

ELK-DESA[®]

ELK-DESA RESOURCES BERHAD

(Company No: 180164-X)

**QUARTERLY REPORT ON CONSOLIDATED
RESULTS FOR THE PERIOD ENDED
30 JUNE 2017**

ELK-DESA RESOURCES BERHAD (Company No 180164-X)**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the financial period ended 30 June 2017

(The figures have not been audited.)

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	30.06.2017	30.06.2016	30.06.2017	30.06.2016
	RM	RM	RM	RM
Revenue	25,570,935	21,994,318	25,570,935	21,994,318
Other income	218,602	711,992	218,602	711,992
Cost of inventories sold	(5,049,292)	(4,226,991)	(5,049,292)	(4,226,991)
Depreciation of property, plant and equipment	(153,094)	(137,916)	(153,094)	(137,916)
Impairment allowance	(6,611,731)	(4,420,130)	(6,611,731)	(4,420,130)
Other expenses	(6,524,438)	(6,081,755)	(6,524,438)	(6,081,755)
Finance costs	(551,538)	(355,547)	(551,538)	(355,547)
Profit before taxation	6,899,444	7,483,971	6,899,444	7,483,971
Taxation	(1,849,398)	(1,983,592)	(1,849,398)	(1,983,592)
Profit for the financial period	5,050,046	5,500,379	5,050,046	5,500,379
Other comprehensive income, net of tax	-	-	-	-
Total comprehensive income	5,050,046	5,500,379	5,050,046	5,500,379
Earnings per ordinary share - basic (sen)	2.19	2.99	2.19	2.99
Earnings per ordinary share - diluted (sen)	2.06	2.21	2.06	2.21

(The Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2017)

ELK-DESA RESOURCES BERHAD (Company No 180164-X)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2017

(The figures have not been audited.)

	As at 30.06.2017 RM	As at 31.03.2017 RM
ASSETS		
Non-current assets		
Property, plant and equipment	7,105,040	7,155,604
Hire purchase receivables	251,558,713	243,324,545
Deferred tax assets	3,747,798	3,870,566
	262,411,551	254,350,715
Current assets		
Inventories	7,505,225	6,715,178
Other assets	1,538,370	1,261,259
Trade receivables	8,444,978	8,609,202
Hire purchase receivables	98,003,994	94,901,305
Other receivables, deposits and prepayments	2,464,680	1,829,278
Fixed deposits	13,962,125	12,164,816
Cash and bank balances	2,766,527	2,433,255
	134,685,899	127,914,293
Total assets	<u>397,097,450</u>	<u>382,265,008</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	245,592,185	243,129,886
Share premium	24,496,944	24,496,944
Retained earnings	62,183,743	57,280,090
ICULS - equity component	23,862,717	25,915,034
Treasury shares	(16,735,944)	(16,735,944)
Total equity	339,399,645	334,086,010
LIABILITIES		
Non-current liabilities		
Block discounting payables - secured	19,953,197	11,235,666
ICULS - liability component	3,690,152	4,201,689
Deferred tax liability	38,441	38,441
	23,681,790	15,475,796
Current liabilities		
Trade payables	15,307,085	14,931,949
Other payables and accruals	3,040,171	4,824,023
Block discounting payables - secured	12,756,871	10,559,933
Bank overdrafts	1,680,154	519,946
Current tax liabilities	1,231,734	1,867,351
	34,016,015	32,703,202
Total liabilities	<u>57,697,805</u>	<u>48,178,998</u>
TOTAL EQUITY AND LIABILITIES	<u>397,097,450</u>	<u>382,265,008</u>
Net assets per share	1.46	1.45

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2017)

ELK-DESA RESOURCES BERHAD (Company No 180164-X)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial period ended 30 June 2017
(The figures have not been audited.)

