Notes to the Financial Statements - 31 December 2009

1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia. The principal place of business of the Company is located at Aras 15, Menara Bank Pembangunan, Bandar Wawasan, No. 1016, Jalan Sultan Ismail, 50250 Kuala Lumpur.

The principal activity of the Company is that of a venture capital investment holding company. The principal activities of the subsidiaries are described in Note 4.

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

The holding company and ultimate holding body of the Company is Bank Pembangunan Malaysia Berhad, a company incorporated and domiciled in Malaysia and The Minister of Finance (Incorporation) ("MOF"), a body corporate which was incorporated under the Minister of Finance (Incorporation) Act, 1957.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 23 February 2010.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements comply with the provisions of the Companies Act, 1965 and applicable Financial Reporting Standards in Malaysia ("FRSs").

The financial statements of the Group and of the Company have also been prepared on a historical cost basis except for a subsidiary that has been prepared on a break-up basis for the financial year ended 31 December 2009.

The functional currency of certain subsidiaries is United States Dollar ("USD"). The financial statements are presented in Ringgit Malaysia ("RM') in compliance with FRSs and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

The functional currency of the Company is RM, and its financial statements are also presented in RM.

2.2 Summary of significant accounting policies

(a) Subsidiaries and basis of consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

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

The accompanying notes form an integral part of the financial statements.

2.2 Summary of significant accounting policies (cont'd)

(a) Subsidiaries and basis of consolidation (cont'd)

(ii) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are 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. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

Acquisitions of subsidiaries are accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill.

Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in profit or loss.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in subsidiaries' equity since then.

(b) Jointly controlled entities

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.

Investments in jointly controlled entities are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in jointly controlled entity is carried in the consolidated balance sheet at cost adjusted for post-acquisition changes in the Group's share of net assets of the jointly controlled entity. The Group's share of the net profit or loss of the jointly controlled entity is recognised in the consolidated profit or loss. Where there has been a change recognised directly in the equity of the jointly controlled entity, the Group recognises its share of such changes.

2.2 Summary of significant accounting policies (cont'd)

(b) Jointly controlled entities (cont'd)

In applying the equity method, unrealised gains and losses on transactions between the Group and the jointly controlled entity are eliminated to the extent of the Group's interest in the jointly controlled entity. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the jointly controlled entity. The jointly controlled entity is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the jointly controlled entity.

Goodwill relating to the jointly controlled entity is included in the carrying amount of the investment and is not amortised. Any excess of the Group's share of the net fair value of the jointly controlled entity'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 jointly controlled entity's profit or loss in the period in which the investment is acquired.

Where the Group's share of losses in the jointly controlled entity equals or exceeds its interest in the jointly controlled entity, including any long-term interests that, in substance, form part of the Group's net investment in the jointly controlled entity, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the jointly controlled entity.

The most recent available audited financial statements and management accounts of the jointly controlled entities are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those 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. Uniform accounting polices are adopted for like transactions and events in similar circumstances.

In the Company's separate financial statements, investments in jointly controlled entities 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.

(c) Vessels and equipment and depreciation

All vessels, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when 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. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The accompanying notes form an integral part of the financial statements.

2.2 Summary of significant accounting policies (cont'd)

(c) Vessels and equipment and depreciation (cont'd)

Subsequent to recognition, vessels, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation of vessels, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Motor vehicles	5 years
Furniture and fittings	6 - 7 years
Office equipment	6 - 7 years
Office renovation	3 years
Computers	5 years
Vessels	25 years
Dry docking	2.5 - 5 years

Vessels under construction is not depreciated as the asset is not available for use.

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the vessels, plant and equipment.

Vessels, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in profit and loss and the unutilised portion of the revaluation surplus is taken directly to retained profits.

(d) Impairment of non-financial assets

The carrying amount of assets, other than inventories, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset recoverable amount is estimated to determine the amount of impairment loss.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating-unit ("CGU") to which the asset belongs to.

Goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's CGUs, or groups of CGUs, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

The accompanying notes form an integral part of the financial statements.

2.2 Summary of significant accounting policies (cont'd)

(d) Impairment of non-financial assets (cont'd)

An asset recoverable amount is the higher of an asset or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cashflows 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 risk specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are all allocated first to reduce the carrying amount if any goodwill allocated to those units or group of units and then, to reduce the carrying amount of the other assets in the unit or group of units on a pro-rata basis.

(e) Inventories

Inventories which comprise lubricants are held for own consumption and are stated at lower of cost and net realisable value. Cost is arrived at on the weighted average basis and comprises the purchase price and other direct charges.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

(f) Financial instruments

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

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends and gains and losses relating to a financial instrument classified as a liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

(i) Cash and cash equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash on hand and at bank, deposit at call and short term highly liquid investments which have an insignificant risk of changes in value.

