CENTRAL INDUSTRIAL CORPORATION BERHAD and its subsidiaries
Company No. 12186-K (Incorporated in Malaysia)

Condensed Consolidated Statement Of Financial Position
As at 30 June 2018

	30 June 2018 Unaudited RM'000	31 December 2017 Audited RM'000
Assets		
Property, plant & equipment	16,574	13,010
Prepaid lease payments	1,452	1,475
Investment properties	1,026	1,044
Investment in Associate	-	1,399
Deferred Tax Assets	2,275	2,275
Goodwill	22	-
Retention	750	-
Total non-current assets	22,099	19,203
Inventories	16,588	15,498
Trade & other receivables	25,497	11,313
Deposit, cash & bank balances	15,692	12,493
Total current assets	57,777	39,304
Total Assets	**79,876**	**58,507**
Equity		
Share capital	51,407	51407
Reserves	247	277
Retained earnings	448	1375
Non-controlling Interest	3,745	
Total equity attributable to owners of the Company	55,847	53,059
Non-controlling interests	-	-
Total equity	**55,847**	**53,059**
Liabilities		
Employee benefits	1,796	1,715
Retention	1,217	-
Deferred tax Liabilities	333	-
Total non-current liabilities	**3,346**	**1,715**
Trade & other payables	20,683	3,733
Total current liabilities	20,683	3,733
Total liabilities	24,029	5,448
Total Equity and Liabilities	**79,876**	**58,507**
Net assets per ordinary share (RM)	**1.12**	**1.06**

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2017 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement Of Profit Or Loss And Other Comprehensive Income
For Six Months Ended 30 June 2018

	Current quarter Three months ended 30 June		Cumulative quarteer Six months ended 30 June	
	2018 Unaudited RM'000	2017 Unaudited RM'000	2018 Unaudited RM'000	2017 Unaudited RM'000
Continuing operations				
Revenue	12,544	15,415	27,888	32,653
Cost of sales	(10,823)	(13,202)	(23,993)	(27,698)
Gross profit	1,721	2,213	3,895	4,955
Other operating income	67	246	92	662
Selling and distribution expenses	(894)	(920)	(1,844)	(1,850)
Administrative expenses	(1,255)	(1,133)	(2,530)	(2,191)
Other operating expenses	(113)	(141)	(246)	(581)
Profit from operating activities	(474)	265	(633)	995
Finance costs	-	-	-	-
Finance income	101	27	169	59
Share of net profit of associated company	10	11	165	11
Loss on previously held interest in associated company	(628)	-	(628)	-
Net finance costs	(517)	38	(294)	70
Profit before tax	(991)	303	(927)	1,065
Tax expense	-	-	-	-
Profit for the period	(991)	303	(927)	1,065
Other comprehensive income/(expense) , net of tax				
Items that may be reclassified subsequently to profit or loss				
Foreign currency translation differences for foreign operations	5	(26)	(30)	(2)
Remeasurement of defined benefit liability	-	-	-	-
Other comprehensive income/(expense) for the perioc	5	(26)	(30)	(2)
Total comprehensive income for the period/year	(986)	277	(957)	1,063
Profit attributable to :				
Owners of the Company	(991)	303	(927)	1,065
Non-controlling interests		-		-
Profit for the period	(991)	303	(927)	1,065

Total comprehensive income attributable to :				
Owners of the Company	(986)	277	(957)	1,063
Non-controlling interests		-		-
Total comprehensive income for the period	(986)	277	(957)	1,063
Basic profit per ordinary share (sen)	(1.98)	0.63	(1.85)	2.24
Diluted profit per ordinary share (sen)	(1.98)	0.63	(1.85)	2.24

The Condensed Consolidated Statement of Profit Or Loss and Other Comprehensive Income should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2017 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement Of Changes In Equity
For the Six Months ended 30 June 2018 – *Unaudited*