	Number of Issued Shares Unit	Share Capital RM	Share Premium RM	Retained Earnings RM	Treasury shares RM	ICULS - equity component RM	Total Equity RM
Balance as at 1 April 2016	184,800,000	184,800,000	13,997,928	52,604,820	(13,440,667)	83,283,772	321,245,853
Total comprehensive income	-	-	-	5,500,379	-	-	5,500,379
Conversion of ICULS	38,626,123	38,626,151	6,952,707	(1,906,699)	-	(37,989,878)	5,682,281
Purchase of treasury shares	-	-	-	-	(2,119,194)	-	(2,119,194)
Balance as at 30 June 2016	223,426,123	223,426,151	20,950,635	56,198,500	(15,559,861)	45,293,894	330,309,319
Balance as at 1 April 2017	243,129,526	243,129,886	24,496,944	57,280,090	(16,735,944)	25,915,034	334,086,010
Total comprehensive income	-	-	-	5,050,046	-	-	5,050,046
Conversion of ICULS	2,086,694	2,462,299	-	(146,393)	-	(2,052,317)	263,589
Balance as at 30 June 2017	245,216,220	245,592,185	24,496,944	62,183,743	(16,735,944)	23,862,717	339,399,645

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2017)

ELK-DESA RESOURCES BERHAD (Company No 180164-X)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 JUNE 2017
(The figures have not been audited.)

	3 months ended	
	30.06.2017	30.06.2016
	RM	RM
<u>Cash flows from operating activities</u>		
Profit before taxation	6,899,444	7,483,971
Adjustment for :		
Depreciation of property, plant and equipment	153,177	137,916
Loss/(Gain) on disposal of property, plant and equipment	(2,357)	-
Property, plant and equipment written off	1	-
Net impairment allowance made for the financial period	6,838,931	4,688,432
Interest expense	532,707	336,576
Interest income	(127,035)	(609,926)
Operating profit before working capital changes	<u>14,294,868</u>	<u>12,036,969</u>
Changes in working capital:		
Inventories	(790,047)	(4,331,971)
Other assets	(277,111)	(114,574)
Hire purchase receivables	(18,015,588)	(23,118,235)
Trade receivables	4,024	(3,095,068)
Other receivables, deposits and prepayments	(635,402)	(879,711)
Trade payables	375,136	3,485,244
Other payables and accruals	(1,139,471)	656,261
	<u>(20,478,459)</u>	<u>(27,398,054)</u>
Cash generated from/(used in) operations	(6,183,591)	(15,361,085)
Tax paid	(2,445,486)	(1,429,599)
Net cash from/(used in) operating activities	<u>(8,629,077)</u>	<u>(16,790,684)</u>
<u>Cash flows from investing activities</u>		
Purchase of property, plant and equipment	(102,615)	(429,279)
Proceeds from disposal of property, plant and equipment	2,358	-
Interest received	127,035	609,926
Net withdrawal / (placement) of fixed deposit with licensed banks with original maturity of more than three (3) months	-	19,409,837
Net cash from/(used in) investing activities	<u>26,778</u>	<u>19,590,484</u>
<u>Cash flows from financing activities</u>		
Net (repayment)/drawdown of block discounting payables	10,972,942	(3,649,669)
Interest paid	(1,400,270)	(3,440,308)
Purchase of treasury shares	-	(2,119,194)
Net cash from/(used in) financing activities	<u>9,572,672</u>	<u>(9,209,171)</u>

ELK-DESA RESOURCES BERHAD (Company No 180164-X)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 JUNE 2017
(The figures have not been audited.)

	3 months ended	
	30.06.2017	30.06.2016
	RM	RM
Net increase/(decrease) in cash and cash equivalents during the financial period	970,373	(6,409,371)
Cash and cash equivalents as at beginning of financial year	14,078,125	51,414,554
Cash and cash equivalents as at end of financial period	15,048,498	45,005,183
<u>Composition of cash and cash equivalents</u>		
Deposits, cash and bank balances	16,728,652	52,589,433
Bank overdraft	(1,680,154)	(1,014,580)
Fixed deposit placed with licensed banks with original maturity of more than three (3) months	-	(6,569,670)
	15,048,498	45,005,183

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements of the Company for the financial year ended 31 March 2017)

ELK-DESA RESOURCES BERHAD (Company No 180164-X)

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2017

A1 Accounting Policies And Basis Of Preparation

The interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting and Chapter 9 Part K of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements also comply with IAS 34: Interim Financial Reporting.

