

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD
(Incorporated in Malaysia)

CORPORATE INFORMATION

Directors

Datuk Haji Mohd. Zamani bin Samah	(Non-Executive Chairman)
Gooi Seong Lim	(Managing Director)
Gooi Seong Heen	(Executive Director)
Loo Geok Eng (f)	(Executive Director)
Gooi Seong Gum	(Executive Director)
Gooi Seow Mee (f)	(Executive Director)
Mathew K. Mathai	(Director)
Gan Kim Guan	(Independent Director)
Yeo Jon Tian @ Eeyo Jon Thiam	(Independent Director)
YB. Dato' Haji Mohd. Ali bin Hassan	(Independent Director)
Gooi Seong Chneh	(Alternate Director to Gooi Seong Heen)

Audit Committee

Gan Kim Guan	(Chairman)
Gooi Seong Heen	
Yeo Jon Tian @ Eeyo Jon Thiam	

Secretaries

Chong Fook Sin (MACS 00681)
Ng Kam May (MAICSA 7020575)

Registered office

Unit No. 203, 2nd Floor,
Block C, Damansara Intan,
No. 1, Jalan SS 20/27,
47400 Petaling Jaya,
Selangor Darul Ehsan.

Auditors

C S Tan & Associates
Chartered Accountants
Firm No. A.F. 1144
Wisma TCS, No. 8M,
Jalan Tun Abdul Razak (Susur 3),
80200 Johor Bahru,
Johor Darul Takzim.

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD

(Incorporated in Malaysia)

**DIRECTORS' REPORT
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002**

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 January 2002.

PRINCIPAL ACTIVITIES

The Company is principally engaged in investment holding and in the provision of management services to companies in the Group and other related companies.

The subsidiary companies are principally engaged in property development, investment holding, building construction, property investment and management, trading and manufacturing of concrete products, civil engineering works, trading in building materials and providing education services.

There have been no significant changes in the nature of these activities during the financial year.

FINANCIAL RESULTS

	GROUP RM	COMPANY RM
Profit after tax	11,844,111	2,803,212
Minority interests	(84,529)	-
Net profit for the financial year	<u>11,759,582</u>	<u>2,803,212</u>

DIVIDENDS

The dividends paid or declared by the Company since the end of the previous financial year were as follows :

	RM
In respect of the financial year ended 31 January 2001, as shown in the Directors' Report for that financial year, final gross dividend of 2.5 sen on 108,495,930 ordinary shares, less tax, paid on 28 September 2001	1,952,927
In respect of the financial year ended 31 January 2002, interim gross dividend of 2.5 sen on 108,495,930 ordinary shares, less tax, paid on 31 January 2002	1,952,927
	<u>3,905,854</u>

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD
(Incorporated in Malaysia)

DIVIDENDS (CONT'D)

The Directors recommend the payment of a final gross dividend of 2.5 sen per share on 108,495,930 ordinary shares, less tax, amounting to RM1,952,927 subject to the approval of members at the forthcoming Annual General Meeting of the Company.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES

During the financial year, there was no issuance of shares made by the Company.

OPTIONS

No option has been granted to any person to take up unissued shares of the Company and no shares have been issued by virtue of any option.

DIRECTORS

The Directors who have held office since the date of the last report are as follows :-

Datuk Haji Mohd. Zamani bin Samah

Gooi Seong Lim

Gooi Seong Heen

Loo Geok Eng (f)

Gooi Seong Gum

Gooi Seow Mee (f)

Yeo Jon Tian @ Eeyo Jon Thiam

Mathew K. Mathai

Gan Kim Guan

YB. Dato' Haji Mohd. Ali bin Hassan

Gooi Seong Chneh

(Resigned as a director and appointed as an alternate director to Gooi Seong Heen on 3.9.2001)

In accordance with the Articles of Association, GOOI SEONG GUM and GOOI SEOW MEE (f) are required to retire by rotation from the Board at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

DATUK HAJI MOHD. ZAMANI BIN SAMAH and LOO GEOK ENG (f), retire pursuant to Section 129 of the Companies Act, 1965 and resolutions will be proposed for their re-appointment as Directors under the provisions of Section 129(6) of the said Act to hold office until the next Annual General Meeting of the Company.

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD

(Incorporated in Malaysia)

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than those disclosed in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which the director has a substantial financial interest.