	/------------- Attributable to owners of the Company ------------/					
	/ ---------------- Non- distributable ----------------/			Distributable		
	Share Capital RM'000	**Share Premium RM'000**	**Translation Reserve RM'000**	**Retained Earnings RM'000**	**Non-controlling Interest RM'000**	**Total Equity RM'000**
At 1 January 2018	51,407	0	277	1,375	-	53,059
Foreign currency translation differences for foreign operations	-	-	(30)	-		(30)
Total other comprehensive income for the period	-	-	(30)	-		(30)
Profit for the period	-	-	-	(927)		(927)
Total comprehensive income for the period	-	-	(30)	(927)		(957)
Total transactions with owners of the Company						
Contributions by and distributions to owners of the Company						
- Issue of ordinary shares	-	-	-	-		-
- Acquisition of new subsidiary					3,745	3,745
At 30 June 2018	**51,407**	**-**	**247**	**448**	**3,745**	**55,847**

CENTRAL INDUSTRIAL CORPORATION BERHAD and its subsidiaries
Company No. 12186-K (Incorporated in Malaysia)

Condensed Consolidated Statement Of Changes In Equity
For Six Months ended 30 June 2017 – *Unaudited*

	/------------- Attributable to owners of the Company ------------/					
	/ ---------------- Non- distributable ----------------/			Distributable		
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Retained Earnings RM'000	Non-controlling Interest RM'000	Total Equity RM'000
At 1 January 2017	45,780	1,407	300	(2,122)	-	45,365
Foreign currency translation differences for foreign operations	-	-	(2)	-		(2)
Total other comprehensive income for the period	-	-	(2)	-		(2)
Profit for the period	-	-	-	1,065		1,065
Total comprehensive income for the period	-	-	(2)	1,065	-	1,063
Total transactions with owners of the Company						
Contributions by and distributions to owners of the Company						
- Issue of ordinary shares	4,220	-	-	-		4,220
Total transactions with owners of the Company						
At 30 June 2017	**50,000**	**1,407**	**298**	**(1,057)**	**-**	**50,648**

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2017 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement Of Cash Flows
For The Six Months Ended 30 June 2018

	Six months ended 30 June	
	2018	2017
	Unaudited	Unaudited
Cash flows from operating activities	RM'000	RM'000
Profit before tax from - continuing operations	(927)	1,065
Adjustment for :-		
Amortisation of prepaid lease payments	24	22
Depreciation of property, plant and equipment	890	891
Depreciation of investment properties	14	14
Finance income	(169)	(59)
Inventories Written off	59	75
Property, plant & equipment written off	-	1
Loss/(Gain) on disposal of property, plant and equipment	1	(102)
Provision for retirement benefits	88	87
Loss on previously held interest in PBSB	628	
Share of net profit of associated company	(165)	(11)
Operating profit / (loss) before changes in working capital	443	1,983
Change in inventories	(1,095)	(2,317)
Change in trade and other receivables	493	(455)
Change in trade and other payables	(414)	(2,536)
Cash (used in) / generated from operations	(573)	(3,325)
Income tax (paid) / refund	(20)	(16)
Retirement benefit paid	(6)	(110)
Net cash flow (used in) / from operating activities	(599)	(3,451)
Cash flows from investing activities		
Acquisition of property, plant and equipment	(105)	(480)
Interest received	169	59
Investment in associated company	(2,984)	(1,300)
Proceeds from disposal of property, plant and equipment	-	102
Net cash flow from / (used in) investing activities	(2,920)	(1,619)
Cash flows from financing activities		
Proceeds from issuance of share capital	-	4,220
Net cash flow from / (used in) financing activities	-	4,220

Net increase / (decrease) in cash & cash equivalents	(3,519)	(850)
Effect of exchange rate fluctuations on cash held	(7)	(2)
Effect of acquisition of new subsidiary	6,725	-
Cash and cash equivalents at 1 January	12,493	10,466
Cash and cash equivalents at 30 June	15,692	9,614

Cash and cash equivalents
Cash and cash equivalents included in the condensed consolidated statement of cash flows comprise:

	Six months ended 30 June	
	2018	**2017**
	RM'000	**RM'000**
Fixed deposits placed with a licensed bank	7,177	4,076
Short term deposit	399	2,268
Cash and bank balances	8,115	3,270
	15,692	9,614

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Audited Financial Statements of the Group for the year ended 31.12.2017 and the accompanying explanatory notes attached to the interim financial statements.