(ii) Other non-current investment

Non-current investments other than investments in subsidiaries and associates are stated at cost less impairment losses. On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in profit or loss.

(iii) Trade and other receivables

Trade and other receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.

(iv) Trade and other payables

Trade and other payables are stated at the fair value of the consideration to be paid in the future for goods and services received.

The accompanying notes form an integral part of the financial statements.

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(f) Financial instruments (cont'd)

(v) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

(vi) Equity instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(g) Borrowing costs

Borrowing costscomprise debts issuance costs and interest costs. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(h) Income tax

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

Deferred tax is providedfor using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised Deferred tax is not recognised if the temporary difference arises from goodwill or negative goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(h) Income tax (cont'd)

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised as income or an expense and included in the profit or loss for the period, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity, or when it arises from a business combination that is an acquisition, in which case the deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

(i) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where 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.

(j) Employee benefits

(i) Short term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees. 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.

(ii) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the profit or loss as incurred. As required by law, companies in Malaysia make such contributions to the Employees Provident Fund ("EPF").

(k) Foreign currencies

(i) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The functional currency of the Company is RinggitMalaysia ("RM") and that of certain subsidiaries is United States Dollar ("USD"). The financial statements are presented in RM, in compliance with FRSs.

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(k) Foreign currencies (cont'd)

(ii) Foreign currency transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency ("foreign currencies") are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each balance sheet date monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in income statement for the period except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, where that monetary item is denominated in either the functional currency of the reporting entity or the foreign operation, are initially taken directly to the currency translation reserve within equity until the disposal of the foreign operation, at which time they are recognised in income statement. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation, regardless of the currency of the monetary item, are recognised as profit or loss in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in income statement 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.

(iii) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency ("RM") of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate prevailing at the balance sheet date;
- Income and expenses for each income statement are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- All resulting exchange differences are taken to the currency translation reserve within equity.

Goodwill and fair value adjustments arising on the acquisition of foreign operations on or after 1 January 2006 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 balance sheet date. Goodwill and fair value adjustments which arose on the acquisition of foreign subsidiaries before 1 January 2006 are deemed to be assets and liabilities of the parent company and are recorded in RM at the rates prevailing at the date of acquisition.

2. Significant accounting policies (cont'd)

2.2 Summary of significant accounting policies (cont'd)

(l) Revenue recognition

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

(i) Share of pool profit/(loss)

Share of pool profit/(loss) arising from the ship-owning subsidiaries' participation in pool arrangements is accounted for on an accrual basis.

(ii) Charter hireincome

Charter hire fees are accounted for on an accrual basis.

(iii) Interest income

Interest income is recognised on an accrualbasis using the effective interest method.

(iv) Dividend income

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

(m) Repairs and maintenance, and dry-docking

Repairs and maintenance costs are recognised in income statement as incurred. Dry-docking expenditure is capitalised and depreciated over a period of 30 to 60 months or the period until the next drydocking date, whichever is the shorter.

(n) Non-current Assets Held for Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

Immediately before classification as held for sale, the measurement of the non-current assets is brought up-to-date in accordance with applicable FRSs. wThen, on initial classification as held for sale, non-current assets are measured in accordance with FRS 5 that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in profit or loss.

2. Significant accounting policies (cont'd.)

2.3 Standards and Interpretations Issued but Not Yet Effective

At the date of authorisation of these financial statements, the following new FRSs, Amendments to FRSs and Interpretations were issued but not yet effective and have not been applied by the Company:

FRSs, Amendments to FRSs and Interpretations

Effective for financial periods beginning on or after 1 July 2009:

FRS 8	Operating Segments

Effective for financial periods beginning on or after 1 January 2010 :

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (as revised in 2009)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 107	Cash Flow Statements
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events After the Balance Sheet Date
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 118	Revenue
Amendment to FRS 119	Employee Benefits
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 123	Borrowing Costs
Amendment to FRS 128	Investments in Associates
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendment to FRS 131	Interests in Joint Ventures
Amendments to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 138	Intangible Assets
Amendments to FRS 139, FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives
Improvement to FRSs 2009	Improvement to FRSs (2009)

2. Significant accounting policies (cont'd)

2.3 Standards and Interpretations Issued but Not Yet Effective (cont'd.)

FRSs, Amendments to FRSs and Interpretations (cont'd.)

Effective for financial periods beginning on or after 1 January 2010: (cont'd.)

IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Effective for financial periods beginning on or after 1 July 2010:

FRS 1	FRS 1 First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 127	Consolidated and Separate Financial Reassessment
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 15	Agreements for the Construction of Real Estate
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible Assets
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

The above new FRSs, Amendments to FRSs and Interpretations are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the following:

FRS 101 (Revised): Presentation of Financial Statements

The revised FRS101 requires owner and non-owner changes in equity to be presented separately. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line item. In addition, the revised standard introduces the statement of comprehensive income: its presents all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements.

This is a disclosure standard with no impact on the financial position or financial performance of the Group.

The Group and the Company are exempted from disclosing the possible impact to the financial statements upon the initial application of FRS 7 and FRS 139.

3. Vessels and equipment

Group

	Vessels RM'000	Drydocking expenses RM'000	Furniture, fittings and office equipment RM'000	Office renovation RM'000	Motor vehicle RM'000	Computers RM'000	Vessels under construction RM'000	Total RM'000
At 31 December 2009								
Cost								
At 1 January 2009	1,183,598	42,231	187	292	158	272	-	1,226,729
Additions	1,423	7,344	1	-	-	30	-	8,798
Transfer to assets held for sale	(145,130	(6,156)	-	-	-	-	-	(151,286)
Fully amortised	-	(11,267)	-	-	-	-	-	(11,267)
Effect of movements in exchange rates	(17,430)	(447)	-	-	-	-	-	(17,877)
At 31 December 2009	1,022,452	31,705	188	292	158	302	-	1,055,097
Accumulated depreciation								
At 1 January 2009	485,842	24,729	111	206	89	224	-	511,201
Depreciation for the year	48,035	11,036	19	56	18	19	-	59,183
Transfer to assets held for sale	(69,069)	(2,815)						(71,884)
Fully amortised	-	(11,267)	-	-	-	-	-	(11,267)
Effect of movements in exchange rates	(7,482)	(300)	-	-	-	-	-	(7,782)
At 31 December 2009	457,326	21,383	130	262	107	243	-	479,451
Net Carrying amounts	565,126	10,322	58	30	51	59	-	575,646

3. Vessels and equipment (cont'd.)

Group (cont'd.)

	Vessels RM'000	Drydocking expenses RM'000	Furniture, fittings and office equipment RM'000	Office renovation RM'000	Motor vehicle RM'000	Computers RM'000	Vessels under construction RM'000	Total RM'000
At 31 December 2008								
Cost								
At 1 January 2008	1,120,311	28,359	171	292	451	257	-	1,149,841
Additions	11,348	12,716	16	-	-	15	32,170	56,265
Disposal	-	-	-	-	(293)	-	-	(293)
Effect of movements							-	-
in exchange rates	51,930	1,156	-	-	-	-	-	53,086
At 31 December 2008	1,183,589	42,231	187	292	158	272	32,170	1,258,899
Prior year adjustments								
(Note 27)	-	-	-	-	-	-	(32,170)	(32,170)
At 31 December 2008								
(restated)	1,183,589	42,231	187	292	158	272	-	1,226,729
Accumulated depreciation								
At 1 January 2008	420,458	12,356	94	150	360	208	-	433,626
Depreciation for the year	47,821	11,853	17	56	22	16	-	59,785
Disposal	-	-	-	-	(293)	-	-	(293)
Effect of movements								
in exchange rates	17,563	520	-	-	-	-	-	18,083
At 31 December 2008	485,842	24,729	111	206	89	224	-	511,201
Net Carrying amounts	697,747	17,502	76	86	69	48	-	715,528

3. Vessels and equipment (cont'd.)

Company

	Furniture, fittings and office equipment RM'000	Office renovation RM'000	Motor vehicle RM'000	Computers RM'000	Total RM'000
At 31 December 2009					
Cost					
At 1 January 2009	187	292	158	272	909
Additions	1	-	-	29	30
At 31 December 2009	188	292	158	301	939
Accumulated depreciation					
At 1 January 2009	111	206	89	223	629
Depreciation for the year	19	55	17	19	110
At 31 December 2009	130	261	106	242	739
Net Carrying amounts	58	31	52	59	200

3. Vessels and equipment (cont'd.)

Company (cont'd.)

	Furniture, fittings and office equipment RM'000	Office renovation RM'000	Motor vehicle RM'000	Computers RM'000	Total RM'000
At 31 December 2008					
Cost					
At 1 January 2008	165	306	158	258	887
Adjusment	6	(14)	293	(1)	284
At 1 January 2008 (restated)	171	292	451	257	1,171
Additions	16	-	-	15	31
Disposal	-	-	(293)	-	(293)
At 31 December 2008	187	292	158	272	909
Accumulated depreciation					
At 1 January 2008	88	164	67	208	527
Adjusment	6	(14)	293	(1)	284
At 1 January 2008 (restated)	94	150	360	207	811
Depreciation for the year	17	56	22	16	111
Disposals	-	-	(293)	-	(293)
At 31 December 2008	111	206	89	223	629
Net Carrying amounts	76	86	69	49	280

3. Vessels and equipment (cont'd.)

At 31 December 2009, vessels with carrying amount of RM565,126,000 (2008: RM697,747,000) were pledged to a licensed financial institution for banking facilities granted to the subsidiaries (Note 13).

