

COMPANY NO: 78451-V

The Audited Statements of Account
of the Company for the year ended
31 March 1996 were tabled at the
Annual General Meeting held on
26 August 1996.

K 7	
No. Resit	
Tarikh 17 SEP 1996	
Diketahui dalam Komputer oleh:	Pemohon Pendaftaran Syarikat Malaysia
Pada:	

LEE CHOONG PHING
LS 00382

ENG LIAN DEVELOPMENT SDN. BHD.
(Incorporated in Malaysia)

REPORT AND ACCOUNTS - MARCH 31, 1996

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COMPANY NO. 78451-V

ENG LIAN DEVELOPMENT SDN. BHD.
(Incorporated in Malaysia)

DIRECTORS' REPORT

The directors have pleasure in submitting their report and the audited accounts of the company for the year ended March 31, 1996.

PRINCIPAL ACTIVITY

The principal activity of the company is property development. There has been no significant change in the nature of this activity during the year.

RESULTS

RM

Profit after taxation	928
Accumulated loss brought forward	(2,978,994)

Accumulated loss carried forward	(2,978,066)

DIVIDEND

No dividend has been declared or paid by the company since the end of the previous financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the year.

BAD AND DOUBTFUL DEBTS

Before the profit and loss account and balance sheet of the company were made out, the directors took reasonable steps to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provisions for doubtful debts and satisfied themselves that there were no known bad debts and that no provision for doubtful debts was necessary.

At the date of this report, the directors are not aware of any circumstances that would render it necessary to write off any bad debts or to make a provision for doubtful debts in respect of the account.

CURRENT ASSETS

Before the profit and loss account and balance sheet of the company were made out, the directors took reasonable steps to ascertain whether any current assets, other than debts, were unlikely to realise in the ordinary course of business; their value as shown in the accounting records of the company and to the extent so ascertained were written down to an amount that they might be expected to realise.

At the date of this report, the directors are not aware of any circumstances that would render the values attributed to the current assets in the accounts of the company misleading.

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VALUATION METHODS

At the date of this report, the directors are not aware of any circumstances which have arisen which render adherence to the existing methods of valuation of assets or liabilities of the company misleading or inappropriate.

CONTINGENT AND OTHER LIABILITIES

At the date of this report there does not exist:

- i) any charge on the assets of 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 company that has arisen since the end of the financial year.

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

CHANGE OF CIRCUMSTANCES

At the date of this report, the directors are not aware of any circumstances, not otherwise dealt with in this report or the accounts of the company, that would render any amount stated in the accounts misleading.

ITEMS OF AN UNUSUAL NATURE

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

There has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the company for the financial year in which this report is made.

ISSUE OF SHARES

During the year no issue of shares was made by the company.

OPTION

No option has been granted during the year to take up unissued shares of the company.

DIRECTORS OF THE COMPANY

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

Ng Tian Ming
Ng Leong Sing
Dr. Ng Lu Siong

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None of the directors held any shares in the company during the year.

The directors who held shares in the ultimate holding company at year end are as follows:

	----- Ordinary shares of RM1 each -----			
	As at			As at
Eng Lian Enterprise Sdn Bhd	1-4-1995	Bought	Sold	31-3-1996
Mr. Tian Ming	1,200,000	-	-	1,200,000
Dr. Ng Lu Siong	666,000	-	-	666,000

By virtue of their interests in the shares of the ultimate holding company, Mr. Ng Tian Ming and Dr. Ng Lu Siong are deemed to have an interest in the shares of the company.

In accordance with the company's Articles of Association, Mr. Ng Leong Sing retires and, being eligible, offers himself for re-election. ✓

DIRECTORS' BENEFITS

Since the end of the previous financial year no director of the company has received or become entitled to receive any benefit by reason of a contract made by the company or a related corporation with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Neither during nor at the end of the financial year, was the company a party to any arrangements whose object is to enable the directors to acquire benefits by means of the acquisition of shares in or debentures of the company or any other body corporate.

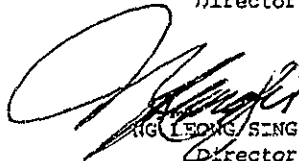
AUDITORS

The auditors, Messrs. Yoong Siew Wah & Company have indicated their willingness to continue in office.

ON BEHALF OF THE BOARD



DR. NG LU SIONG
Director



NG LEONG SING
Director

Kuala Lumpur,

07 AUG 1996

COMPANY NO. 78451-V

STATEMENT BY DIRECTORS

We, the undersigned, being two of the directors of ENG LIAN DEVELOPMENT SDN. BHD., do hereby state that in the opinion of the directors, the accounts set out on pages 6 to 10 are drawn up so as to give a true and fair view of the state of affairs of the company as at March 31, 1996 and of the results of the business of the company and the changes in financial position for the year ended on that date.

On behalf of the Board

Ng

DR. NG LU SIONG
Director

Ng

NG LUONG SIONG
Director

Kuala Lumpur,

07 AUG 1996

STATUTORY DECLARATION

I, DR. NG LU SIONG, being the director primarily responsible for the financial management of ENG LIAN DEVELOPMENT SDN. BHD., do solemnly and sincerely declare that the accounts set out on pages 6 to 10 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.