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, being arrangements with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

None of the Directors who held office at the end of the financial year had, according to the Register of Directors' Shareholdings, any interest in the shares of the Company and its related corporations except as stated below :

	Number of ordinary shares of RM1 each in the Company			
	At 1.2.2001	Bought	Sold	At 31.1.2002
Gooi Seong Lim				
- direct interest	232,292	1,044,734	-	1,277,026
- indirect interest	72,771,065	-	-	72,771,065
Gooi Seong Heen				
- direct interest	307,292	1,044,734	-	1,352,026
- indirect interest	72,771,065	-	-	72,771,065
Loo Geok Eng (f)				
- direct interest	98,000	1,044,734	-	1,142,734
- indirect interest	72,771,065	-	-	72,771,065
Gooi Seong Gum				
- direct interest	3,503,654	-	(2,192,627)	1,311,027
- indirect interest	72,771,065	-	-	72,771,065
Gooi Seow Mee (f)				
- direct interest	1,320,292	44,734	-	1,365,026
- indirect interest	72,771,065	-	-	72,771,065
Gooi Seong Chneh				
- direct interest	2,247,335	-	(980,309)	1,267,026
- indirect interest	72,771,065	-	-	72,771,065

By virtue of Sharikat Kim Loong Sendirian Berhad owning 70,595,500 shares representing a 65.1% equity interest in the Company, Gooi Seong Lim, Gooi Seong Heen, Loo Geok Eng (f), Gooi Seong Gum, Gooi Seow Mee (f) and Gooi Seong Chneh, are deemed to have interests in the shares of the Company and all the Company's subsidiaries to the extent the Company has an interest.

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD
(Incorporated in Malaysia)

DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (CONT'D)

Sharikat Kim Loong Sendirian Berhad (Holding company)				
Number of ordinary shares of RM100 each				
	At 1.2.2001	Bought	Sold	At 31.1.2002
Gooi Seong Lim				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250
Gooi Seong Heen				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250
Loo Geok Eng (f)				
- direct interest	1,250	-	-	1,250
Gooi Seong Gum				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250
Gooi Seow Mee (f)				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250
Gooi Seong Chneh				
- direct interest	17,500	-	-	17,500
- indirect interest	11,250	-	-	11,250

No debentures have been issued by the Company or its related corporations.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps :-

- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and
- (ii) to ensure that any current assets, other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their expected realisable values.

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD

(Incorporated in Malaysia)

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS (CONT'D)

At the date of this report, the Directors are not aware of any circumstances :

- (i) which would render the amount written off for bad debts, or the amount of allowance for doubtful debts, in the financial statements of the Group and the Company inadequate to any substantial extent, or
- (ii) which would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- (iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate.

No contingent liability or other liability of the Group or the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group or the Company to meet its obligations as and when they fall due.

At the date of this report there does not exist :

- (i) any charge on the assets of the Group or the Company that has arisen since the end of the financial year which secures the liabilities of any other person, or
- (ii) any contingent liability in respect of the Group or the Company that has arisen since the end of the financial year.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

In the opinion of the directors, the results of the operations of the Group and the Company during the financial year ended 31 January 2002 were not substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of the financial year and the date of this report.

HOLDING AND ULTIMATE HOLDING COMPANY

The Directors regard Sharikat Kim Loong Sendirian Berhad, a company incorporated in Malaysia, as the Company's holding and ultimate holding company.

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD
(Incorporated in Malaysia)

AUDITORS

The auditors Messrs. C S TAN & ASSOCIATES, have expressed their willingness to continue in office.

Signed in accordance with a resolution of the Directors



GOOI SEONG LIM
Director



GOOI SEONG GUM
Director

Dated : 20 MAY 2002

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS
PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, GOOI SEONG LIM and GOOI SEONG GUM, being two of the Directors of CRESCENDO CORPORATION BERHAD, do hereby state that in the opinion of the Directors, the financial statements set out on pages 10 to 43 are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 January 2002 and of the results, the changes in equity and the cash flows of the Group and of the Company for the financial year ended on that date in accordance with the provisions of the Companies Act, 1965 and the applicable approved accounting standards in Malaysia.