The interim financial statements are unaudited and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2017, which had been prepared in accordance with Malaysian Financial Reporting Standards (MFRS).

The accounting policies adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2017 except for the adoption of new MFRSs, amendments and IC interpretations that are mandatory for the Group for the financial year beginning 1 April 2017.

On 1 April 2017, the following accounting standards, amendments and interpretations of the MFRS Framework were adopted by the Group.

Title		Effective Date
Amendments to MFRS 12	<i>Annual Improvements to MFRS Standards 2014 - 2016 Cycle</i>	1 January 2017
Amendments to MFRS 107	<i>Disclosure Initiative</i>	1 January 2017
Amendments to MFRS 112	<i>Recognition of Deferred Tax Assets for Unrealised Losses</i>	1 January 2017

Application of the above accounting standards, amendments and interpretations are not expected to have a material impact on the financial statements of the Group.

A2 Seasonal and Cyclical Factors

Generally, the Group's operations will benefit from higher consumer spendings during festive seasons in Malaysia.

A3 Unusual Items due to Their Nature, Size or Incidence

There were no unusual items that may affect the amount stated in the interim financial statements during the financial period ended 30 June 2017.

A4 Change in Estimates

There were no changes in estimates that had any material effect for the financial period ended 30 June 2017.

ELK-DESA RESOURCES BERHAD (Company No 180164-X)

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2017

A5 Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

Save as disclosed below, there were no issuance, repurchases and repayment of debt and equity securities and share cancellations during the financial period ended 30 June 2017.

During the financial period under review, the Company had issued 2,086,694 new ordinary shares pursuant to conversions of 2,462,299 units of ICULS.

A6 Dividend Paid

There was no dividend paid during the financial period ended 30 June 2017.

A7 Segmental Reporting

	Hire Purchase Financing RM	Furniture RM	Elimination RM	Consolidated RM
<u>3 months Ended 30 June 2017</u>				
Revenue (External)	17,637,166	7,933,769	-	25,570,935
Revenue (Inter-Segment)	-	4,274	(4,274)	-
Other income	238,180	10,833	(30,411)	218,602
Cost of inventories sold	-	(5,052,707)	3,415	(5,049,292)
Depreciation of property, plant and equipment	(100,492)	(52,602)	-	(153,094)
Impairment allowance	(6,451,531)	(160,200)	-	(6,611,731)
Other expenses	(3,918,816)	(2,608,108)	2,486	(6,524,438)
Finance costs	(532,707)	(49,242)	30,411	(551,538)
Profit/(Loss) before tax	6,871,800	26,017	1,627	6,899,444
Segment assets	394,550,289	20,559,490	(18,012,329)	397,097,450
Segment liabilities	55,304,929	5,405,205	(3,012,329)	57,697,805
<u>3 months Ended 30 June 2016</u>				
Revenue (External)	15,378,087	6,616,232	-	21,994,319
Revenue (Inter-Segment)	-	-	-	-
Other income	694,992	17,000	-	711,992
Cost of inventories sold	-	(4,226,991)	-	(4,226,991)
Depreciation of property, plant and equipment	(92,645)	(45,271)	-	(137,916)
Impairment allowance	(4,420,130)	-	-	(4,420,130)
Other expenses	(3,807,036)	(2,276,608)	1,889	(6,081,755)
Finance costs	(336,722)	(18,826)	-	(355,548)
Profit/(Loss) before tax	7,416,546	65,536	1,889	7,483,971
Segment assets	355,026,185	17,380,540	-	372,406,725
Segment liabilities	39,745,793	2,351,613	-	42,097,406

ELK-DESA RESOURCES BERHAD (Company No 180164-X)

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2017

A8 Subsequent Events

There was no material event subsequent to the current quarter.

