2. Summary of significant accounting policies (cont'd.)

2.9 Property, plant and equipment and depreciation (cont'd.)

The freehold land and a leasehold land have not been revalued since their revaluation in 1983. The directors have not adopted a policy of regular revaluations of such land. In accordance with the transitional provisions issued by MASB on adoption of FRS 116 Property, Plant and Equipment, the valuation of these assets has not been updated, and they continue to be stated at their existing carrying amounts less accumulated depreciation and any accumulated impairment losses. Any revaluation surplus is recognised in other comprehensive income and accumulated in equity under the asset revaluation reserve, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except to the extent that it offsets an existing surplus on the same asset carried in the asset revaluation reserve.

Any accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. The revaluation surplus included in the asset revaluation reserve in respect of an asset is transferred directly to retained earnings on retirement or disposal of the asset.

Freehold land has an unlimited useful life and therefore is not depreciated. Capital-work-in-progress are not depreciated as these assets are not yet available for use. Depreciation of other property, plant and equipment is computed on a straight-line basis over the estimated useful lives of the assets as follows:

Leasehold land	86 and 99 years
Buildings	10 to 50 years
Motor vehicles	5 years
Plant and machinery, estate equipment, office equipment and furniture and fittings	10 to 20 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

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

2.10 Biological assets

This represents plantation development expenditure consisting of cost incurred on land clearing and upkeep of oil palms which are initially recorded at cost and are not amortised. Subsequent to recognition, plantation development expenditure is stated at valuation or cost less any accumulated impairment losses.

These assets which are stated at valuation were revalued by accredited independent valuers in 1983 based on their open market value on existing use basis. The surplus or deficit arising from the revaluation was transferred to the asset revaluation reserve as described in Note 24(a).

The directors have not adopted a policy of regular revaluations of such biological assets. In accordance with the transitional provisions issued by MASB on adoption of FRS 116 Property, Plant and Equipment, the valuation of these assets has not been updated, and they continue to be stated at their existing carrying amounts less any accumulated impairment losses.

2. Summary of significant accounting policies (cont'd.)

2.11 Replanting expenses

Replanting expenses incurred in the financial year is recognised in profit or loss. Replanting expenses represent the total cost incurred from land clearing to the point of harvesting.

2.12 Inventories

Inventories of oil palm produce and estate stores are stated at the lower of cost (determined on a weighted average basis) and net realisable value. Cost of inventories of oil palm produce includes, where appropriate, the cost of direct materials, direct labour and appropriate production overheads. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

2.13 Foreign currencies

(a) Functional and presentation currency

The individual financial statements of each entity within the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Group's financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

(b) Foreign currency transactions

Transactions in foreign currencies are measured in the functional currency of the Company and is recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss for the period except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(c) Foreign operations

The assets and liabilities of foreign operations are translated into RM at the rate of exchange ruling at the reporting date and income and expenses are translated at exchange rates at the dates of the transactions. The exchange differences arising on the translation are taken directly to other comprehensive income. On disposal of a foreign operation, the cumulative amount recognised in other comprehensive income and accumulated in equity under foreign currency reserve relating to that particular foreign operation is recognised in the profit or loss.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated at the closing rate at the reporting date.

2. Summary of significant accounting policies (cont'd.)

2.14 Employee benefits

(a) Short term benefits

Wages, salaries, commission, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(b) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Malaysian company in the Group make contributions to the Employees Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.15 Income taxes

(a) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiary, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

2. Summary of significant accounting policies (cont'd.)

2.15 Income taxes (cont'd.)

(b) Deferred tax (cont'd.)

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiary, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.16 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as finance cost.

2. Summary of significant accounting policies (cont'd.)

2.17 Impairment of non-financial 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 an annual impairment assessment 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 fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units ("CGU")).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment losses are recognised in profit or loss except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimate used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase. Impairment loss on goodwill is not reversed in a subsequent period.

2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and demand deposits that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

2.19 Financial assets

Financial assets are recognised in the statements of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

The Group and the Company determine the classification of their financial assets at initial recognition, and the categories include financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets.

2. Summary of significant accounting policies (cont'd.)

2.19 Financial assets (cont'd.)

(a) Financial assets at fair value through profit or loss

Financial assets are classified as financial assets at fair value through profit or loss if they are held for trading or are designated as such upon initial recognition.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value are recognised in profit or loss. Net gains or losses on financial assets at fair value through profit or loss do not include exchange differences, interest and dividend income. Exchange differences, interest and dividend income on financial assets at fair value thorough profit or loss are recognised separately in profit or loss as part of other losses or other income.

Financial assets at fair value through profit or loss could be presented as current or non-current. Financial assets that is held primarily for trading purposes are presented as current whereas financial assets that is not held primarily for trading purposes are presented as current or non-current based on settlement date.

The Group and the Company have not designated any financial assets at fair value through profit or loss.

(b) Loans and receivables

Financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables.

Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables are classified as current assets, except for those having maturity dates later than twelve months after the reporting date which are classified as non-current.

The Group and the Company have designated their cash and bank balances and receivables as loans and receivables as summarised in Note 19 to financial statements.

(c) Held-to-maturity

Financial assets with fixed or determinable payments and fixed maturity are classified as held-to-maturity when the Group has the positive intention and ability to hold the investment to maturity.

Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the held-to-maturity investments are derecognised or impaired, and through the amortisation process.

Held-to-maturity investments are classified as non-current assets, except for those having maturity within twelve months after the reporting date which are classified as current.

The Group and the Company have not designated any financial assets as held-to-maturity.

2. Summary of significant accounting policies (cont'd.)

2.19 Financial assets (cont'd.)

(d) Available-for-sale financial assets

Available-for-sale financial assets are financial assets that are designated as available for sale or are not classified in any of the three preceding categories.

After initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised. Interest income calculated using the effective interest method is recognised in profit or loss. Dividends on an available-for-sale equity instrument are recognised in profit or loss when the Group's and the Company's right to receive payment is established.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Available-for-sale financial assets are classified as non-current assets unless they are expected to be realised within twelve months after the reporting date.

The Group and the Company have classified its investment in securities under available-for-sale financial assets.

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned. All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e. the date the Group and the Company commit to purchase or sell the asset.

2.20 Impairment of financial assets

The Group and the Company assess at each reporting date whether there is any objective evidence that a financial asset is impaired.

(a) Trade and other receivables carried at amortised cost

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group and the Company consider factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments. For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis based on similar risk characteristics. Objective evidence of impairment for a portfolio of receivables could include the Group's and the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period and observable changes in national or local economic conditions that correlate with default on receivables.

If any such evidence exists, the amount of impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The impairment loss is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd.)

2.20 Impairment of financial assets (cont'd.)

(a) Trade and other receivables carried at amortised cost (cont'd.)

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable becomes uncollectible, it is written off against the allowance account.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

(b) Unquoted equity security carried at cost

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(c) Available-for-sale financial assets

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impaired loss previously recognised in profit or loss, is transferred from equity to profit or loss.

Impairment losses on available-for-sale equity instruments are not reversed in profit or loss in the subsequent periods. Increase in fair value, if any, subsequent to impairment loss is recognised in other comprehensive income. For available-for-sale debt investments, impairment losses are subsequently reversed in profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss in profit or loss.

2.21 Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability.

Financial liabilities, within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Group and the Company become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

2. **Summary of significant accounting policies (cont'd.)**

2.21 Financial liabilities (cont'd.)

(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities held for trading include derivatives entered into by the Group and the Company that do not meet the hedge accounting criteria. Derivative liabilities are initially measured at fair value and subsequently stated at fair value, with any resultant gains or losses recognised in profit or loss. Net gains or losses on derivatives include exchange differences.

The Group and the Company have not designated any financial liabilities as at fair value through profit or loss.

(b) Other financial liabilities

The Group's and the Company's financial liabilities include trade payables and other payables. All financial liabilities of the Group and the Company are classified as other financial liabilities.