On behalf of the Board,



GOOI SEONG LIM
Director



GOOI SEONG GUM
Director

Dated : 20 MAY 2002

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

I, GOOI SEONG LIM, being the Director primarily responsible for the financial management of CRESCENDO CORPORATION BERHAD, do solemnly and sincerely declare that the financial statements set out on pages 10 to 43 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

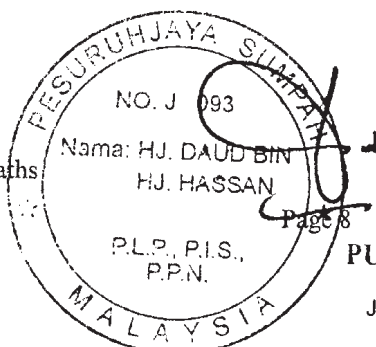
Subscribed and solemnly declared by the)
abovenamed)
GOOI SEONG LIM)
at Johor Bahru in the State of Johor)
this 20 MAY 2002)



GOOI SEONG LIM
Director

Before me,

Commissioner for Oaths



PUSAT PROFESIONAL
No 513 Tingkat 5
Jalan Syed Mohamed Mufti
80000 Johor Bahru

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)



**REPORT OF THE AUDITORS
TO THE MEMBERS OF CRESCENDO CORPORATION BERHAD (359750-D)
(Incorporated in Malaysia)**

We have audited the financial statements of CRESCENDO CORPORATION BERHAD set out on pages 10 to 43. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.


We conducted our audit in accordance with the approved auditing standards in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.


In our opinion :

- (a) the financial statements have been properly drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable approved accounting standards in Malaysia so as to give a true and fair view of :
 - (i) the state of affairs of the Group and of the Company as at 31 January 2002 and of the results, the changes in equity and the cash flows of the Group and of the Company for the financial year then ended; and
 - (ii) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements of the Group and of the Company; and
- (b) the accounting and other records and the registers required by the Companies Act, 1965 to be kept by the Company and its subsidiary companies have been properly kept in accordance with the provisions of the said Act.

We are satisfied that the financial statements of the subsidiary companies that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and have received satisfactory information and explanations required by us for those purposes.

The auditors' reports on the financial statements of the subsidiary companies were not subject to any qualification and did not include any comment made under Section 174(3) of the Companies Act, 1965.


CS TAN & ASSOCIATES
Firm Number : AF 1144
Chartered Accountants


TAN CHEE SENG
Approval Number : 1732 / 11 / 03 (J)

Dated : 20 MAY 2002

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD
(Incorporated in Malaysia)

BALANCE SHEETS
AS AT 31 JANUARY 2002

AS AT 31 JANUARY 2002

		GROUP		COMPANY	
	Note	2002 RM	2001 RM	2002 RM	2001 RM
NON CURRENT ASSETS					
Property, plant and equipment	3	60,764,708	60,751,331	236,444	62,019
Investment in subsidiaries	4	-	-	125,855,279	125,855,279
Associated company	5	-	1,469,460	-	-
Investments	6	8,273,066	8,423,380	-	-
Land and development expenditure	7	54,453,339	58,023,754	-	-
		123,491,113	128,667,925	126,091,723	125,917,298
CURRENT ASSETS					
Land and development expenditure	7	24,207,329	15,509,249	-	-
Inventories	8	9,332,888	12,788,837	-	-
Amounts due from customers	9	3,652,667	4,078,994	-	-
Tax recoverable		3,629,009	2,329,665	963,153	793,447
Debtors	10	29,150,140	22,029,751	1,338,164	4,264,811
Fixed deposits with licensed banks	11	38,700,000	35,840,000	3,000,000	-
Cash and bank balances	12	13,779,756	17,119,859	316,626	498,061
		122,451,789	109,696,355	5,617,943	5,556,319
CURRENT LIABILITIES					
Creditors	13	17,034,497	17,168,346	1,834,461	495,770
Short term borrowings	14	1,109,466	584,459	-	-
Provision for tax		852,779	1,478,032	-	-
		18,996,742	19,230,837	1,834,461	495,770
Net Current Assets		103,455,047	90,465,518	3,783,482	5,060,549
NON CURRENT LIABILITIES					
Hire purchase creditor	15	-	128,332	-	-
Deferred tax	16	5,063,795	5,062,203	-	-
		5,063,795	5,190,535	-	-
		221,882,365	213,942,908	129,875,205	130,977,847
CAPITAL AND RESERVES					
Share capital	17	108,495,930	108,495,930	108,495,930	108,495,930
Reserves		111,686,740	103,833,012	21,379,275	22,481,917
Shareholders' equity		220,182,670	212,328,942	129,875,205	130,977,847
Minority interests		1,699,695	1,613,966	-	-
		221,882,365	213,942,908	129,875,205	130,977,847