Notes to the condensed consolidated interim financial statements for the Six months ended 30 June 2018

1. ***Basis of Preparation***

These condensed consolidated interim financial statements are unaudited and have been prepared in accordance with Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and Malaysia Financial Reporting Standards (MFRS) 134, *Interim Financial Reporting* in Malaysia and also comply with IAS 34, *Interim Financial Reporting* issued by the International Accounting Standards Board.

The interim financial statements should be read in conjunction with the audited financial statements of the Company and its subsidiaries ("Group") for the year ended 31 December 2016. The explanatory notes attached to these interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2016.

2. ***Significant Accounting Policies***

The accounting principles and policies adopted in preparing these interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2016.

The following are accounting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group.

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2018

- MFRS 9, Financial Instruments (2014)
- MFRS 15, Revenue from Contracts with Customers
- Clarifications to MFRS 15, Revenue from Contracts with Customers
- IC Interpretation 22, Foreign Currency Transactions and Advance Consideration
- Amendments to MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2014-2016 Cycle)
- Amendments to MFRS 2, Share-based Payment - Classification and Measurement of Share-based Payment Transactions
- Amendments to MFRS 4, Insurance Contracts - Applying MFRS 9 Financial Instruments with MFRS 4 Insurance Contracts
- Amendments to MFRS 128, Investments in Associates and Joint Ventures (Annual Improvements to MFRS Standards 2014-2016 Cycle)
- Amendments to MFRS 140, Investment Property - Transfers of Investment Property

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2019

- MFRS 16, Leases
- IC Interpretation 23, Uncertainty over Income Tax Treatments
- Amendments to MFRS 3, Business Combinations (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 9, Financial Instruments – Prepayment Features with Negative Compensation
- Amendments to MFRS 11, Joint Arrangements (Annual Improvements to MFRS Standards 2015-2017 Cycle)##
- Amendments to MFRS 112, Income Taxes (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 119, Employee Benefits – Plan Amendment, Curtailment or Settlement
- Amendments to MFRS 123, Borrowing Costs (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 128, Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures

MFRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2021

- MFRS 17, Insurance Contracts

MFRSs, Interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, Consolidated Financial Statements and MFRS 128, Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Group and the Company plan to apply the abovementioned accounting standards, amendments and interpretations in the respective financial years when the abovementioned accounting standards, amendments and interpretations become effective.

The initial application of the abovementioned accounting standards, amendments or interpretations are not expected to have any material financial impacts to the Group and the Company except as mentioned below :

(i) MFRS 15, *Revenue from Contracts with Customers*

MFRS 15 replaces the guidance in MFRS 111, Construction Contracts, MFRS 118, Revenue, IC Interpretation 13, Customer Loyalty Programs, IC Interpretation 15, Agreements for Construction of Real Estate, IC Interpretation 18, Transfers of Assets from Customers and IC Interpretation 131, Revenue – Barter Transactions Involving Advertising Services.

The Group and the Company have assessed the estimated impact that the initial application of MFRS 15 will have on their financial statements as at 1 January 2018. Based on the assessment, the Group and the Company do not expect the application of MFRS 15 to have a significant impact on their financial statements.

(ii) MFRS 9, *Financial Instruments*

MFRS 9 replaces the guidance in MFRS 139, Financial Instruments: Recognition and Measurement on the classification and measurement of financial assets.