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.22 Leases

Finance leases, which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Leased payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Leased assets are depreciated over the estimated useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life and the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.23 Segment reporting

The principal activities of the Group are the cultivation of oil palms, production and sale of fresh fruit bunches, crude palm oil and palm kernel and is wholly carried out in Malaysia. The management of the Company regularly reviews the segment performance. Additional disclosures on each of the segment is shown in Note 27, including the factors used to identify the reportable segments and the measurement basis of segment information.

2. Summary of significant accounting policies (cont'd.)

2.24 Share capital and share issuance expenses

An equity instrument is any contract that evidences a residual interest in the assets of the Group and the Company after deducting all of its liabilities. Ordinary shares are equity instruments.

Ordinary shares are recorded at the proceeds received, net of directly attributable incremental transaction costs. Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2.25 Significant accounting estimates and judgements

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future.

(a) Impairment of investment in associate

The Group determines at each reporting date whether there is any objective evidence that the investment in associate is impaired.

Since the previous financial year, the unrest in the surrounding villages located in the vicinity of the plantations in Lampung Province, Indonesia as mentioned in Note 2.25(b) has caused the suspension of routine harvesting of fresh fruit bunches. Appropriate actions are being taken by the management of the associate together with the relevant authorities and law enforcement agencies to resume the harvesting activities. The associate has also maintained its existing staff force to enable it to resume normal operations which is pending clearance by the relevant authorities. Due to the measures above, the directors are of the opinion that impairment is not necessary at this juncture.

(b) Share of losses from an associate

Since the previous financial year, the associate engaged in oil palm plantation located in Lampung Province, Indonesia encountered a suspension in routine harvesting due to unrest in the surrounding villages located in the vicinity of the plantations. Certain inventories and estates properties, excluding biological assets, were damaged during the disturbances. It was estimated that an amount of RM501,882 (2012: RM906,732) representing the Group's share of the carrying amount of identifiable assets which were damaged during the disturbances. This amount has been recognised and included in share of results of associates in the income statement.

(c) Impairment of investment in a jointly controlled entity

The Group determines at each reporting date whether there is any objective evidence that the investment in jointly controlled entity is impaired.

Harvesting of young matured palms of the jointly controlled entity's joint venture engaged in oil palm plantation in Indonesia has been delayed due to unrest in the villages nearby the estate as mentioned in Note 2.25 (b). Commencement of harvesting is pending clearance by the relevant authorities. The joint ventures has maintained its existing staff force to enable it to commence harvesting which is pending clearance by the relevant authorities. As such, the directors are of the opinion that impairment is not necessary at this juncture.

3. Revenue and cost of sales

Revenue of the Group and of the Company represents the invoiced value of sales of crude palm oil, palm kernel and fresh fruit bunches. The cost of sales in relation to the Group's and the Company's invoiced value of sales consists of cost of cultivation, raw materials, labour and overheads.

4. Dividend income

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Dividend income from:				
A subsidiary	-	-	3,000,000	-
Available-for-sale investment securities				
- Securities quoted in Malaysia	458,920	624,702	458,920	624,702
- Securities quoted outside Malaysia	1,689,960	1,434,229	1,689,960	1,434,229
	2,148,880	2,058,931	5,148,880	2,058,931

5. Other income

	Group and Company	
	2013	2012
	RM	RM
Gain on sale of property, plant and equipment	33,310	66,795
Net fair value gain on available-for-sale investment securities (transferred from equity upon disposal)	87,852	1,458,127
Rental	10,238	11,460
Unrealised gain on foreign exchange	1,503,891	144,909
Miscellaneous	485,404	270,727
	2,120,695	1,952,018

6. Profit before tax

The following items have been included in arriving at profit before tax:

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Auditors' remuneration				
- statutory audit	64,500	64,500	63,000	63,000
- other services	20,000	14,000	20,000	14,000
Depreciation of property, plant and equipment (Note 12)	1,955,662	1,559,699	1,955,662	1,559,699
Non-executive directors' remuneration (Note 7)	448,000	448,500	448,000	448,500
Employee benefits expense (Note 8)	16,562,435	13,263,039	16,562,435	13,263,039
Property, plant and equipment written off	57,225	158,303	57,225	158,303

7. Directors' remuneration

	Group and Company	
	2013	2012
	RM	RM
Directors of the Company		
Executive directors:		
Fees	134,000	134,000
Salaries	1,080,000	985,600
Commission	730,689	1,086,500
Other emoluments	45,000	58,000
	1,989,689	2,264,100
Non-executive directors (Note 6):		
Fees	301,000	301,000
Other emoluments	147,000	147,500
	448,000	448,500
	2,437,689	2,712,600

The number of directors of the Company whose total remuneration during the financial year fall within the following bands are:

	Number of Directors	
	2013	2012
Executive directors:		
RM400,001 – RM450,000	2	-
RM450,001 – RM500,000	1	2
RM500,001 – RM550,000	-	1
RM550,001 – RM600,000	-	-
RM600,001 – RM650,000	-	-
RM650,001 – RM700,000	1	-
RM700,001 – RM750,000	-	-
RM750,001 – RM800,000	-	1
	4	4
Non-executive directors:		
RM50,000 and below	1	1
RM50,001 – RM100,000	6	6
	7	7
	11	11

8. Employee benefits expense

	Group and Company 2013 RM	Group and Company 2012 RM
Wages and salaries	11,987,729	10,443,577
Social security contributions	57,393	46,103
Employees Provident Fund	757,176	622,754
Other staff related expenses	3,760,137	2,150,605
	16,562,435	13,263,039

Included in employee benefits expense of the Group and of the Company are executive directors' remuneration amounting to RM1,989,689 (2012: RM2,264,100) as further disclosed in Note 7 to the financial statements.

9. Income tax expense

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Current income tax:				
Malaysian income tax	9,509,263	15,880,870	9,490,211	15,880,388
(Over)/under provision in respect of previous years	(143,617)	9,322	(143,617)	9,322
	9,365,646	15,890,192	9,346,594	15,889,710
Deferred income tax (Note 26):				
Origination and reversal of temporary differences	5,302	(119,234)	5,302	(119,234)
Under/(over) provision in respect of previous years	148,537	(46,588)	148,537	(46,588)
	153,839	(165,822)	153,839	(165,822)
Income tax expense recognised in profit or loss	9,519,485	15,724,370	9,500,433	15,723,888

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2012: 25%) of the estimated assessable profit for the year.

The reconciliation between income tax expense and the product of accounting profit multiplied by the applicable corporate tax rate for the years ended 31 August 2013 and 31 August 2012 are as follows:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Profit before tax, representing accounting profit before tax	34,430,434	68,399,504	44,284,205	65,915,365
Tax at Malaysian statutory rate of 25%	8,607,609	17,099,876	11,071,051	16,478,841
Adjustments:				
Income not subject to tax	(1,055,834)	(911,373)	(1,805,834)	(911,373)
Non-deductible expenses	170,618	194,637	169,782	193,686
Share of results of associates and a jointly controlled entity	1,731,658	(621,504)	-	-
Under/(over) provision of deferred tax in respect of previous years	148,537	(46,588)	148,537	(46,588)
(Over)/under provision of income tax in respect of previous years	(143,617)	9,322	(143,617)	9,322
Income tax expense recognised in profit or loss	9,458,971	15,724,370	9,439,919	15,723,888

10. Earnings per stock unit

Basic earnings per stock unit amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the Company by the weighted average number of ordinary stock units outstanding during the financial year.

	Group	
	2013	2012
	RM	RM
Profit attributable to owners of the Company used in the computation of basic and diluted earnings per stock unit	24,910,949	52,675,134
	Number of ordinary stock units	
	2013	2012
Weighted average number of ordinary stock units for basic and diluted earnings per stock unit computation	91,363,250	91,363,250

The respective profit attributable to owners of the Company used in the computation of basic and diluted earnings per stock unit and the weighted average number of ordinary stock units for basic and diluted earnings per stock unit is similar as there is no potential dilutive ordinary stock units outstanding as at end of the financial years.