4. Investment in subsidiaries

	Company 2009 RM'000	Company 2008 RM'000
Unquoted shares, at cost	20,300	20,300

Details of the subsidiaries are as follows:

Name of Subsidiary	Country of Incorporation	Principal Activities	Effective Interest (%) 2009	Effective Interest (%) 2008
Held by the Company				
Glory Incentive Sdn Bhd	Malaysia	Investment holding	100	100
GMV-Alam Sdn Bhd	Malaysia	Investment holding	100	100
GMV-Gagasan Sdn Bhd	Malaysia	Investment holding	100	100
Tegas Senja Sdn Bhd *	Malaysia	Investment holding	100	100
GMV-Bahtera Sdn Bhd	Malaysia	Investment holding	100	100
GMV-Orion Sdn Bhd	Malaysia	Investment holding	100	100
GMV-Regional Sdn Bhd	Malaysia	Investment holding	100	100
GMV-Orkim Sdn Bhd	Malaysia	Investment holding	100	100
GMV-Offshore Sdn Bhd	Malaysia	Investment holding	100	100
GMV-Global Sdn Bhd	Malaysia	Investment holding	100	100
GMV-Jasa Sdn Bhd	Malaysia	Investment holding	100	100
GMV-Omni Sdn Bhd	Malaysia	Investment holding	100	100
Mutiara Navigation Sdn Bhd	Malaysia	Ship-owning	70	70
Intan Navigation Sdn Bhd	Malaysia	Ship-owning	70	70
Nilam Navigation Sdn Bhd	Malaysia	Ship-owning	70	70
Kasa Navigation Sdn Bhd	Malaysia	Ship-owning	70	70
Mayang Navigation Sdn Bhd	Malaysia	Ship-owning	70	70
Sari Navigation Sdn Bhd	Malaysia	Ship-owning	70	70
Tiara Navigation Sdn Bhd	Malaysia	Dormant	70	70
Exiwealth Resources Sdn Bhd	Malaysia	Investment holding	100	-

4. Investment in subsidiaries (cont'd.)

Name of Subsidiary	Country of Incorporation	Principal Activities	Effective Interest (%) 2009	2008
Held by Glory Incentive Sdn Bhd				
Permata Navigation Sdn Bhd	Malaysia	Ship-owning	70	70
Gemala Navigation Sdn Bhd	Malaysia	Ship-owning	70	70
Ratna Navigation Sdn Bhd	Malaysia	Ship-owning	70	70
Kencana Navigation Sdn Bhd	Malaysia	Ship-owning	70	70
Ayu Navigation Sdn Bhd	Malaysia	Dormant	70	70

All subsidiaries are audited by Ernst & Young, Malaysia.

* Financial statements of Tenja Senja Sdn Bhd as at 31 December 2009 have been prepared on a break-up basis.

On 25th October 2009, the Company acquired Exiwealth Resources Sdn Bhd as a wholly owned subsidiary for a cash consideration of RM2 pursuant to a joint venture between Global Maritime Ventures Berhad and Syarikat Borcos Shipping Sdn Bhd.

5. Investments in jointly controlled entities

	Group		Company	
	2009 RM'000	2008 RM'000 (Restated)	2009 RM'000	2008 RM'000
Unquoted shares, at cost	77,953	52,185	75	75
Share of post acquisition reserves	21,817	11,374	-	-
	99,770	63,559	75	75
Advances to jointly controlled entities:				
- within 1 year	3,370	3,370	-	-
- more than 1 year	74,852	66,626	-	-
	78,222	69,996	-	-
	177,992	133,555	75	75
Analysed as:				
Short term investment	3,370	3,370	-	-
Long term investment	174,622	130,185	75	75
	177,992	133,555	75	75

5. Investments in jointly controlled entities (cont'd.)

The advances are interest free, unsecured and have no fixed term of repayment except for advances to Alam Synergy I (L) Inc, Alam Synergy II (L) Inc and Alam Synergy III (L) Inc amounting to RM24,677,502 (2008: RM28,040,350) which bear an interest of 7% (2008: 7%) per annum and repayable on a quarterly basis over a period of 10 years.