MFRS 9 contains a new classification and measurement approach for financial assets that reflects the business model in which assets are managed and their cash flow characteristics. MFRS 9 also introduces a new impairment model with a forward-looking expected credit loss (ECL) model.

The Group and the Company have assessed the estimated impact that the initial application of MFRS 9 will have on their financial statements as at 1 January 2018. Based on the assessment, the Group and the Company do not expect the application of MFRS 9 to have a significant impact on their financial statements.

(iii) MFRS 16, *Leases*

MFRS 16 replaces the guidance in MFRS 117, Leases, IC Interpretation 4, determining whether an Arrangement contains a Lease, IC Interpretation 115, Operating Leases – Incentives and IC Interpretation 127, evaluating the Substance of Transactions Involving the Legal Form of a Lease.

MFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligations to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard which continues to be classified as finance or operating lease.

The Group and the Company will assess the financial impact that may arise from the adoption of MFRS 16.

3. ***Auditors' Report***

The auditor's report of the preceding annual financial statements is not subject to any qualification.

4. ***Changes in the Composition of the Group***

Save and except on subscription of additional shares in Proventus Bina Sdn Bhd as disclosed in Note 12, there were no changes in the composition of the Group for the current quarter under review.

5. ***Seasonal or Cyclical Factors***

The Group's performance is not materially affected by any seasonal or cyclical factors.

6. ***Debts and Equity Securities***

There were no issuances, cancellation, repurchases, resale or repayments of debt or equity securities for the current quarter under review.

7 ***Profit Forecast or Profit Guarantee***

The Group did not issue any profit forecast or profit guarantee during the current quarter under review.

8. ***Unquoted Investments and Properties***

The Group via its wholly-owned subsidiary CIC Construction S/B, has subscribed additional 1,035,969 new ordinary shares in Proventus Bina Sdn Bhd for a cash consideration of RM2,983,749 on 19 June 2018. With this, the Group has increased its shareholdings in Proventus Bina Sdn Bhd from 20% to 51%.

9. ***Quoted Securities***

There were no purchases or sales of quoted securities during the current quarter under review.

10. ***Changes in Estimates***

There were no changes in estimates that have a material effect in the current interim results.

11. ***Exceptional or unusual items***

There were no exceptional or unusual items for the Group in the current quarter under review.

12. ***Corporate Proposals***

During the quarter under review, the Group has increased its shareholdings in Proventus Bina Sdn Bhd from 20% to 51%. As such, Proventus Bina Sdn Bhd has become a subsidiary company within the Group.

CICB has also proposed bonus issue of 40,000,000 new ordinary shares on the basis of 4 bonus shares for every 5 existing CICB shares. The Circular proposal was sent to shareholders on 27 April 2018 and approved by shareholders during the recent Annual General Meeting held on 28 May 2018.

13. ***Material Litigation***

The Group has not engaged in any litigation which has a material effect on the financial position of the Group for the quarter under review.

14. ***Valuations of Property, Plant & Equipment***

There were no valuations of property, plant and equipment during the current quarter under review.

15. ***Dividends Paid***

There was no dividend paid during the quarter under review and financial year-to-date.

16. ***Segmental Reporting***

The Group's primary business segment is principally engaged in the manufacture and sale of self-adhesive tapes of its own brand, labels stocks and trading of other self-adhesive label stocks and tapes.

Segmental reporting for the Group by geographical segment for the current quarter ended 30 June 2018 are stated as follows:

	Current quarter Three months ended		Cumulative quarter Six months ended	
		30 June		30 June
	2018	2017	2018	2017
Segment Revenue - Unaudited	RM'000	RM'000	RM'000	RM'000
- Malaysia	8,455	9,109	17,129	19,603
- Oversea	5,107	7,176	12,692	14,700
Elimination of inter segment revenue	(1,018)	(870)	(1,933)	(1,650)
Total Segment Revenue	12,544	15,415	27,888	32,653