11. Dividends

	Dividends in respect of year		Dividends recognised in year	
	2013	2012	2013	2012
	RM	RM	RM	RM
First interim dividend of 16% less 25% taxation, on 91,363,250 ordinary stock units, declared on 16 December 2011 and paid on 17 January 2012 (12.00 sen net per ordinary stock unit)	-	10,963,590	-	10,963,590
Second interim dividend of 24% less 25% taxation, on 91,363,250 ordinary stock units, declared on 30 July 2012 and paid on 30 August 2012 (18.00 sen net per ordinary stock unit)	-	16,445,385	-	16,445,385
First interim dividend of 13% less 25% taxation, on 91,363,250 ordinary stock units, declared on 19 December 2012 and paid on 30 January 2013 (9.75 sen net per ordinary stock unit)	8,907,916	-	8,907,916	-
Second interim dividend of 13% less 25% taxation, on 91,363,250 ordinary stock units, declared on 31 July 2013 and paid on 30 August 2013 (9.75 sen net per ordinary stock unit)	8,907,916	-	8,907,916	-
	17,815,832	27,408,975	17,815,832	27,408,975

12. Property, plant and equipment

	<------- At valuation -------->		<------------------------- At cost					------------------------->
Group and Company	**Freehold land RM**	**Leasehold land RM**	**Leasehold land RM**	**Buildings RM**	**Motor vehicles RM**	**Office and estate equipment and furniture and fittings RM**	**Plant and machinery RM**	**Capital work-in-progress RM**	**Total RM**
Valuation or cost									
At 1 September 2011	11,219,413	15,061,900	12,570,431	16,629,060	6,129,835	1,927,019	14,955,715	837,666	79,331,039
Additions	-	-	-	200,022	1,851,885	143,540	725,854	-	2,921,301
Disposal	-	-	-	-	(423,541)	(4,500)	(3,500)	-	(431,541)
Write off	-	-	-	-	(160,639)	(1,280)	-	-	(161,919)
Transfer	-	-	-	837,666	-	-	-	(837,666)	-
At 31 August 2012	11,219,413	15,061,900	12,570,431	17,666,748	7,397,540	2,064,779	15,678,069	-	81,658,880
At 1 September 2012	11,219,413	15,061,900	12,570,431	17,666,748	7,397,540	2,064,779	15,678,069	-	81,658,880
Additions	-	-	-	49,238	2,866,606	49,836	135,660	68,616	3,169,956
Disposal	-	-	-	-	(60,221)	-	-	-	(60,221)
Write off	-	-	-	-	(178,856)	(2,883)	-	-	(181,739)
At 31 August 2013	11,219,413	15,061,900	12,570,431	17,715,986	10,025,069	2,111,732	15,813,729	68,616	84,586,876

12. Property, plant and equipment (cont'd.)

Group and Company	<------- At valuation -------->		<------------------ At cost					------------------>
	Freehold land RM	Leasehold land RM	Leasehold land RM	Buildings RM	Motor vehicles RM	Office and estate equipment and furniture and fittings RM	Plant and machinery RM	Capital work-in-progress RM	Total RM
Accumulated depreciation									
At 1 September 2011	-	4,654,000	1,687,040	12,615,705	3,966,554	1,272,539	14,576,447	-	38,772,285
Charge for the year	-	232,700	84,352	392,471	642,775	105,778	101,623	-	1,559,699
Disposal	-	-	-	-	(108,286)	(2,850)	(3,500)	-	(114,636)
Write off	-	-	-	-	(2,677)	(939)	-	-	(3,616)
At 31 August 2012	-	4,886,700	1,771,392	13,008,176	4,498,366	1,374,528	14,674,570	-	40,213,732
At 1 September 2012	-	4,886,700	1,771,392	13,008,176	4,498,366	1,374,528	14,674,570	-	40,213,732
Charge for the year	-	232,700	84,352	393,858	968,131	111,434	165,187	-	1,955,662
Disposal	-	-	-	-	(60,221)	-	-	-	(60,221)
Write off	-	-	-	-	(122,725)	(1,789)	-	-	(124,514)
At 31 August 2013	-	5,119,400	1,855,744	13,402,034	5,283,551	1,484,173	14,839,757	-	41,984,659
Net carrying amount									
At 31 August 2012	11,219,413	10,175,200	10,799,039	4,658,572	2,899,174	690,251	1,003,499	-	41,445,148
At 31 August 2013	11,219,413	9,942,500	10,714,687	4,313,952	4,741,518	627,559	973,972	68,616	42,602,217

12. Property, plant and equipment (cont'd.)

(a) Freehold and leasehold land were revalued in Year 1983 based on valuations performed by accredited independent valuer. The valuations were determined by reference to open market value on existing use basis.

Had the revalued freehold and leasehold land been carried at historical cost, the net book value that would have been included in the financial statements as at 31 August 2013 would be RM7,201,144 (2012: RM7,201,144) and RM10,188,738 (2012: RM10,355,766) respectively.

(b) Included in the above property, plant and equipment are fully depreciated assets of the Group and of the Company costing RM27,691,439 (2012: RM27,035,157) which are still in use.

13. Biological assets

	Group and Company	
	2013	**2012**
	RM	**RM**
At Valuation	55,467,341	55,467,341
At Cost	18,757,305	18,757,305
	74,224,646	74,224,646

The biological assets which are carried at valuation were revalued in Year 1983 based on valuation performed by accredited independent valuer. The valuations were determined by reference to open market value on existing use basis.

The carrying amount of the biological assets which are carried at valuation had these biological assets been carried at cost has not been disclosed as such information and records relating to the periods prior to the previous revaluation in Year 1983 are no longer available.

14. Investment in a subsidiary

	Company	
	2013	**2012**
	RM	**RM**
Unquoted shares, at cost	48,100,000	48,100,000

Details of the subsidiary which is incorporated in Malaysia are as follows:

	Proportion of ownership interest (%)		
Name of subsidiary	**2013**	**2012**	**Principal activity**
Double Alliance Sdn. Bhd.	100	100	Investment holding

15. Investments in associates

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Unquoted shares, at cost	162,000,000	162,000,000	114,000,000	114,000,000
Share of post acquisition reserves	56,376,740	65,609,543	-	-
Currency translation differences	(25,978,673)	(19,919,358)	-	-
	192,398,067	207,690,185	114,000,000	114,000,000

Details of the associates which are incorporated in Malaysia with 31 December year end are as follows:

Names of associates	Proportion of ownership interest and voting power (%) 2013	2012	Principal activities
Sin Thye Management Sdn Bhd	50	50	Provision of management and advisory services and acting as an insurance agent
West Synergy Sdn Bhd	40	40	Property development and investment
Global Formation (M) Sdn Bhd	50	50	Investment holding

The summarised financial information of the associates, not adjusted for the proportion of ownership interest held by the Group, is follows:

	2013	2012
	RM	RM
Assets and liabilities		
Current assets	204,503,879	233,552,901
Non-current assets	281,226,204	282,834,519
Total assets	485,730,083	516,387,420
Current liabilities	43,424,084	34,573,806
Non-current liabilities	13,817,302	6,290,526
Total liabilities	57,241,386	40,864,332
Results		
Revenue	90,472,992	114,511,397
(Loss)/profit for the year	(11,110,911)	18,125,955

16. Investment in a jointly controlled entity

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Unquoted shares, at cost	27,585,200	27,585,200	27,585,200	27,585,200
Share of post acquisition reserve	(6,900,834)	(5,610,867)	-	-
Currency translation differences	(1,150,429)	(1,299,229)	-	-
	19,533,937	20,675,104	27,585,200	27,585,200

Details of the jointly controlled entity is as follows:

Name of jointly controlled entity	Proportion of ownership interest and voting power (%) 2013	2012	Principal activity
Chin Thye Investment Pte Ltd *	40	40	Investment holding

* Incorporated in the Republic of Singapore with 31 December year end
Audited by an affiliate of Ernst & Young

The Group's aggregate share of current assets, non-current assets, current liabilities, income and expenses of the jointly controlled entity is as follows:

	2013 RM	2012 RM
Assets and liabilities		
Current assets	8,891,024	10,549,059
Non-current assets	11,404,078	10,158,479
Total assets	20,295,102	20,707,538
Current liabilities, representing total liabilities	761,165	32,434
Results		
Other income	56,266	299,464
Expenses	1,346,233	1,281,915
Loss for the year	(1,289,967)	(982,451)

17. Investment securities

	2013 Carrying amount RM	2013 Market value of quoted investments RM	2012 Carrying amount RM	2012 Market value of quoted investments RM
Group and Company				
Available-for-sale financial assets				
Securities quoted In Malaysia	13,477,217	13,477,217	12,046,406	12,046,406
Securities quoted outside Malaysia	54,467,594	54,467,594	41,918,764	41,918,764
Total quoted investment securities	67,944,811	67,944,811	53,965,170	53,965,170
Unquoted equity securities	4,771,010	-	4,771,010	-
Total investment securities	72,715,821	67,944,811	58,736,180	53,965,170

18. Inventories

	Group and Company 2013 RM	2012 RM
At cost:		
Oil palm produce	1,231,201	987,036
Estate stores	1,591,965	1,689,211
	2,823,166	2,676,247

The amount of inventories recognised as an expense during the financial year in the income statements was RM20,114,825 (2012: RM15,662,230).