Details of the jointly controlled entities whose financial year end are conterminous with the Group are as follows:

Name of Jointly Controlled Entities	Country of Incorporation	Principal Activities	Effective Interest (%) 2009	2008
Wawasan Bulk Services Sdn Bhd	Malaysia	Ship management	30	30
Alam Eksplorasi Sdn Bhd	Malaysia	Ship-owning, ship operator, ship agency, chartering and other related to shipping industry	40	40
Alam Synergy I (L) Inc	Malaysia	Ship-owning, ship operator and charter hire of vessel	40	40
Alam Synergy II (L) Inc	Malaysia	Ship-owning, ship operator and charter hire of vessel	40	40
Alam Synergy III (L) Inc	Malaysia	Ship-owning, ship operator and charter hire of vessel	40	40
Formasi Cekal Sdn Bhd	Malaysia	Ship-owning, Ship operator, and to undertake all kinds of contract to carry merchant goods	40	40
Baycorp Ship Management Sdn Bhd	Malaysia	Ship management	40	40
Gagasan Sembilan Sdn Bhd	Malaysia	Ship-owning	40	40
Gagasan Ked Sdn Bhd	Malaysia	Ship-owning	60	60
Gagasan Paha Sdn Bhd	Malaysia	Ship-owning	60	60

5. Investments in jointly controlled entities (cont'd.)

Name of Jointly Controlled Entities	Country of Incorporation	Principal Activities	Effective Interest (%) 2009	2008
Orkim Leader Sdn Bhd	Malaysia	Ship-owning and freighting	40	40
Orkim Power Sdn Bhd	Malaysia	Ship-owning and freighting	40	40
Orkim Merit Sdn Bhd	Malaysia	Ship-owning and freighting	40	40
Orkim Express Sdn Bhd	Malaysia	Ship-owning and freighting	40	40
Budisukma Mesra Sdn Bhd	Malaysia	Ship-owning and freighting	49	49
Budisukma Mesra Dua Sdn Bhd	Malaysia	Ship-owning and freighting	49	49
JM Global 1 (L) Plc	Malaysia	Ship-owning and freighting	49	49
JM Global 2 (L) Plc	Malaysia	Ship-owning and freighting	49	49
Omni Offshore (L) Inc	Malaysia	Ship-owning and freighting	40	40
Orkim Challenger Sdn Bhd	Malaysia	Ship-owning and freighting	60	-
Orkim Discovery Sdn Bhd	Malaysia	Ship-owning and freighting	60	-
Orkim Reliance Sdn Bhd	Malaysia	Ship-owning and freighting	60	-
Budisukma Ikhlas Sdn Bhd	Malaysia	Ship-owning and freighting	49	-

The voting rights for all the jointly controlled entities mentioned above are equal for both the joint venture parties.

During the financial year, certain subsidiaries entered into new ventures with third parties as follows:

(a) GMV-Orkim Sdn Bhd entered into a joint venture agreement with Orkim Sdn Bhd to acquire 60% interest in Orkim Discovery Sdn Bhd, Orkim Challenger Sdn Bhd and Orkim Reliance Sdn Bhd for a total cash consideration of RM14,400,000.

(b) GMV-Global Sdn Bhd entered into a joint venture agreement with Global Carriers Bhd to acquire 49% interest in Budisukma Ikhlas Sdn Bhd for a cash consideration of RM5,880,000.

During the financial year, GMV-Global Sdn Bhd subscribed 49% of new ordinary shares at par value in Budisukma Mesra Sdn Bhd and Budisukma Mesra Dua Sdn Bhd for a total cash consideration of RM5,488,000.

5. Investments in jointly controlled entities (cont'd.)

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

	Company	
	2009 RM'000	2008 RM'000 (Restated)
Non-current assets	359,448	184,166
Current assets	58,195	57,350
Total assets	417,643	241,516
Non-current liabilities	183,736	118,490
Current liabilities	136,317	59,467
Total liabilities	320,053	177,957
Results		
Revenue	39,468	27,162
Profit for the year	13,251	3,904

6. Other investments

The investments represent memberships at Glenmarie Golf & Country Club which are stated at cost.

7. Pool working fund

These represent advances from subsidiary companies to the pool operators for operating funds of the vessels in the pool. These advances are interest free, unsecured and are refundable only upon termination of the pool agreement signed between the subsidiary companies and the pool operators.