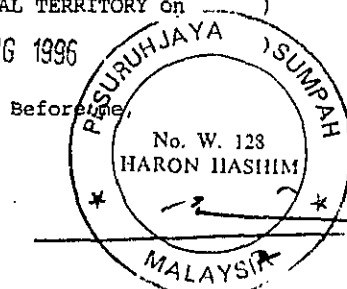
Subscribed and solemnly declared)

by the abovenamed at KUALA LUMPUR)

in the FEDERAL TERRITORY on)

07 AUG 1996

Before me,



Ng

DR NG LU SIONG

NO. 147A, 1st FLOOR,
JLN: TUANKU ABD. RAHMAN
50100 K. LUMPUR.

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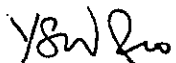
ENG LIAN DEVELOPMENT SDN. BHD.
(Incorporated in Malaysia)

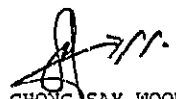
REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the accounts set out on pages 6 to 10 in accordance with approved auditing standards.

In our opinion:

- (a) the accounts give a true and fair view of the state of affairs of the company as at March 31, 1996 and of its results and the changes in financial position for the year ended on that date and comply with the Companies Act, 1965; and
- (b) the accounting and other records and the registers required by the Act to be kept by the company have been properly kept in accordance with the provisions of the Act.


YONG SIEW WAH & COMPANY
No. AF: 0097
Public Accountants


CHONG SAY WOON
No. 1681/12/97(J)
Partner

Kuala Lumpur,

07 AUG 1996

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ENG LIAN DEVELOPMENT SDN. BHD.
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BALANCE SHEET AS AT MARCH 31, 1996

	NOTE	1 9 9 6 RM	1 9 9 5 RM
LAND AND DEVELOPMENT EXPENDITURE	2	3,253,961	3,251,287
CURRENT ASSETS			
Other debtors		484	380
Cash at bank		2,290	1,012
		2,774	1,392
CURRENT LIABILITIES			
Amount due to ultimate holding company	3	6,228,639	6,227,921
Other creditors and accruals		1,260	1,350
Provision for taxation		4,900	2,400
		6,234,799	6,231,671
NET CURRENT LIABILITIES		(6,232,025)	(6,230,279)
		(2,978,064)	(2,978,992)
Financed By:			
SHARE CAPITAL	4	2	2
ACCUMULATED LOSS		(2,978,066)	(2,978,994)
		(2,978,064)	(2,978,992)

The annexed notes form an integral part of and should be read in conjunction with the above balance sheet.

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PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED MARCH 31, 1996

	NOTE	1 9 9 6 RM	1 9 9 5 RM
TURNOVER		Nil	Nil
PROFIT FOR THE YEAR		3,428	4,128
AFTER CHARGING			
Audit fees		500	500
AND CREDITING			
Rental income		8,755	8,755
TAXATION	5	(2,500)	6,600
PROFIT AFTER TAXATION		928	10,728
ACCUMULATED LOSS BROUGHT FORWARD		(2,978,994)	(2,989,722)
ACCUMULATED LOSS CARRIED FORWARD		(2,978,066)	(2,978,994)

The annexed notes form an integral part of and should
be read in conjunction with the above account.

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ENG LIAN DEVELOPMENT SDN. BHD.
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NOTES TO THE ACCOUNTS - MARCH 31, 1996

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Accounting

The accounts of the company have been prepared under the historical cost convention and comply with approved accounting standards.

1.2 Land and Development Expenditure

Land and development expenditure is stated at cost.

1.3 Taxation

The taxation charged in the profit and loss account is calculated at current tax rates based on the estimated chargeable income for the year.

Provision is made by the liability method for taxation deferred in respect of all timing differences except where it is thought reasonably probable that the tax effect of such deferrals will continue in the foreseeable future. Deferred tax benefit is not recognised in the accounts.

2. LAND AND DEVELOPMENT EXPENDITURE	1 9 9 6 RM	1 9 9 5 RM
Freehold land:		
At cost	3,037,003	3,037,003
Development expenditure:		
At cost	216,958	214,284
	-----	-----
	3,253,961	3,251,287
	-----	-----

3. AMOUNT DUE TO ULTIMATE HOLDING COMPANY

The amount due to ultimate holding company is unsecured, interest free and has no fixed terms of repayment.

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4. SHARE CAPITAL

Ordinary shares of RM1 each

Authorised

Issued and fully paid

1 9 9 6
RM

1 9 9 5
RM

5,000,000

5,000,000

2

2

5. TAXATION

Provision for the year

Over/(under) provision in prior years

(2,495)

(2,400)

(5)

9,000

(2,500)

6,600

6. ULTIMATE HOLDING COMPANY

The ultimate holding company is Eng Lian Enterprise Sdn. Bhd., a company incorporated in Malaysia.

Lodged by : CHAN CHEE HONG & CO SDN BHD
Nos 6 & 8 Jalan Gereja
2nd Floor 50100 Kuala Lumpur
Tel No : 2329422