19. Receivables

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Trade receivables				
Third parties	8,427,721	6,818,386	8,427,721	6,818,386
Other receivables				
Deposits, prepayment and sundry receivables	926,392	979,505	925,413	979,382
Total trade and other receivables	9,354,113	7,797,891	9,353,134	7,797,768
Add: Cash and bank balances (Note 21)	223,554,996	215,646,709	222,835,350	215,568,765
Less: Prepayment	(335,097)	(353,652)	(335,097)	(353,652)
Total loans and receivables	232,574,012	223,090,948	231,853,387	223,012,881

Trade receivables are non-interest bearing and are generally on 30-day (2012: 30-day) terms. Other credit terms are assessed and approved on a case-by-case basis. Trade receivables are recognised at their original invoice amounts which represent their fair values on initial recognition.

Ageing analysis of trade receivables

The ageing analysis of the Group's trade receivables is as follows:

	Group 2013 RM	Group 2012 RM
Neither past due nor impaired	8,427,721	6,818,386

Receivables that are neither past due nor impaired

Trade receivables that are neither past due nor impaired are creditworthy debtors with good payment records with the Group. The Group's trade receivables arise from customers with more than ten years of experience with the Group and losses have occurred infrequently.

None of the Group's trade receivables of RM8,427,721 (2012: RM6,818,386) that are neither past due nor impaired have been renegotiated during the financial year.

Other information on financial risks of receivables are disclosed in Note 31.

20. Due from a subsidiary

	Company 2013 RM	Company 2012 RM
At 1 September 2012/2011	13,329	13,329
Payment	(13,329)	-
At 31 August 2013/2012	-	13,329

The amount due from a subsidiary is non-trade in nature, unsecured, interest free and payable on demand.

21. Cash and bank balances

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Cash on hand and at banks	10,250,897	9,132,506	10,101,251	9,124,562
Deposits with:				
Licensed banks	181,059,649	175,524,353	180,489,649	175,454,353
Other financial institutions	32,244,450	30,989,850	32,244,450	30,989,850
	213,304,099	206,514,203	212,734,099	206,444,203
Cash and bank balances	223,554,996	215,646,709	222,835,350	215,568,765

Deposits are made for varying periods of between 1 day and 365 days depending on the immediate cash requirements of the Group and of the Company, and earn interests at the respective short-term deposit rates. The weighted average effective interest rate as at 31 August 2013 for the Group and the Company was 2.57% (2012: 2.56%) per annum.

Included in deposits with licensed banks are deposits pledged to banks for bank guarantee facilities provided to the Group and the Company amounting to RM1,137,016 (2012: RM1,104,352). The deposits with other financial institutions relate to placements with foreign banks.

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

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Cash and bank balances	223,554,996	215,646,709	222,835,350	215,568,765
Less: Deposits pledged for banks guarantee facilities	(1,137,016)	(1,104,352)	(1,137,016)	(1,104,352)
Cash and cash equivalents	222,417,980	214,542,357	221,698,334	214,464,413

22. Payables

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Trade payables				
Third parties	1,970,939	1,725,742	1,970,939	1,725,742
A person connected with certain directors and a substantial shareholder	-	47,250	-	47,250
	1,970,939	1,772,992	1,970,939	1,772,992
Other payables				
Accruals and sundry payables				
Third parties	6,075,245	5,088,007	6,073,655	5,086,417
An associate	11,361	11,506	11,361	11,506
	6,086,606	5,099,513	6,085,016	5,097,923
Total payables	8,057,545	6,872,505	8,055,955	6,870,915

(a) Trade payables

Trade payables are non-interest bearing and are normally settled on 30 to 90-day (2012: 30 to 90-day) terms.

(b) Other payables

Other payables are non-interest bearing and are normally settled on an average term of three to six months (2012: average term of three to six months).

(c) Amounts due to related parties

The amounts due to a person connected with certain directors and a substantial shareholder and an associate are unsecured, non-interest bearing and are normally settled on 30 to 90-day (2012: 30 to 90-day) terms.

Further details on related party transactions are disclosed in Note 31.

23. Share capital and share premium

	Group and Company: Number of ordinary shares of RM1 each 2013	2012	Amount 2013 RM	Amount 2012 RM
Authorised share capital				
At 1 September 2012/2011 and 31 August 2013/2012	150,000,000	150,000,000	150,000,000	150,000,000

	Group and Company: Number of ordinary stock units of RM1 each	Amount: Share capital RM	Amount: Share premium RM
Issued and fully paid			
At 1 September 2012/2011 and 31 August 2013/2012	91,363,250	91,363,250	19,654,027

The holders of ordinary stock units are entitled to receive dividends as declared from time to time and are entitled to one vote per stock unit at meetings of the Company. All ordinary stock units rank equally with regard to the Company's residual assets.

24. Other reserves

Group	Asset revaluation reserve - land and biological assets RM	Foreign currency translation reserve RM	Fair value adjustment reserve RM	Total RM
At 1 September 2011	16,762,863	(14,503,887)	15,888,177	18,147,153
Revaluation reserve of leasehold land realised	(19,347)	-	-	(19,347)
Other comprehensive income/(loss)				
Foreign currency translation	-	(6,714,700)	-	(6,714,700)
Net gain on fair value changes of available-for-sale investment securities	-	-	1,756,971	1,756,971
- Transfer to profit or loss upon disposal	-	-	(1,458,127)	(1,458,127)
- Gain on fair value changes	-	-	3,215,098	3,215,098
At 31 August 2012	16,743,516	(21,218,587)	17,645,148	13,170,077
At 1 September 2012	16,743,516	(21,218,587)	17,645,148	13,170,077
Revaluation reserve of leasehold land realised	(19,347)	-	-	(19,347)
Other comprehensive income/(loss)				
Foreign currency translation	-	(5,910,515)	-	(5,910,515)
Net gain on fair value changes of available-for-sale investment securities	-	-	4,226,151	4,226,151
- Transfer to profit or loss upon disposal	-	-	(87,852)	(87,852)
- Gain on fair value changes	-	-	4,314,003	4,314,003
At 31 August 2013	16,724,169	(27,129,102)	21,871,299	11,466,366

Company	Asset revaluation reserve - land and biological assets RM	Fair value adjustment reserve RM	Total RM
At 1 September 2011	16,762,863	15,862,921	32,625,784
Revaluation reserve of leasehold land realised	(19,347)	-	(19,347)
Other comprehensive income/(loss)			
Net gain on fair value changes of available-for-sale investment securities	-	1,779,305	1,779,305
- Transfer to profit or loss upon disposal	-	(1,458,127)	(1,458,127)
- Gain on fair value changes	-	3,237,432	3,237,432
At 31 August 2012	16,743,516	17,642,226	34,385,742
At 1 September 2012	16,743,516	17,642,226	34,385,742
Revaluation reserve of leasehold land realised	(19,347)	-	(19,347)
Other comprehensive income/(loss)			
Net gain on fair value changes of available-for-sale investment securities		4,222,290	4,222,290
- Transfer to profit or loss upon disposal	-	(87,852)	(87,852)
- Gain on fair value changes	-	4,310,142	4,310,142
At 31 August 2013	16,724,169	21,864,516	38,588,685

24. Other reserves (cont'd.)

(a) Asset revaluation reserve - land and biological assets

The asset revaluation reserve - land and biological assets represents increases in the fair value of land and biological assets and decreases to the extent that such decreases relate to an increase on the same asset previously recognised in statement of comprehensive income.