8. Receivables, deposits and prepayments

		Group		Company	
	Note	2009 RM'000	2008 RM'000 (Restated)	2009 RM'000	2008 RM'000
Trade receivables					
Third parties		37,713	12,436	-	-
Amounts due from related parties	a	52,206	57,522	-	-
		89,919	69,958	-	-

8. Receivables, deposits and prepayments (cont'd.)

	Note	Group 2009 RM'000	Group 2008 RM'000 (Restated)	Company 2009 RM'000	Company 2008 RM'000
Other receivables					
Third parties	b	15,865	18,767	5,793	4,566
Deposits		58	58	58	58
Prepayments		106	964	34	37
Amount due from subsidiaries	c	-	-	212,998	184,577
Amount due from related parties	a	42,210	48,900	-	-
		58,239	68,689	218,883	189,238
		148,158	138,647	218,883	189,238

The Group and Company have no significant concentration of credit risk that may arise from exposure to a single debtor or to a group of debtors, other than to related parties.

(a) Amounts due from related parties

Amounts due from related parties are unsecured, interest free and have no fixed term of repayment.

(b) Other receivables from third parties

Included in other receivables from third parties is RM1,379,033 (2008: RM1,199,325) being loan to staff, bearing an interest of 4% (2008:4%) per annum and repayable by monthly salary deductions.

(c) Amount due from subsidiaries

Included in amount due from subsidiaries, is RM211,426,023 (2008: RM181,614,341) being advances to subsidiaries held by the Company which are interest-free, unsecured and has no fixed terms of repayment.

9. Inventories

	2009 RM'000	2008 RM'000
Lubricants, at cost	2,703	2,830

10. Cash and cash equivalents

	Group		Company	
	2009 RM'000	2008 RM'000 (Restated)	2009 RM'000	2008 RM'000
Deposits with:				
Licensed banks	669,916	695,407	641,794	672,945
Cash and bank balances	611	1,628	61	1,352
	670,527	697,035	641,855	674,297

The range of interest rates and the maturities of deposits as at 31 December 2009 were 2.00% to 2.65% (2008: 3.00% to 3.68%) and 9 to 365 days (2008: 31 to 365 days), respectively.

Other information on financial risks of cash and cash equivalents are disclosed in Note 21.

11. Non-current assets held for sale

	Group	
	2009 RM'000	2008 RM'000
As at 1 January	-	-
Reclassified from vessels and equipments (Note 3)	79,402	-
As at 31 December	79,402	-

During the financial year, Selendang Kasa and Selendang Mayang were classified as non-current assets held for sale. Memorandum of Agreements have been signed for the sale of the vessels. Deposits had been received for the sale of Selendang Kasa and Selendang Mayang, however the risks and rewards have not been transferred to the purchasers.

At 31 December 2009, the non-current assets held for sale were pledged to a licensed financial institution for banking facilities granted to the subsidiaries (Note 13).

12. Share capital

	Number of Ordinary Shares of RM1 Each		Amount	
	2009 '000	2008 '000	2009 RM'000	2008 RM'000
Authorised:				
At 1 January/31 December	1,000,000	1,000,000	1,000,000	1,000,000
Issued and fully paid:				
At 1 January/31 December	300,000	300,000	300,000	300,000

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

13. Loans and borrowings

	Group	
	2009 RM'000	2008 RM'000 (Restated)
Secured term loan:		
Within 1 year	47,915	38,209
	47,915	38,209
Secured term loan:		
More than 1 year and less than 2 years	47,915	38,209
More than 2 years and less than 5 years	95,830	76,417
More than 5 years	174,548	257,039
	318,293	371,665
Total	366,208	409,874

13. Loans and borrowings (cont'd.)

Security

The term loans for the dry-bulkers are secured by a first priority Malaysian Ship mortgage and general assignment of earnings and insurance in respect of the vessels concerned and guarantee from the holding company and holding company of a corporate shareholder amounting to RM10,263,000 in 2007. The term loans have been fully repaid in prior year.

The term loans for tankers are secured by a first preferred cross-collaterised mortgage of the vessels concerned, an assignment of earnings derived from the pool and insurance of the vessels amounting to RM366,208,000 (2008: RM409,874,000).

The weighted average effective interest rate of the term loan during the year ranged from 1.13% to 3.02% (2008: 3.02% to 5.56%) per annum.

14. Payables and accruals

		Group		Company	
	Note	2009 RM'000	2008 RM'000 (Restated)	2009 RM'000	2008 RM'000
Trade					
Amount due to a related party	a	3,656	1,890	-	-
Non-trade					
Amount due to holding company	b	24,000	24,000	24,000	24,000
Other payables		6,403	6,054	469	335
Accrued expenses		16,139	22,551	1,533	2,034
Tax payable		383	823	433	817
Amount due to a related party	a	25,466	25,467	-	-
		72,391	78,895	26,435	27,186
		76,047	80,785	26,435	27,186

(a) Amount due to a related party

Trade payables of amount due to a related party and non-trade payables of amount due to related parties are unsecured, interest free and have no fixed term of repayment.

(b) Amount due to holding company

Amount due to holding company is in respect of dividend payable (Note 20).