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD

(Incorporated in Malaysia)

**INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002**

		GROUP		COMPANY	
	Note	2002 RM	2001 RM	2002 RM	2001 RM
REVENUE	22	62,108,612	59,863,494	7,280,592	10,955,306
Cost of sales	22	(40,598,792)	(41,317,144)	-	-
Gross profit		<u>21,509,820</u>	18,546,350	<u>7,280,592</u>	10,955,306
Other operating income		3,214,810	3,313,772	76,033	15,644
Administrative expenses		(5,902,479)	(5,565,299)	(3,312,268)	(3,014,285)
Other operating expenses		(59,516)	(203,610)	-	-
Gain / (Loss) on disposal of investment		513,894	(122,904)	-	-
Diminution in value of shares		-	(1,181,134)	-	-
Profit from operations	23	<u>19,276,529</u>	14,787,175	<u>4,044,357</u>	7,956,665
Finance cost	24	(58,696)	(91,512)	(7,110)	(7,581)
Share of results in associated company		-	(4,000)	-	-
Diminution in value of shares in associated company		(1,470,660)	-	-	-
Profit before tax		<u>17,747,173</u>	14,691,663	<u>4,037,247</u>	7,949,084
Tax	26	(5,903,062)	(4,696,713)	(1,234,035)	(2,276,510)
Profit after tax		<u>11,844,111</u>	9,994,950	<u>2,803,212</u>	5,672,574
Minority interests		(84,529)	(497,794)	-	-
Net profit for the financial year		<u>11,759,582</u>	9,497,156	<u>2,803,212</u>	5,672,574
Earnings per share (sen)					
- basic	27	10.8	8.8	2.6	5.2
Dividends per share (sen)	28	5.0	5.0	5.0	5.0

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD

(Incorporated in Malaysia)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002**

	Share Capital RM	Non-distributable Share Premium RM	Reserves on Consolidation RM	Distributable Retained Profit RM	Total RM
Balance as at 1 February 2000					
As previously reported	108,495,930	15,503,920	28,973,700	51,811,163	204,784,713
Prior year adjustment (Note 29)	-	-	-	2,343,512	2,343,512
As restated	108,495,930	15,503,920	28,973,700	54,154,675	207,128,225
Net profit for the financial year	-	-	-	9,497,156	9,497,156
Dividend paid for the financial year					
- 31 January 2000	-	-	-	(2,343,512)	(2,343,512)
- 31 January 2001	-	-	-	(1,952,927)	(1,952,927)
Balance as at 31 January 2001	108,495,930	15,503,920	28,973,700	59,355,392	212,328,942
Balance as at 1 February 2001					
As previously reported	108,495,930	15,503,920	28,973,700	57,402,465	210,376,015
Prior year adjustment (Note 29)	-	-	-	1,952,927	1,952,927
As restated	108,495,930	15,503,920	28,973,700	59,355,392	212,328,942
Net profit for the financial year	-	-	-	11,759,582	11,759,582
Dividend paid for the financial year					
- 31 January 2001	-	-	-	(1,952,927)	(1,952,927)
- 31 January 2002	-	-	-	(1,952,927)	(1,952,927)
Balance as at 31 January 2002	108,495,930	15,503,920	28,973,700	67,209,120	220,182,670

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD
(Incorporated in Malaysia)

**STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002**

	Share Capital RM	Non-distributable Share Premium RM	Reserves on Consolidation RM	Distributable Retained Profit RM	Total RM
Balance as at 1 February 2000					
As previously reported	108,495,930	15,503,920	-	3,258,350	127,258,200
Prior year adjustment (Note 29)	-	-	-	2,343,512	2,343,512
As restated	108,495,930	15,503,920	-	5,601,862	129,601,712
Net profit for the financial year	-	-	-	5,672,574	5,672,574
Dividend paid for the financial year					
- 31 January 2000	-	-	-	(2,343,512)	(2,343,512)
- 31 January 2001	-	-	-	(1,952,927)	(1,952,927)
					-
Balance as at 31 January 2001	108,495,930	15,503,920	-	6,977,997	130,977,847
Balance as at 1 February 2001					
As previously reported	108,495,930	15,503,920	-	5,025,070	129,024,920
Prior year adjustment (Note 29)	-	-	-	1,952,927	1,952,927
As restated	108,495,930	15,503,920	-	6,977,997	130,977,847
Net profit for the financial year	-	-	-	2,803,212	2,803,212
Dividend paid for the financial year					
- 31 January 2001	-	-	-	(1,952,927)	(1,952,927)
- 31 January 2002	-	-	-	(1,952,927)	(1,952,927)
Balance as at 31 January 2002	108,495,930	15,503,920	-	5,875,355	129,875,205

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD

(Incorporated in Malaysia)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002**

	Note	2002 RM	2001 RM
Cash flows from operating activities			
Cash receipts from customers		70,576,597	82,664,001
Cash paid to suppliers and employees		(47,693,921)	(46,802,730)
Cash generated from operations		22,882,676	35,861,271
Interest paid		(58,696)	(84,297)
Tax paid		(7,828,457)	(10,895,333)
Net cash from operating activities		14,995,523	24,881,641
Cash flows from investing activities			
Acquisition of plant and equipment		(960,206)	(1,296,573)
Deposit for purchase of properties		(12,804,338)	-
Expenses incurred relating to proposed corporate exercise		(507,605)	-
Acquisition of investments		(2,344,330)	(4,139,869)
Proceeds from disposal of investments		3,008,538	508,959
Proceeds from disposal of plant and equipment		225,068	267,847
Dividends received		310,421	176,157
Interest received		1,124,099	838,857
Net cash used in investing activities		(11,948,353)	(3,644,622)
Cash flows from financing activities			
Repayment of hire purchase creditor		(146,159)	(33,209)
Hire purchase interest		(18,094)	(7,215)
Proceeds from issuance of shares to minority shareholders of a subsidiary company		-	9,800
Dividend paid		(3,905,854)	(4,296,439)
Net cash used in financing activities		(4,070,107)	(4,327,063)
Net (decrease) / increase in cash and cash equivalents		(1,022,937)	16,909,956
Cash and cash equivalents at the beginning of the financial year		52,451,307	35,541,351
Cash and cash equivalents at the end of the financial year	31	51,428,370	52,451,307

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD
(Incorporated in Malaysia)

**CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002**

	Note	2002 RM	2001 RM
Cash flows from operating activities			
Cash receipts from customers		2,051,033	1,650,676
Cash paid to suppliers and employees		(3,291,024)	(3,022,488)
Cash utilised by operations		(1,239,991)	(1,371,812)
Interest paid		(7,110)	(7,581)
Tax paid		(2,675,781)	(2,728,877)
Net cash utilised by operating activities		(3,922,882)	(4,108,270)
Cash flow from investing activities			
Acquisition of plant and equipment		(205,229)	-
Expenses incurred for the proposed corporate exercise		(381,549)	-
Dividend received		9,836,000	9,086,000
Interest received		76,033	15,644
Net cash from investing activities		9,325,255	9,101,644
Cash flow from financing activities			
Advance from / (to) subsidiary companies		1,322,046	(1,371,760)
Dividend paid		(3,905,854)	(4,296,439)
Net cash used in financing activities		(2,583,808)	(5,668,199)
Net increase / (decrease) in cash and cash equivalents		2,818,565	(674,825)
Cash and cash equivalents at the beginning of the financial year		498,061	1,172,886
Cash and cash equivalents at the end of the financial year	31	3,316,626	498,061

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002**

1. GENERAL INFORMATION

- (a) The Company is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Board of the Kuala Lumpur Stock Exchange.
- (b) The address of the registered office of the Company is as follows :
Unit No. 203, 2nd Floor,
Block C, Damansara Intan,
No. 1, Jalan SS 20/27,
47400 Petaling Jaya, Selangor.
- (c) The address of the principal place of business of the Company is as follows :
Lot 18.02, 18th Floor, Public Bank Tower,
No 19, Jalan Wong Ah Fook,
80000 Johor Bahru, Johor.