(b) Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currency is different from that of the Group's presentation currency.

(c) Fair value adjustment reserve

Fair value adjustment reserve represents the cumulative fair value changes of available-for-sale investment securities until they are disposed of or impaired.

25. Retained profits

Prior to the year of assessment 2008, Malaysian companies adopted the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to their shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the 108 balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company did not elect for the irrevocable option to disregard the 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the 108 balance as at 31 August 2013 to distribute cash dividend payments to ordinary shareholders as defined under the Finance Act 2007. As at 31 August 2013, the Company has sufficient credit in the 108 balance to pay franked dividends amounting to RM99,060,804 (2012: RM116,876,640) out of its entire retained earnings. The remaining amount of the retained earnings of RM349,767,055 (2012: RM314,963,932) may be distributed under its tax exempt income of RM11,914,500 (2012: RM11,914,500) and under the single tier system of RM337,852,555 (2012: RM303,049,432). Alternatively, the Company may distribute the remaining amount of the retained earnings of RM349,767,055 (2012: RM314,963,932) under the single tier system.

26. Deferred tax liabilities

Deferred income tax as at 31 August relates to the following:

	Property, plant and equipment RM	Revaluation of land and biological assets RM	Provision RM	Total RM
Group and Company				
At 1 September 2011	1,174,173	5,353,665	(155,499)	6,372,339
Recognised in income statement	(17,710)	(31,636)	(116,476)	(165,822)
At 31 August 2012	1,156,463	5,322,029	(271,975)	6,206,517
Recognised in income statement	285,332	(31,636)	(99,857)	153,839
At 31 August 2013	1,441,795	5,290,393	(371,832)	6,360,356

Presented after appropriate offsetting as follows:

	Group and Company	
	2013 RM	2012 RM
Deferred tax liabilities	6,732,188	6,478,492
Deferred tax asset	(371,832)	(271,975)
	6,360,356	6,206,517

27. Segment information

The chief operating decision-maker has been identified as the Board of Directors. The Board reviews the Group's internal reporting in order to assess performance and allocation of resources. The principal activities of the Group are the cultivation of oil palms, production and sale of fresh fruit bunches, crude palm oil and palm kernel and is wholly carried out in Malaysia.

	Group	
	2013 RM	2012 RM
	Oil palm plantation	
Revenue from external customers	102,508,426	119,224,230
Reportable segment profit	31,600,542	56,986,207
Reportable segment assets	130,094,911	126,724,119
Reportable segment liabilities	8,057,545	6,872,505

Reportable segment profit is reconciled as follows:

Total profit for reportable segment	31,600,542	56,986,207
Share of results of associates	(5,636,664)	3,468,468
Share of results of a jointly controlled entity	(1,289,967)	(982,451)
Interest income	5,745,816	5,356,821
Dividend income	2,148,880	2,058,931
Other income	1,919,052	1,669,831
Other expenses	(57,225)	(158,303)
Profit before tax	34,430,434	68,399,504

27. Segment information (cont'd.)

	Group 2013 RM	Group 2012 RM
	Oil palm plantation	
Reportable segment assets are reconciled as follows:		
Total assets for reportable segment	130,094,911	126,724,119
Investments in associates	192,398,067	207,690,185
Investment in a jointly controlled entity	19,533,937	20,675,104
Investment securities	72,715,821	58,736,180
Unallocated assets	222,464,227	215,240,289
Total assets	637,206,963	629,065,877
Reportable segment liabilities are reconciled as follows:		
Total liabilities for reportable segment	8,057,545	6,872,505
Income tax payable	1,391,454	-
Deferred tax liabilities	6,360,356	6,206,517
Total liabilities	15,809,355	13,079,022

Revenue from six (2012: seven) major customers amounted to RM71,571,946 (2012: RM90,962,712) representing 70% (2012: 76%) of the total revenue.

28. Related party transactions

(a) Sale and purchase of goods and services

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	Group and Company 2013 RM	Group and Company 2012 RM
An associate in which certain directors and substantial shareholders have interest:		
- Management fee	270,258	270,708
Person connected with certain directors and a substantial shareholder:		
- Purchase of fertilisers	1,081,409	2,699,870
Companies in which certain directors and substantial shareholders have interest:		
- Agency fee	23,400	23,400
- Sale of oil palm produce	1,317,626	5,203,330
- Purchase of oil palm produce	874,911	-

28. Related party transactions (cont'd.)

(b) Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group and the Company directly and indirectly.

Total remuneration of key management personnel

	Group and Company	
	2013	2012
	RM	RM
Total	2,437,689	2,712,600

For the details of Board of Directors' remuneration, please refer to Note 7 to the financial statements.

29. Capital commitments

	Group and Company	
	2013	2012
	RM	RM
Capital commitments:		
Approved and contracted for:		
Capital and investment outlay in a jointly controlled entity	22,815,210	22,815,210
Approved but not contracted for:		
Property, plant and equipment	6,651,000	4,298,265
Total	29,466,210	27,113,475

30. Fair value of financial instruments

(a) Determination of fair value

The following are classes of financial instruments that are not carried at fair value and whose carrying amounts are reasonable approximation of fair value:

	Note
Receivables	19
Due from a subsidiary	20
Cash and bank balances	21
Payables	22

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values due to their short-term nature.

For unquoted securities, these investments are valued using valuation methods which use both observable and non-observable data. The non-observable inputs to the methods include assumptions regarding the future financial performance of the investee, its risk profile and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates.

The fair value of quoted investment securities is determined directly by reference to their published market price at the reporting date.

30. Fair value of financial instruments (cont'd.)

(b) Fair value hierarchy

Presented below is the Group's and the Company's classified financial instruments carried at fair value by level of the following fair value measurement hierarchy:

(i) Level 1 - Unadjusted quoted prices in active market for identical financial instruments
(ii) Level 2 - Inputs other than quoted prices that are observable either directly or indirectly
(iii) Level 3 - Inputs that are not based on observable market data

	Level 1 RM	Level 3 RM	Total RM
Group			
As at 31 August 2013 **Financial assets**			
Available-for-sale financial assets - Investment securities	67,944,811	4,771,010	72,715,821
As at 31 August 2012 **Financial assets**			
Available-for-sale financial assets - Investment securities	53,965,170	4,771,010	58,736,180

The Group does not have any financial asset or liabilities measured at Level 2 hierarchy.

(c) Movements in Level 3 financial instruments measured at fair value

The following table presents the reconciliation for all financial instruments measured at fair value based on significant unobservable inputs (Level 3).

	Available-for-sale financial assets RM
Group	
At 1 September 2012 and at 31 August 2013	4,771,010
At 1 September 2011 and at 31 August 2012	4,771,010

No transfers between any levels of the fair value hierarchy took place during the current financial year and the comparative period. There were also no changes in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

31. Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and market price risk.

The Group overall financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst minimising the potential adverse impact arising from fluctuation in foreign exchange and interest rates and the unpredictability of the financial markets.

The Group operates within clearly defined guidelines that are approved by the Board of Directors and it does not engage in speculative transactions. Financial risk management is further enhanced by effective internal controls and adherence to the financial risk management policies.

The following sections provide details regarding the Group's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

(a) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including investment securities and cash and bank balances), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

Exposure to credit risk

At the reporting date, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the statements of financial position.

The Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risks related to any financial assets other than an amount of RM4,656,736 (2012: RM3,994,374) due from three (2012: four) customers representing approximately 55% (2012: 59%) of the Group's trade receivables.

Financial assets that are neither past due nor impaired

Information regarding trade receivables that are neither past due nor impaired is disclosed in Note 19. Deposits with banks and other financial institutions that are neither past due nor impaired are placed with or entered into with reputable financial institutions with high credit ratings and no history of default.

(b) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain sufficient levels of cash including fixed deposits to meet its working capital requirements.

At the reporting date, the Group does not have any borrowings (including overdrafts) from financial institutions.