15. Revenue

	Group		Company	
	2009 RM'000	2008 RM'000 (Restated)	2009 RM'000	2008 RM'000
Dividends	-	-	12,637	101,771
Charter hire income	40,303	196,268	-	-
Sundry income	821	792	-	-
Share of pool profit	143,975	94,957	-	-
	185,099	292,017	12,637	101,771

16. Profit before tax

	Group		Company	
	2009 RM'000	2008 RM'000 (Restated)	2009 RM'000	2008 RM'000
Operating profit is arrived at after charging/(crediting):				
Employee benefits expense (Note 17)	39,400	37,769	2,414	1,960
Non-executive directors' remuneration (Note 18)	168	136	150	136
Auditors remuneration				
Statutory audits	169	169	35	35
Other services	8	8	5	5
Depreciation of vessels and equipment	48,147	47,932	112	111
Amortisation of dry-docking expenses	11,036	11,853	-	-
Interest expenses	9,338	19,791	3	5
Rental of office equipment	11	11	11	11
Rental of office	190	189	190	189
Loss/(gain) on exchange				
- realised	951	733	-	-
- unrealised	1,422	(3,955)	-	-
Interest income	(22,111)	(29,237)	(18,951)	(23,637)
Dividend income	-	-	(12,637)	(101,771)

17. Employee benefits expenses

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Wages, salaries and bonus	30,195	28,870	1,793	1,415
Employees provident fund	289	171	289	171
Social security contributions	11	7	11	7
Other benefits	8,905	8,721	321	367
	39,400	37,769	2,414	1,960

18. Directors' remuneration

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Non-executive directors remuneration				
Fees	107	96	107	96
Other emoluments	61	40	43	40
	168	136	150	136

19. Taxation

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current year income tax	6,098	6,516	4,969	5,583
Underprovision of income tax expense in prior year	536	2,245	539	2,245
	6,634	8,761	5,508	7,828

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2008: 26%) of the estimated assessable profit for the year.

19. Taxation (cont'd.)

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

	Group		Company	
	2009 RM'000	2008 RM'000 (Restated)	2009 RM'000	2008 RM'000
Profit before tax	57,679	164,118	27,382	121,646
Taxation at Malaysian statutory tax rate of 25% (2008:26%)	14,420	42,671	6,845	31,628
Effect of share of results of jointly controlled entities	(3,312)	(853)	-	-
Expenses not deductible for tax purposes	15,102	13,449	941	415
Income not subject to tax	(20,112)	(48,751)	(2,817)	(26,460)
Underprovision of tax expense in prior year	536	2,245	539	2,245
	6,634	8,761	5,508	7,828

Included in income not subject to tax is tax exempt shipping income, derived from the operations of the Company's sea-going Malaysian registered vessels under Section 54A of the Malaysian Income Tax Act 1967.

20. Dividends

	Dividend Recognised in Year		Dividend Per Share	
	2009 RM'000	2008 RM'000	2009 RM	2008 RM
In respect of financial year:				
31 December 2009: Interim dividend of 8.0% per share, tax exempt	24,000	-	0.08	-
31 December 2008: Interim dividend of 8.0% per share, tax exempt	-	24,000	-	0.08

21. Financial instruments

(a) Financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's business whilst managing its interest rate risk, foreign currency risk, liquidity risk and credit risk.

(b) Foreign currency risk

The Group and Company are exposed to foreign currency risk as a result of its normal operating activities, where the currency denomination differs from the local currency, Ringgit Malaysia ("RM"). The Group and the Company's policy is to minimise the exposure of foreign currency risk by monitoring and approving requisitions which involve foreign currencies.

The net unhedged financial assets and financial liabilities of the Group companies that are not denominated in its functional currency are as follows:

	Net financial assets/ (liabilities) held in non-functional currencies	
	Ringgit malaysia RM'000	Total RM'000
Functional currency of Group Companies		
At 31 December 2009		
United States Dollar	(84,888)	(84,888)
At 31 December 2008		
United States Dollar	(84,888)	(84,888)

(c) Liquidity risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash to meet its working capital requirements.

21. Financial instruments (cont'd.)

(d) Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

At the balance sheet date there were no significant concentrations of credit risk other than as disclosed in Note 8 to the financial statements. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

(e) Interest rate risk

The Group's interest rate risk arises primarily from interest-bearing borrowings. The Group and Company's interest-bearing financial assets are mainly short term in nature.

(f) Fair values

The carrying amounts of cash and cash equivalents, receivables, deposits and prepayments, other payables and accruals, short term borrowings, and term loans from financial institutions and other shareholders approximate their fair values due to the relatively short term nature of these financial instruments.