A9 Changes in the Composition of the Group

There were no changes in the composition of the Group, including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations during the financial period ended 30 June 2017.

A10 Changes in Contingent Liabilities and Contingent Assets

There were no contingent liabilities and assets for the Group as at 30 June 2017.

A11 Capital Commitments

There were no material capital commitments for the purchase of property, plant and equipment as at the end of the financial period ended 30 June 2017.

A12 Related Party Disclosures

There was no significant related party transaction during the financial period ended 30 June 2017.

ELK-DESA RESOURCES BERHAD (Company No 180164-X)

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2017

B1 Review Of Performance

GROUP	Individual Quarter		Variance	Variance	Cumulative Quarter		Variance	Variance
	3 months ended				3 months ended			
	30.06.2017	30.06.2016			30.06.2017	30.06.2016		
	RM	RM	RM	%	RM	RM	RM	%
Revenue	25,570,935	21,994,318	3,576,617	16%	25,570,935	21,994,318	3,576,617	16%
Profit before interest and tax	7,450,982	7,839,518	(388,536)	-5%	7,450,982	7,839,518	(388,536)	-5%
Profit before taxation	6,899,444	7,483,971	(584,527)	-8%	6,899,444	7,483,971	(584,527)	-8%

The Group's revenue increased by 16% to RM25.57 million due to higher contribution from both hire purchase and furniture segment. The Group's profit before tax decreased by 8% to RM6.90 million mainly due to lower profit contribution from the hire purchase segment.

HIRE PURCHASE SEGMENT	Individual Quarter		Variance	Variance	Cumulative Quarter		Variance	Variance
	3 months ended				3 months ended			
	30.06.2017	30.06.2016			30.06.2017	30.06.2016		
	RM	RM	RM	%	RM	RM	RM	%
Revenue	17,637,166	15,378,087	2,259,079	15%	17,637,166	15,378,087	2,259,079	15%
Profit before interest and tax	7,404,507	7,753,268	(348,761)	-4%	7,404,507	7,753,268	(348,761)	-4%
Profit before taxation	6,871,800	7,416,546	(544,746)	-7%	6,871,800	7,416,546	(544,746)	-7%

Hire Purchase Segment

Revenue increased by 15% to RM17.64 million, mainly due to increase in hire purchase portfolio.

Other income decreased by 66% mainly due to lower fixed deposit interest income, as the cash were utilised for higher yielding hire purchase disbursements.

Impairment allowance increased by 46% to RM6.45 million mainly due to higher delinquent accounts and cost of debt recoveries. Credit loss charge (i.e. impairment allowance over average net hire purchase receivables) increased from 1.48% to 1.79%. Excluding the collective impairment allowance, the credit loss charge for the quarter increased from 1.32% to 1.70%. Generally, the higher cost of living and the current soft economic environment would have an impact on the repayability of our hirers.

Other expenses increased by 3% to RM3.92 million, which is in line with the larger hire purchase portfolio. As a result of higher borrowings, the finance cost increased by 58% to RM0.53 million.

The profit before tax decreased by 7% to RM6.87 million mainly due to higher impairment allowance.

FURNITURE SEGMENT	Individual Quarter		Variance	Variance	Cumulative Quarter		Variance	Variance
	3 months ended				3 months ended			
	30.06.2017	30.06.2016			30.06.2017	30.06.2016		
	RM	RM	RM	%	RM	RM	RM	%
Revenue	7,938,043	6,616,232	1,321,811	20%	7,938,043	6,616,232	1,321,811	20%
Profit before interest and tax	75,259	84,362	(9,103)	-11%	75,259	84,362	(9,103)	-11%
Profit before taxation	26,017	65,536	(39,519)	-60%	26,017	65,536	(39,519)	-60%

Furniture Segment

Revenue increased by 20% to RM7.94 million mainly due to the Division's sales and promotional efforts. Gross profit margin was relatively stable at 36%.