31. Financial risk management objectives and policies (cont'd.)

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates.

The Group's exposure to interest rate risk arises primarily from its deposits with financial institutions.

Sensitivity analysis for interest rate risk

At the reporting date, if interest rates had been 25 basis points lower/higher, with all other variables held constant, the Group's profit net of tax would have been RM420,098 (2012: RM406,583) lower/higher, arising mainly as a result of lower/higher interest income from deposits with financial institutions. The assumed movement in basis points for interest rate sensitivity analysis is based on the currently observable market environment.

(d) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group's business is predominantly located in Malaysia. The functional currency in foreign bank balances and quoted investments outside Malaysia are predominantly denominated in Singapore Dollar ("SGD"), which give rise to conversion exposure. The foreign currency exposures are not hedged.

The unhedged financial assets of the Group that are not denominated in Ringgit Malaysia are as follows:

	Cash and bank balances RM	Investment securities RM	Total RM
Singapore Dollar			
At 31 August 2013	36,788,313	59,238,604	96,026,917
At 31 August 2012	36,294,265	46,689,774	82,984,039

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's other reserves and profit net of tax to a reasonably possible change in SGD exchange rate against the functional currency of the Group, with all other variables held constant.

	Other reserves		*Profit net of tax*	
	2013 RM	**2012 RM**	**2013 RM**	**2012 RM**
SGD/RM				
- strengthened 1% (2012: 1%)	544,676	419,188	367,883	362,943
- weakened 1% (2012: 1%)	(544,676)	(419,188)	(367,883)	(362,943)

31. Financial risk management objectives and policies (cont'd.)

(e) Market price risk

Market price risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market prices (other than interest or exchange rates.)

The Group is exposed to securities price risk from its investment in quoted securities classified as available-for-sale financial assets. These securities are listed on the Bursa Malaysia and Singapore Exchange Limited.

The Group's objective is to manage investment returns and the price risk by investing in investment grade shares with steady dividend yield.

Sensitivity analysis for security price risk

At the reporting date, if the market prices for available-for-sale investment had been 1% higher/lower, with all other variables being held constant, the Group's other reserve in equity would have been RM679,448 (2012: RM539,652) higher/lower, arising as a result of an increase/decrease in the fair value of quoted securities classified as available-for-sale.

The Group does not enter into commodity future contracts.

32. Capital management

The Group's objectives in managing its capital is to ensure that it maintains a strong and healthy capital to enable the Group to continue as a going concern in order to provide returns for shareholders and to maintain a debt free capital structure.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group did not have any borrowings for the years ended 31 August 2013 and 31 August 2012. The Group monitors capital using dividend payout ratio, which is amount of dividends paid divided by profit net of tax attributable to owners of the Company.

The Group's strategy in 2013, which was unchanged from 2012, was to maintain a debt free capital structure and to pay steady amount of dividends to shareholders.

	Group		Company	
	2013	2012	2013	2012
	RM	RM	RM	RM
Amount of dividends paid	17,815,832	27,408,975	17,815,832	27,408,975
Profit net of tax attributable to owners of the Company	24,910,949	52,675,134	34,783,772	50,191,477
Dividend payout ratio - %	71.52%	52.03%	51.22%	54.61%

33. Breakdown of retained earnings into realised and unrealised

The breakdown of the retained profits as at 31 August 2013 and 31 August 2012 into realised and unrealised profits or losses are as follows:

	Group 2013 RM	Group 2012 RM	Company 2013 RM	Company 2012 RM
Total retained profits of the Company and subsidiary				
Realised	449,962,301	430,456,989	446,345,318	430,493,813
Unrealised	2,482,541	1,346,759	2,482,541	1,346,759
	452,444,842	431,803,748	448,827,859	431,840,572
Total shares of retained profits from associates				
Realised	59,829,058	65,539,883	-	-
Unrealised	140,899	66,738	-	-
Total shares of (accumulated losses)/retained profits from a jointly controlled entity				
Realised	(7,279,250)	(5,975,981)	-	-
Unrealised	378,416	365,113	-	-
	505,513,965	491,799,501	448,827,859	431,840,572
Less: Consolidation adjustments	(6,600,000)	-	-	-
Total retained profits as per financial statements	498,913,965	491,799,501	448,827,859	431,840,572

The disclosure of realised and unrealised profits or losses above has been made solely for complying with the disclosure requirements as stipulated in the directives of Bursa Malaysia Securities Berhad and should not be applied for any other purposes.

Share capital

Authorised	: RM150,000,000
Issued and fully paid	: RM91,363,250
Class of stock units	: Ordinary stock units of RM1 each
Voting rights	: One vote per stock unit
No. of shareholders	: 2,248

Distribution schedule of issued and paid-up share capital

No. of Holders	%	Holdings	Total Holdings	%
84	3.74	Less than 100	1,673	*
570	25.36	100 to 1,000	459,257	0.50
1,223	54.40	1,001 to 10,000	4,142,418	4.54
296	13.17	10,001 to 100,000	8,741,427	9.57
74	3.29	100,001 to less than 5% of the issued shares	44,511,757	48.72
1	0.04	5% and above of the issued shares	33,506,718	36.67
2,248	100.00		91,363,250	100.00

* Less than 0.01%

Interests of directors in the stock units of the Company

Name of Directors	<-------Direct Interest--------> No. of Stock Units of RM1.00 each	%	<------Deemed Interest-------> No. of Stock Units of RM1.00 each	%
Goh Eng Chew	-	-	34,020,968	37.24
Goh Pock Ai	500,000	0.55	-	-
Wong Aun Phui	1,030,250	1.13	2,951,905	3.23
Goh Wei Lei	-	-	-	-
Goh Beng Hwa @ Gho Bin Hoa	3,108,280	3.40	1,803,375	1.97
Gho Lian Chin	-	-	33,562,968	36.74
Sio Sit Po	851,376	0.93	1,293,750	1.42
Goh Yeok Beng	24,000	0.03	-	-
Dr Gan Kim Leng	68,812	0.08	2,152,875	2.36
Keong Choon Keat	-	-	-	-
Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong	-	-	-	-
Gho Bun Tjin	-	-	-	-

Interests of directors in shares of subsidiary, Double Alliance Sdn Bhd

Name of Directors	<---------Direct Interest----------> No. of Ordinary Shares of RM1.00 each	%	<--------Deemed Interest---------> No. of Ordinary Shares of RM1.00 each	%
Goh Eng Chew	-	-	100,000	100.00
Goh Pock Ai	-	-	-	-
Wong Aun Phui	-	-	-	-
Goh Wei Lei	-	-	-	-
Goh Beng Hwa @ Gho Bin Hoa	-	-	-	-
Gho Lian Chin	-	-	100,000	100.00
Sio Sit Po	-	-	-	-
Goh Yeok Beng	-	-	-	-
Dr Gan Kim Leng	-	-	-	-
Keong Choon Keat	-	-	-	-
Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong	-	-	-	-
Gho Bun Tjin	-	-	-	-

Substantial shareholders (excluding bare trustees) as shown in the register of substantial shareholders

	<-------Direct Interest-------->		<------Deemed Interest------->	
Name of Substantial Shareholders	No. of Stock Units of RM1.00 each	%	No. of Stock Units of RM1.00 each	%
Tiong Thye Company Berhad	33,506,718	36.67	-	-
Goh Eng Chew	-	-	34,020,968	37.24
Gho Lian Chin	-	-	33,562,968	36.74
Tai Chuan Company (Private) Limited	-	-	33,506,718	36.67

List of 30 largest securities account holders according to the Record of Depositors (without aggregating the securities from different securities accounts belonging to the same person)