(d) Employee information

	GROUP		COMPANY	
	2002	2001	2002	2001
Number of employees at the end of the financial year	89	77	55	50
Staff cost (RM)				
Amount charged to income statement	3,691,321	2,993,076	1,598,521	1,512,986
Amount capitalised in assets	99,743	93,908	-	-
Total	3,791,064	3,086,984	1,598,521	1,512,986

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

CRESCENDO CORPORATION BERHAD
(Incorporated in Malaysia)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements of the Group and of the Company are prepared under the historical cost convention (except for those disclosed in the summary of significant accounting policies) and comply with the applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965.

The new applicable approved accounting standards adopted in these financial statements is Malaysian Accounting Standards Board (MASB) Standard 19 "Events After Balance Sheet date".

With the exception of MASB Standard 19, there is no change in accounting policy that affects the net profit for the period as a result of the adoption of the above standard in these financial statements as the Group was already following the recognition and measurement principles in this standard.

(b) Subsidiary companies and basis of consolidation

Investment in subsidiary companies is stated at cost. A company is considered as a subsidiary when the company owns directly or indirectly more than one half of the voting power of that company or the company controls the composition of the board of directors or equivalent governing body.

The consolidated financial statements include the financial statements of the Company and its subsidiary companies made up to the end of the financial year. The results of the subsidiary companies acquired or disposed off during the financial year are included in the consolidated income statements from the date of their acquisition or up to the date of their disposal. Inter-company transactions, balances and unrealised gains / losses on transactions are also eliminated on consolidation.

Goodwill or reserve arising on consolidation represents the difference between the acquisition cost of shares in the subsidiary companies and the fair value of the attributable net assets acquired as at the date of acquisition. No amortisation is provided on goodwill or reserve on consolidation. The carrying amount is reviewed annually, and goodwill is written down when, in the opinion of the directors, its value has deteriorated or when it ceases to have a useful life.

(c) Associated company

An associated company is a company in which the Group exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associated company but not control over those policies. Investment in associated company are accounted for in the consolidated financial statements by the equity method of accounting.

The Group's share of losses less tax of the associated company is included in the consolidated income statements and is deducted from the cost of investment in the consolidated balance sheet.

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD

(Incorporated in Malaysia)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(d) Property, plant and equipment

Freehold lands are not depreciated. No amortisation is provided on the leasehold land which has an unexpired term in excess of fifty years.

Freehold land and long leasehold land are stated at cost which included the related expenditure incurred to Balance Sheet date.

Other property, plant and equipment are stated at cost less accumulated depreciation. Depreciation of property, plant and equipment is calculated to write off the cost of the assets on a straight line basis over the estimated useful lives of the assets as follows :

	No. of years
Buildings	10
Equipment, furniture & fittings and renovation	5 - 10
Motor vehicles	5 - 10
Plant and machinery	5 - 10

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. An impairment loss is recognised whenever the carrying amount of an item of property, plant and equipment exceeds its recoverable amount. The impairment loss is charged to income statement.

The Group had adopted the policy to revalue its freehold and leasehold land on a regular basis at least once in every five years.

Surpluses arising from revaluation are credited to revaluation reserve. Any deficit arising from revaluation is charged against revaluation reserve to the extent of a previous surplus held in the revaluation reserve for the same assets. In all other cases, a decrease in carrying amount is charged to income statement.

(e) Investments

Quoted and unquoted investments and golf club membership are stated at cost. Allowance is made for diminution in value where, in the opinion of the directors, there is a decline other than temporary in value of the investments.

The market value of the quoted investments is calculated based on the last transacted prices of these investments quoted in the respective stock exchanges at the balance sheet date.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the income statement; any amount in revaluation reserve relating to that investment is transferred to retained earnings.

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD
(Incorporated in Malaysia)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(f) Land and development expenditure

Land and development expenditure are stated at cost plus attributable profits recognised to date based on the percentage of completion method (based on architects' certificates, where applicable) less progress billings to date. Cost is mainly determined on specific identification basis and includes the relevant cost of land, construction and appropriate development overheads attributable to the stage of completion.

Land and development expenditure pertaining to those portions of property development project in which development works are expected to complete within the normal operating cycle of one to two years are classified as current assets.

(g) Inventories

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

Cost of raw materials include all expenses which relate to bringing the inventories to their present location and condition and their costs are determined on a first-in, first-out basis.

Cost of finished goods constitute the average cost of production which includes materials, labour and manufacturing overheads.