Impairment allowance increased by 100% to approximately RM160,000 due to long outstanding trade receivables. The Division will closely monitor its trade receivables to ensure efficient debt recoveries, in order to minimise the credit risk exposure. Other expenses increased by 15% to RM2.61 million mainly due to higher advertisement expenses and staff cost.

The Division recorded a profit before tax of approximately RM26,000.

ELK-DESA RESOURCES BERHAD (Company No 180164-X)

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2017

B2 Comparison of Results with Preceding Quarter

GROUP	Current Quarter	Immediate	Variance	Variance
	30.06.2017	Preceding Quarter		
	RM	RM	RM	%
Revenue	25,570,935	24,850,321	720,614	3%
Profit before interest and tax	7,450,982	8,527,054	(1,076,072)	-13%
Profit before taxation	6,899,444	8,209,169	(1,309,725)	-16%

The Group's profit before tax for the current quarter of RM6.90 million was lower as compared to RM8.21 million of the immediate preceding quarter mainly due to lower profit contribution from the hire purchase segment.

B3 Prospects and Outlook

Despite the cautious outlook ahead, the Group is not likely to experience any slowdown in the demand for second hand cars financing for the financial year ending 31 March 2018 as the business segment that the Group is currently operating in, is still relatively small as compared to the overall auto financing industry.

The Group will continue to strategically operate in the underserved niche market and focus on growing the small value second hand car financing segment. The business strategy will also be constantly reviewed to ensure the Group continues to stay relevant in the industry and at the same time keeping the credit risk exposure within the tolerance level.

Like any other local retail business, the furniture business will continue to be affected by the sluggish consumers' sentiments and current soft economic environment. However, the Group will continue to grow the furniture business and focus on ensuring the operational efficiencies in the various divisions (i.e. retail, wholesale, export and manufacturing).

Downside credit risk remains for the Group in the current economic environment. Therefore, the Group will continue to place strong emphasis on close monitoring and efficient debt recoveries as well as follow-up mechanism, to minimise the impact.

The Board is optimistic on the Group's future performance and will grow its hire purchase portfolio without compromising on the quality of the assets. Even though the furniture division is at its early development stage, the Group will continue to work towards ensuring that the division remains profitable for the financial year.

In conclusion, the Board is confident that the Group's profit for the financial year ending 31 March 2018 is expected to be better than financial year ended 31 March 2017.

B4 Profit Forecasts

The Group did not issue any profit forecasts for the period under review.

B5 Taxation

Tax charge for the quarter and financial period ended 30 June 2017 are set out below:

	3 months
	ended
	30.06.2017
	RM
(a) Income Tax	1,809,868
(b) Deferred Taxation	39,530
	<u>1,849,398</u>

The effective tax rate of the Group for the financial period ended 30 June 2017 were higher than the statutory tax rate due to certain expenses which were not deductible for tax purposes.

ELK-DESA RESOURCES BERHAD (Company No 180164-X)

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2017

B6 Status of Corporate Proposals Announced

On 11 November 2016, Mercury Securities Sdn Bhd, on behalf of the Board, announced that the Company proposes to undertake the following proposals:

(i) Proposed renounceable rights issue of up to 51,589,369 new ordinary shares at an issue price of RM1.16 per rights share on the basis of one (1) rights share for every five (5) existing ordinary shares in ELK-Desa Resources Berhad held on an entitlement date to be determined later ("Proposed Rights Issue"); and

(ii) Proposed exemption under Paragraph 4.08(1)(B) of the Rules of Take-Overs, Mergers and Compulsory Acquisitions to Mr. Teoh Hock Chai @ Tew Hock Chai ("THC") and persons acting in concert with him ("PACs") from the obligation to undertake a mandatory take-over offer for all ELK-Desa shares not already held by THC and his PACs ("Proposed Exemption").

For more information and the status of the corporate exercise, please refer to the Bursa announcements.

Other than disclosed above, there are no other corporate proposals for the Group.