	Name	No. of Stock Units	%
1.	TIONG THYE COMPANY BERHAD	33,506,718	36.67
2.	GAN PUAY CHEE SENDIRIAN BERHAD	3,195,000	3.50
3.	GOH BENG HWA @ GHO BIN HOA	3,108,280	3.40
4.	SHING LOONG SDN BERHAD	2,951,905	3.23
5.	KECK SENG (MALAYSIA) BERHAD	2,784,375	3.05
6.	VALUECAP SDN BHD	2,783,900	3.05
7.	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED (CLIENT A/C – NR)	2,268,186	2.48
8.	GAN SENG LIAN SENDIRIAN BERHAD	1,868,250	2.04
9.	GAN TENG SIEW REALTY SDN BERHAD	1,640,500	1.80
10.	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	1,302,750	1.43
11.	CHEW HUAIPIN SDN BHD	1,244,100	1.36
12.	MAYBANK SECURITIES NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NANYANG GUM BENJAMIN MANUFACTURING (PTE) LTD	1,127,625	1.23
13.	WONG AUN PHUI	1,030,250	1.13
14.	GAN KIM TOON SDN BHD	1,005,625	1.10
15.	GEMAS BAHRU ESTATES SDN BHD	932,000	1.02
16.	KEY DEVELOPMENT SDN BERHAD	917,700	1.00
17.	MAYBANK SECURITIES NOMINEES (ASING) SDN BHD MAYBANK KIM ENG SECURITIES PTE LTD FOR SIO SIT PO	851,376	0.93
18.	RHB NOMINEES (TEMPATAN) SDN BHD DMG & PARTNERS SECURITIES PTE LTD FOR GHO ENG LIONG	797,625	0.87
19.	MAYBANK SECURITIES NOMINEES (ASING) SDN BHD UOB KAY HIAN PTE LTD FOR SIO LEH KOEN	743,750	0.81
20.	CHIN LEONG HUAT SDN BHD	722,125	0.79
21.	RHB NOMINEES (ASING) SDN BHD DMG & PARTNERS SECURITIES PTE LTD FOR GHO KIM PHEK @ GOH KIM PHAIK	678,937	0.74
22.	GOH POCK AI	500,000	0.55
23.	HDM NOMINEES (ASING) SDN BHD UOB KAY HIAN PTE LTD FOR GREAT EASTERN TRADING COMPANY PTE LTD	500,000	0.55
24.	ANG TIEN CHENG & SONS SDN BHD	459,500	0.50
25.	GAN KOK HAI	444,494	0.49
26.	MAYBANK SECURITIES NOMINEES (ASING) SDN BHD UOB KAY HIAN PTE LTD FOR SIO SIT MIN	437,375	0.48
27.	LIM KIAN PENG	436,219	0.48
28.	SEAH MOK KHOON	435,000	0.48
29.	TEH WEI SIONG	353,000	0.39
30.	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR TEH WAO KHENG	346,471	0.38
		69,373,036	75.93

Location	Tenure	Size Hectares	Description	Net book value as at 31 August 2013 RM'000
Jemima & Sungei Sendayan Estate[*b] Lot 1899, 1900, 1901, 1902, 1903, 1904, 1905, 1906, 1907, 1908, 1909, 1910, 1911, 1912, 1913 and 1914 Mukim of Port Dickson, Lot 5923, 5925, 490, 1006, 1125, 3058, 3059, 5933, 5934, 5926, 5924, 6052, 8297, and 8298 Mukim of Jimah, Daerah Port Dickson Negeri Sembilan	Freehold	1,618	Oil palm estate	22,134[*a]
Gua Musang Estate[*b] Lot 154 Mukim of Ketil Daerah Gua Musang Kelantan Darul Naim	Freehold	1,618	Oil palm estate with mill (Approximate age of mill: 42 years)	18,730[*a]
Keratong Estate			Oil palm estate with two mills (Approximate age of mills: 17 and 33 years respectively)	69,551[*a]
PT 353[*b] Mukim of Keratong Daerah Rompin Pahang Darul Makmur	Leasehold (expires on 18.04.2075)	4,044		
PT 5117[*c] Mukim of Keratong Daerah Rompin Pahang Darul Makmur	Leasehold (expires on 17.07.2094)	527		
PT 2604[*d] Mukim of Keratong Daerah Rompin Pahang Darul Makmur	Leasehold (expires on 01.10.2056 with an option to extend for 33 years)	3,520		
				110,415

(a) Net book value as at 31 August 2013 are as follows: -

	<---Estates (Land and biological assets)--->		Buildings	
	Valuation	Cost	Cost	Total
	RM'000	RM'000	RM'000	RM'000
Jemima & Sungei Sendayan Estate	21,666	-	468	22,134
Gua Musang Estate	16,049	-	2,681	18,730
Keratong Estate	38,914	29,472	1,165	69,551
	76,629	29,472	4,314	110,415

(b) The estates were revalued in 1983. The directors have not adopted a policy of regular revaluations of such estates. In accordance with the transitional provisions issued by the Malaysian Accounting Standards Board ("MASB") on adoption of FRS 116 Property, Plant and Equipment, the valuation of these estates has not been updated, and they continue to be stated at their existing carrying amounts less accumulated depreciation and any accumulated impairment losses.

(c) Date of acquisition: 17 July 1995

(d) Date of acquisition: 1 October 1990

(a) Material Contracts

Material contracts entered into by the Company and its subsidiary which involved the directors' and major shareholders' interests either still subsisting at the end of the financial year ended 31 August 2013 or entered into since the end of the previous financial year:-

Related party transactions of a revenue or trading nature with related parties entered into by the Company during the financial year ended 31 August 2013: -

	RM
Management fees paid to Sin Thye Management Sdn. Bhd., an associate in which the substantial shareholders (Tiong Thye Company Berhad, Tai Chuan Company (Private) Limited, Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Goh Pock Ai, Gho Lian Chin, Goh Yeok Beng, Goh Wei Lei, Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and Gho Bun Tjin) have interests.	270,258
Agency fee paid to Tat Lee Commodities Pte. Ltd., a company incorporated in the Republic of Singapore, in which the substantial shareholders (Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Goh Pock Ai, Gho Lian Chin, Goh Yeok Beng, Goh Wei Lei, Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and Gho Bun Tjin) have interests.	23,400
Purchase of fertilisers from Kai Lee Company, the sole proprietor of whom, Ng Yong Seng, is a person connected to a substantial shareholder (Goh Eng Chew) and several directors (Goh Eng Chew, Goh Pock Ai and Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong)	1,081,409
Sales of oil palm produce to Eng Thye Plantations Berhad, a company in which the substantial shareholders (Tiong Thye Company Berhad, Tai Chuan Company (Private) Limited, Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Goh Pock Ai, Gho Lian Chin, Goh Yeok Beng, Goh Wei Lei, Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and Gho Bun Tjin) have interests.	1,317,626
Sales of oil palm produce to Seong Thye Plantations Sdn Bhd, a company in which the substantial shareholders (Tiong Thye Company Berhad, Tai Chuan Company (Private) Limited, Goh Eng Chew and Gho Lian Chin) and several directors (Goh Eng Chew, Goh Pock Ai, Gho Lian Chin, Goh Yeok Beng, Goh Wei Lei, Goh Tju Kiang @ Gho Tju Kiang @ Gho Tju Kiong and Gho Bun Tjin) have interests.	874,911

(b) Sanctions and /or penalties

No sanctions and/or penalties were imposed on the Company and its subsidiary, Directors or management by relevant authorities during the financial year.

(c) Non-audit fees

During the financial year ended 31 August 2013, non-audit fees paid or payable to Ernst & Young amounted to RM20,000.

CHIN TECK PLANTATIONS BERHAD (3250V)
(Incorporated in Malaysia)

FORM OF PROXY

I / We ....

of ....

being a member of CHIN TECK PLANTATIONS BERHAD hereby appoint ....

....

of ....

or failing him / her ....

of ....

as my / our proxy to attend and vote on my / our behalf at the Fifty Fifth Annual General Meeting of the Company to be held at the Conference Room, Suite 2B-3A-3, Block 2B, Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur on Friday, 24 January 2014 at 10.30 am and at any adjournment thereof.