It was not practicable to estimate the fair value of the Group's investment in unquoted shares due to the lack of comparable quoted market prices and the inability to estimate fair value without incurring excessive costs.

The carrying amount of interest-bearing borrowings approximate their fair value as they are floating rate loans.

No disclosure is made for balances with affiliated companies as it is impracticable to determine their fair values with sufficient reliability given these balances have no fixed terms of repayment.

22. Contingent liability

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM	2008 RM
Corporate guarantees issued to financial institutions for credit facilities granted to: - jointly controlled companies	146,110	54,201	146,110	54,201

22. Contingent liability (cont'd.)

The above contingent liability on corporate guarantees is based on the outstanding balances of the credit facilities granted to jointly controlled entities.

	Group and Company	
	2009 RM'000	2008 RM'000
Capital expenditure		
Approved and contracted for		
Investments	136,690	201,000
Approved and but not contracted for		
Investments	35,545	183,605

24. Retained earnings

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 its 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 December 2009 to distribute cash dividend payments to ordinary shareholdings as defined under the Finance Act 2007. As at 31 December 2009, the Company has sufficient credit in the aggregate of 108 balance and Exempt Income Account balance to pay franked dividends amounting to RM272,837,892 (2008: RM285,567,942) out of its retained earnings. If the balance of the retained earnings of RM282,109,663 (2008: RM271,506,412) were to be distributed as dividends, the Company may distribute such dividends under the single tier system.

As at 31 December 2009, the Company has tax exempt profits available for distribution of approximately RM249,632,028 (2008: RM262,362,078), subject to agreement with the Inland Revenue Board.

25. Foreign currency translation reserve

The foreign currency translation reserve is used to record exchange differences arising from the translation of financial statements of operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from the monetary items which form part of the Group's net investment in those operations, where the monetary item is denominated in the functional currency of the reporting entities.

26. Related party disclosures

(a) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year :

	Group		Company	
	2009 RM'000	2008 RM'000	2009 RM	2008 RM
Agency fees paid to an affiliated company*	1,677	1,094	-	-
Rental paid/payable to holding company	190	189	190	189
Group sharing cost payable to holding company	342	262	342	262

* Affiliated companies are companies which share common directors with the Company.

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

(b) Compensation of key management personnel

Key management personnel of the Company comprise solely the Company's directors. Their compensation are as disclosed in Note 18 to the financial statements.

27. Prior year adjustments

Prior to 1 January 2009, Gagasan Ked Sdn Bhd and Gagasan Paha Sdn Bhd ("Companies") being Companies in which the Global Maritime Ventures Bhd Group holds 60% shareholding were classified as subsidiaries by virtue of the control the Group exercised over these companies.

During the year, the Board of Directors of Global Maritime Ventures Bhd, having considered the terms of the Joint Venture Agreements with the Group's Joint Venture Partner, Gagasan Carriers Sdn Bhd, which set out the conduct of the Companies' affairs, concluded that it is more appropriate to classify the investments as jointly controlled entities as the Group does not have absolute control over their financial management and operation.

As a result, the Group reclassified these Companies as jointly controlled entities and results of these Companies have been de-consolidated and accounted for under the equity method in accordance with the Group's accounting policy set out in Note 2.2(b) and the comparative amounts of the Group as at previous financial year have been therefore restated as follows:

Effects on total equity:	Group	
	2009 RM'000	**2008 RM'000**
As at 1 January, as previously stated	1,201,048	1,087,811
Adjustments:		
Profits attributable to minority interests in financial year ended 2008	(395)	-
As at 31 December, as restated	1,200,653	1,087,811

The following comparative amounts of the Group have been restated to reflect the reclassification of the Companies as jointly controlled entities:

	As previously Stated RM'000	**Adjustment Increase/ (Decrease) RM'000**	**As restated RM'000**
Balance sheet (Group)			
Non current assets			
Vessels and equipment	747,698	(32,170)	715,528
Investment in jointly controlled entities	107,169	23,016	130,185
Current assets			
Receivables, deposits and prepayments	140,489	(1,842)	138,647
Cash and cash equivalents	714,214	(17,179)	697,035
Minority interest	96,748	(391)	96,357

27. Prior year adjustments

	As previously Stated RM'000	Adjustment RM'000	As restated RM'000
Balance sheet (Group) (cont'd)			
Non-current liabilities			
Borrowings	396,467	(24,802)	371,665
Current liabilities			
Payables and accruals	83,763	(2,978)	80,785
Income statement (Group)			
Other income	5,668	(124)	5,544
Administrative expenses	(62,151)	89	(62,062)
Operating expenses	(47,417)	136	(47,281)
Interest income	29,327	(90)	29,237
Share of profit of jointly controlled entities	4,229	(6)	4,223