Cost of completed properties for sale is determined on specific identification basis and includes land cost, construction cost and related infrastructure expenditure.

(h) Construction contracts

When the outcome of a construction contract can be estimated reliably, contract revenue and contract costs are recognised over the period of the contract as revenue and expenses respectively. The Group uses the percentage of completion method to determine the appropriate amount of revenue and costs to recognise in a given period; the stage of completion is determined based on architects' certificates.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable; contract costs are recognised when incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

The aggregate of the costs incurred and the profit / loss recognised on each contract is compared against the progress billings up to the period end. Where costs incurred and recognised profits (less recognised losses) exceed progress billings, the balance is shown as amounts due from customers on construction contracts under current assets. Where progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is shown as amounts due to customers on construction contracts under current liabilities.

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD

(Incorporated in Malaysia)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(i) Deferred tax

Deferred tax is provided using liability method for all material timing differences except where no liability is expected to arise in the foreseeable future. However, where timing differences result in net deferred tax benefits, the tax effects will generally be recognised upon actual realisation.

The potential tax saving relating to a tax loss carry forward is only recognised if there is assurance beyond any reasonable doubt that future taxable income will be sufficient for the benefit of the loss to be realised.

Where there is intention to dispose of revalued assets, the deferred tax relating to such assets is recognised through a transfer from the related revaluation surplus. No provision nor disclosure is made of this tax effect where the Group intends to hold such assets for the foreseeable future.

(j) Debtors

Known bad debts are written off and specific allowance is made for debts considered to be doubtful of collection.

(k) Hire purchase transactions

Assets acquired under hire purchase arrangements are capitalised in the financial statements and the corresponding obligations are recorded as liability. Finance charges are allocated to the income statement over the duration of the agreement.

(l) Revenue recognition

Sales are recognised upon delivery of finished goods and customer acceptance or performance of services, net of sales taxes and discounts, and after eliminating sales within the Group.

Sale of development properties is recognised on the percentage of completion method (based on architects' certificates, where applicable). Provision is made for any foreseeable losses.

Sale of completed properties is recognised on the completion and execution of sale and purchase agreement.

Income from long term contracts is recognised on the percentage of completion method (based on architects' certificates, where applicable) where the outcome of the contracts can be reasonably estimated. Provision is made for anticipated losses on individual contracts where costs incurred to date plus estimated costs to completion exceed contract sums.

Interest income is recognised on a time proportion and takes into the account the effective yield on the assets.

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

AUDITED FINANCIAL STATEMENTS OF CCB FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2002 TOGETHER WITH THE NOTES TO THE FINANCIAL STATEMENTS AND THE AUDITORS' REPORT THEREON (Cont'd)

Company No. **359750-D**

CRESCENDO CORPORATION BERHAD
(Incorporated in Malaysia)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

(m) Dividends

Dividends are accounted for in shareholders' equity as an appropriation of retained earnings in the period when they are formally approved for payment.

(n) Interest capitalisation

Interest incurred on borrowings related to plant and equipment and property development is capitalised during the period when activities to plan, develop and construct the assets are undertaken. Capitalisation ceases when the assets are ready for their intended use.

(o) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdraft and short term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of change in value.

3. PROPERTY, PLANT AND EQUIPMENT

	Properties RM	Plant and machinery RM	Equipment, furniture & fittings and renovation RM	Motor vehicles RM	Total RM
GROUP					
Net Book Value					
At 1 February 2001	57,615,284	1,062,099	859,334	1,214,614	60,751,331
Additions	-	226,756	222,636	510,814	960,206
Disposals	-	-	(180)	(45,290)	(45,470)
Written off	-	(3,313)	(1,229)	-	(4,542)
Depreciation : charged to income statement	(8,907)	(230,072)	(207,779)	(450,059)	(896,817)
At 31 January 2002	<u>57,606,377</u>	<u>1,055,470</u>	<u>872,782</u>	<u>1,230,079</u>	<u>60,764,708</u>
At 31 January 2002					
Cost	57,654,300	1,820,654	1,697,988	3,514,922	64,687,864
Accumulated depreciation	(47,923)	(765,184)	(825,206)	(2,284,843)	(3,923,156)
Net book value	<u>57,606,377</u>	<u>1,055,470</u>	<u>872,782</u>	<u>1,230,079</u>	<u>60,764,708</u>