B7 Group Borrowings & Debt Securities

All borrowings and debt securities as at 30 June 2017 are unsecured except for the Block Discounting Payables. The Group does not have any borrowings or debt securities that are denominated in foreign currency.

		As at	As at
		30.06.2017	31.03.2017
		RM	RM
Borrowings			
Block Discounting Payables	- within 1 year	12,756,871	10,559,933
	- later than 1 year	19,953,197	11,235,666
		32,710,068	21,795,599
Bank Overdraft	- within 1 year	1,680,154	519,946
Total Borrowings		<u>34,390,222</u>	<u>22,315,545</u>
Debt Securities			
ICULS - liability component	- later than 1 year	<u>3,690,152</u>	<u>4,201,689</u>

ELK-DESA RESOURCES BERHAD (Company No 180164-X)

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2017

B8 Changes in Material Litigation

There was no material litigation against the Group as at the reporting date.

B9 Dividend

There was no dividend proposed in the current quarter and the previous corresponding quarter.

B10 Earnings Per Share

Basic earnings per share is calculated by dividing the Group's net profit by the weighted average number of ordinary shares in issue during the financial period.

	Quarter ended 30.06.2017	Quarter ended 30.06.2016	Year to date ended 30.06.2017	Year to date ended 30.06.2016
Profit after taxation (RM)	5,050,046	5,500,379	5,050,046	5,500,379
Weighted average number of ordinary shares (units)	230,546,465	183,734,781	230,546,465	183,734,781
Basic earnings per ordinary share (sen)	2.19	2.99	2.19	2.99

Diluted earnings per share is calculated by dividing the Group's net profit by the weighted average number of ordinary shares in issue after adjustment for the effects of all dilutive potential ordinary shares.

	Quarter ended 30.06.2017	Quarter ended 30.06.2016	Year to date ended 30.06.2017	Year to date ended 30.06.2016
Profit after taxation (RM)	5,050,046	5,500,379	5,050,046	5,500,379
Interest expense on ICULS, net of tax (RM)	243,502	213,645	243,502	213,645
Adjusted profit after tax (RM)	5,293,548	5,714,024	5,293,548	5,714,024
Weighted average number of ordinary shares (units)	230,546,465	183,734,781	230,546,465	183,734,781
Adjustment for potential dilutive shares (units)	26,169,298	74,364,570	26,169,298	74,364,570
Adjusted weighted average number of ordinary shares (units)	256,715,763	258,099,351	256,715,763	258,099,351
Diluted earnings per ordinary share (sen)	2.06	2.21	2.06	2.21

B11 Audit Report For The Preceding Annual Financial Statements

The audited financial statements of the Group for the preceding financial year ended 31 March 2017 was not qualified.

B12 Notes to the Statement of Comprehensive Income

	3 months ended 30.06.2017 RM
Profit before taxation is arrived at after charging:	
Interest expense	(532,707)
Inventories written down	-
Reversal of inventories previously written down	-
Gain or loss on disposal of quoted or unquoted investments or properties	-
Impairment of assets	-
Realised foreign exchange (gain) or loss	(42,881)
Unrealised foreign exchange (gain) or loss	-
Gain or loss on derivatives	-
Exceptional items	-
And crediting:	
Interest income	127,035

B13 Retained Earnings

The following analysis of realised and unrealised retained earnings is prepared in accordance with the guidance issued by the Malaysian Institute of Accountants in the prescribed format by Bursa Malaysia Securities Berhad.

	As at 30.06.2017 RM	As at 31.03.2017 RM
Total retained earnings of the Company and its subsidiaries		
- Realised	94,296,935	89,368,310
- Unrealised	<u>2,823,720</u>	<u>2,823,720</u>
	97,120,655	92,192,030
Less: Consolidation adjustments	<u>(34,936,912)</u>	<u>(34,911,940)</u>
Total retained earnings as per consolidation accounts	<u><u>62,183,743</u></u>	<u><u>57,280,090</u></u>