	Current quarter Three months ended		Cumulative quarter Six months ended	
		30 June		30 June
	2018	2017	2018	2017
Segment Results	RM'000	RM'000	RM'000	RM'000
- Malaysia	(160)	235	(204)	794
- Oversea	(313)	30	(428)	201
Total Segment Results	(473)	265	(632)	995
Finance Cost	-	-	-	-
Finance Income	101	27	169	59
Share of Net Profit of Associated Company	10	11	165	11
Loss on previously held interest in associated company	(628)	-	(628)	-
Profit Before Tax	(991)	303	(927)	1,065

17. ***Contingent Liabilities or Contingent Assets***

There were no contingent liabilities or contingent assets that may have material effect on the net assets, profits or financial position of the Group for the current quarter under review.

18. ***Capital Commitments***

The amount of capital commitments for the purchase of properties, plant & equipment not provided for in the interim financial statements are as follow:

	Quarter ended 30 June 2018	Quarter ended 30 June 2017
Amount approved but not contracted for	RM'000	RM'000
- Property, plant & equipment	Nil	Nil

19. ***Subsequent Events***

There were no subsequent events up to the date of this interim report that have not been reflected in these interim financial statements.

20. ***Review of Performance***

The Group recorded revenue of RM12.544 million and Loss Before Tax of RM0.991 Million in the quarter under review as compared to revenue of RM15.415 Million and Profit Before Tax of RM0.303 Million recorded in the corresponding quarter last year. The lower revenue registered by the Group was mainly due to the decrease in both export and domestic sales in the quarter under review.

Loss Before Tax recorded for the quarter was attributed to loss on previously held interest in associated company and the decrease in overall sales as well as higher administration expenses incurred during the quarter.

21. ***Material Changes in results with immediate preceding quarter***

The comparison of the Group's revenue and Profit before tax for the current quarter and preceding quarter are summarized as follows:-

	Quarter ended 30 June 2018 RM'000	Quarter ended 31 Mar 2018 RM'000	Variance RM'000	%
Revenue	12,544	15,344	(2,800)	(18.2%)
Profit / (Loss) before tax	(991)	64	(1,055)	(1648.4%)

The Group's revenue decreased by 18.2% from RM15.344 million in the immediate preceding quarter to RM12.544 million in the current quarter under review. The lower revenue registered by the Group was mainly due to the decrease in export and domestic sales.

The Group recorded Loss Before Tax of RM0.991 million in the current quarter compared to Profit Before Tax of RM0.064 million in the preceding quarter. Loss before Tax was attributed to loss on previously held interest in associated company, lower sales revenue recorded during the quarter as well as reduction in profit sharing from associated company due to adjustment of lower gross profit margins from one of the construction projects currently undertaken.

22. ***Commentary of Prospects***

a. Manufacturing

The outlook for the 3rd quarter 2018, is more positive given the domestic market is anticipated to normalize after the general election. Government policy changes to the abolishment of Goods and Services Tax and the re-introduction of Sales and Service Tax has caused market uncertainties to the domestic market, resulting in lows and spikes in consumption and purchasing. The coming quarter is anticipated to experience sharp spikes in purchases/demand and taper off in the month of September as Sales and Services Tax becomes effective. The challenge is for the Company to plan its raw material and production to maximize the demand spike in July and August.

Suppliers of raw material for paper continue to announce further price increases which will take effect in the 3rd quarter. Responding to continue raw material increases, the Company will remain focus to source and qualify alternative lower cost raw materials to mitigate the impact of rising raw material prices. Selective price increases will be considered with caution in the 3rd quarter to pass on some of these costs increases.

Revenue growth for domestic segment will continue to be tapes driven and geared towards automotive grade masking tapes as the Company re-enter this segment with an improved grade of automotive masking tape as its previous automotive masking tape did not perform to expectations.

The Company has been more aggressive in the 2nd quarter to increased labels stocks sales to selective labels stocks customers with good credit ratings and this action will further improve labels stocks sales in the 3rd quarter.