Resolutions		For	Against
1.	To receive and adopt the Directors' Report and the Financial Statements for the financial year ended 31 August 2013 and the Independent Auditors' Report thereon.		
2.	To approve the directors' fees for the financial year ended 31 August 2013 and to authorise the directors to divide such fees in the proportions and manner to be determined by them		
	To re-elect the following directors retiring under Article 94 of the Articles of Association of the Company: -		
3.	(i) Mr Goh Yeok Beng		
4.	(ii) Mr Keong Choon Keat		
5.	To re-appoint Mr Goh Eng Chew as director pursuant to Section 129(6) of the Companies Act, 1965		
6.	To re-appoint Mr Wong Aun Phui as director pursuant to Section 129(6) of the Companies Act, 1965		
7.	To re-appoint Mr Goh Beng Hwa @ Gho Bin Hoa as director pursuant to Section 129(6) of the Companies Act, 1965		
8.	To re-appoint Mr Goh Pock Ai as director pursuant to Section 129(6) of the Companies Act, 1965		
9.	To re-appoint Dr Gan Kim Leng as director pursuant to Section 129(6) of the Companies Act, 1965		
10.	To re-appoint auditors and authorise the directors to fix their remuneration.		
	To retain the following directors as Independent Non-Executive Directors		
11.	Mr Goh Beng Hwa @ Gho Bin Hoa		
12.	Mr Sio Sit Po		
13.	Dr Gan Kim Leng		
14.	Mr Keong Choon Keat		

(Please indicate with "X" or "√" how you wish your vote to be cast. If no specific direction as to voting is given, the proxy will vote or abstain at his discretion)

____
Signature(s)
Date:

No. of stock units held	
CDS NO.	

NOTES:

1. A depositor shall not be regarded as a member entitled to attend this Meeting and to speak and vote thereat unless his/her name appears in the Record of Depositors as at 17 January 2014 (which is not less than 3 market days before the date of this Meeting) issued by Bursa Depository Sdn Bhd ("Bursa Depository") upon request by the Company in accordance with the rules of the Bursa Depository.
2. A member entitled to attend and vote at this Meeting may appoint a proxy to attend and vote in his stead. A proxy need not be a member of the Company.
3. If the member is a corporation, the Form of Proxy must be executed under its common seal or under the hand of a person duly authorised in writing.
4. The Form of Proxy must be deposited at the Registered Office, Suite 2B-3A-2, Block 2B, Level 3A, Plaza Sentral, Jalan Stesen Sentral 5, Kuala Lumpur Sentral, 50470 Kuala Lumpur not less than 48 hours before the time fixed for the Meeting or any adjournment thereof.

Fold this flap for sealing

Then fold here

AFFIX
POSTAGE
STAMP

CHIN TECK PLANTATIONS BERHAD
Suite 2B-3A-2
Block 2B Level 3A
Plaza Sentral
Jalan Stesen Sentral 5
Kuala Lumpur Sentral
50470 Kuala Lumpur

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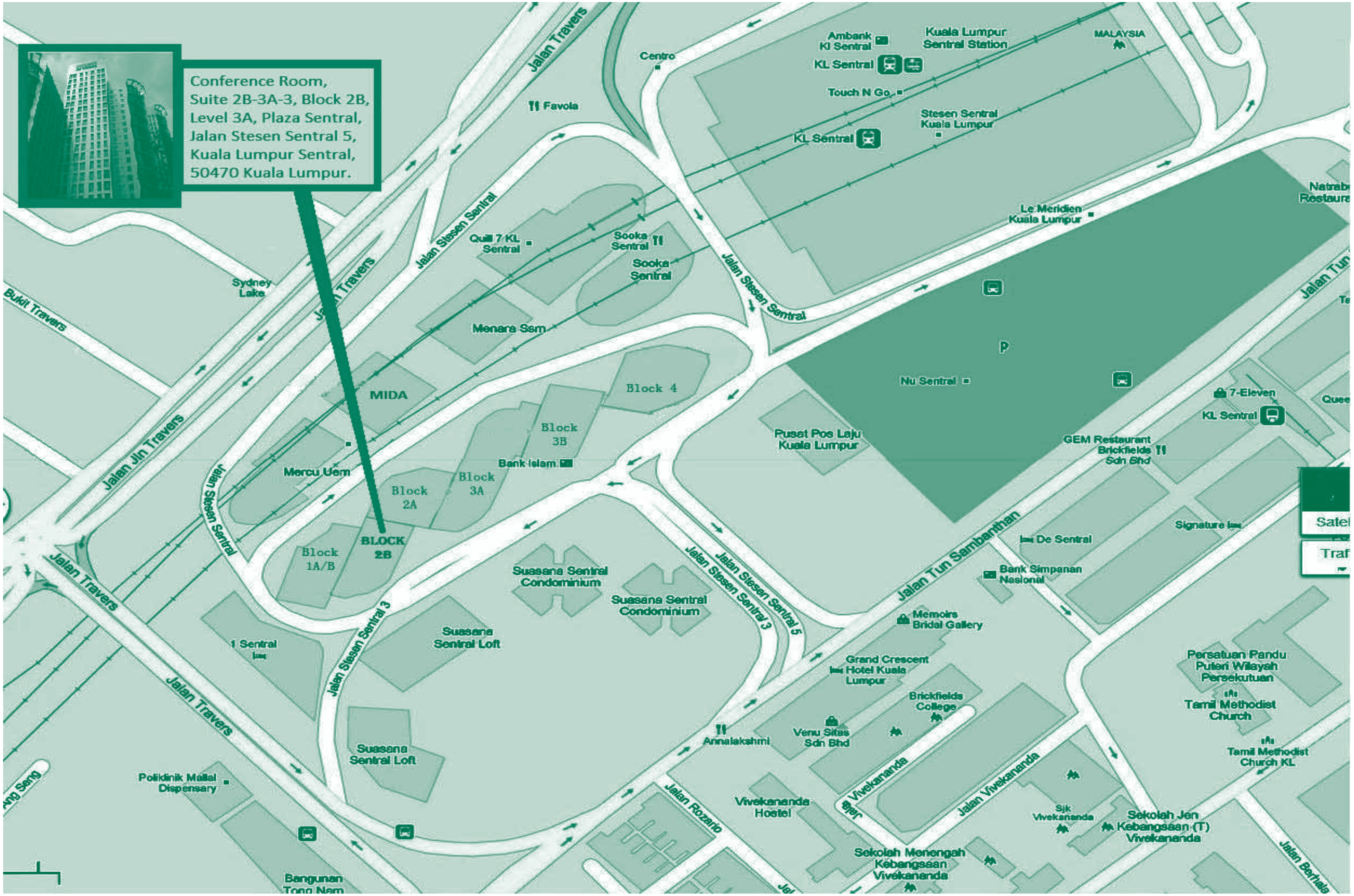
Conference Room,
Suite 2B-3A-3, Block 2B,
Level 3A, Plaza Sentral,
Jalan Stesen Sentral 5,
Kuala Lumpur Sentral,
50470 Kuala Lumpur.
Ambank KI Sentral
Kuala Lumpur Sentral Station
MALAYSIA
KL Sentral
Touch N Go
Stesen Sentral Kuala Lumpur
Centro
Favola
Le Meridien Kuala Lumpur
Jalan Travers
Jalan Stesen Sentral
Quill 7 KL Sentral
Sooka Sentral
Sydney Lake
Bukit Travers
Menara Ssm
Nu Sentral
P
MIDA
Block 4
Block 3B
Block 3A
Block 2A
Block 1A/B
BLOCK 2B
Bank Islam
Mercu Uem
Jalan Jin Travers
Pusat Pos Laju Kuala Lumpur
GEM Restaurant Brickfields Sdn Bhd
7-Eleven
Signature
De Sentral
Bank Simpanan Nasional
Jalan Tun Sambanthan
Jalan Stesen Sentral 3
Jalan Stesen Sentral 5
Suasana Sentral Condominium
Suasana Sentral Loft
1 Sentral
Memoirs Bridal Gallery
Grand Crescent Hotel Kuala Lumpur
Brickfields College
Venu Sitas Sdn Bhd
Annalakshmi
Persatuan Pandu Puteri Wilayah Persekutuan
Tamil Methodist Church
Tamil Methodist Church KL
Jalan Vivekananda
Vivekananda Hostel
Jalan Rozario
Sjk Vivekananda
Sekolah Jen Kebangsaan (T) Vivekananda
Sekolah Menengah Kebangsaan Vivekananda
Poliklinik Malal Dispensary
Bangunan Tong Nam
Jalan Berhala