The export segment presents a cautious outlook for the 3rd quarter due to some quality issues to key export customers. The root causes are being identified and corresponding corrective actions will be taken.

The Company has taken up export credit insurance in the 2nd quarter to mitigate risks of credit exposure. All credit terms and limits by individual export customers are pre-approved by the insurance company prior to confirmation with customers.

The plant's output for 2nd quarter was low due to the sluggish sales performance resulting in higher manufacturing unit costs which impacted gross profit margins. However, plant output is forecast to normalize in the 3rd quarter as both export and domestic sales are optimistic of sales improvements.

Against the above back ground sentiments, the 3rd quarter is forecast to be challenging for the Company's manufacturing unit.

Construction

Overall, the property sector continues to be bearish with over supplies of residential and commercial properties throughout the country. The construction sector is in turn affected by the slowdown. However, with the exemption of Sales and Service Tax (SST) on most of the building materials, it is expected to lower the construction cost and give the sector a boost going forward

The Company's subsidiary, Proventus Bina Sdn Bhd ("PBSB") currently is active with two construction projects.

For the next quarter, these two projects will continue to contribute to PBSB revenue and profits.

PBSB has also recently been awarded with another two construction contracts; an affordable housing project in Meru, Ipoh and a block of condominiums at Sungai Pinang, Penang. It is envisaged that initial progress billings will begin in the next quarter and further contribute to PBSB's revenue and profits.

23. *Profit For The Period*

Profit for the period is arrived at after charging:

	Current quarter Three months ended 30 June		Cumulative quarter Six months ended 30 June	
	2018 RM'000	2017 RM'000	2018 RM'000	2017 RM'000
Amortization of prepaid lease payments	12	11	23	22
Auditors' remuneration	18	22	35	33
Bad debts written off	-	4	1	21
Depreciation				
- Property, plant and equipment	452	443	889	891
- Investment properties	7	7	14	14
Loss on foreign exchange	22	49	64	86
Inventories written off	31	44	59	75
Provision for retirement benefits	44	43	87	87
Rental expense:				
- Land and building	54	58	108	110
- Equipment	1	14	3	22

And after crediting:-

Bad debts recovered	3	15	7	20
Finance income	101	27	169	59
Rental income from investment properties	24	22	48	43

24. ***Tax Expense***

	Current quarter Three months ended 30 June		Cumulative quarter Six months ended 30 June	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Current tax expense	-	-	-	-
Deferred Tax adjustment	-	-	-	-
(Over)/Under provision in prior year	-	-	-	-
Tax expense	-	-	-	-

25. ***Dividend Proposed***

The Board of Directors has recommended First and Final single-tier dividend of 1.75 sen per ordinary share in respect of Financial Year 2017. Payment to be made on 27 August 2018.

26. ***Earnings Per Share***

Basic earnings per ordinary share are calculated based on the Group's net profit attributable to equity holders of the Company and the weighted average number of ordinary shares in issue during the current quarter and the financial year to date.

Diluted earnings per ordinary share is the same as the basic earnings per ordinary share as the effect of anti-dilutive potential ordinary shares are ignored in calculating diluted earnings per ordinary share in accordance with MFRS 133 on Earnings per Share.

	Current quarter Three months ended 30 June		Cumulative quarter Six months ended 30 June	
	2018	2017	2018	2017
	RM'000	RM'000	RM'000	RM'000
Basic				
Profit attributable to the owners of the company	(991)	303	(927)	1,065
Weighted average number of ordinary shares in issue	50,000	48,215	50,000	47,616
Basic earnings per ordinary share (sen)	(1.98)	0.63	(1.85)	2.24
Diluted				
Diluted earnings per ordinary share (sen)	(1.98)	0.63	(1.85)	2.24

27. ***Authorization for Issue***

The interim financial statements and the accompanying notes were authorized for issue by the Board of Directors.