

Financial Statements and Related Announcement::Discrepancies between unaudited and audited accounts

Issuer & Securities

Issuer/ Manager	CSC HOLDINGS LIMITED
Securities	CSC HOLDINGS LTD - SG1F84861094 - C06
Stapled Security	No

Announcement Details

Announcement Title	Financial Statements and Related Announcement
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Announcement Sub Title	Discrepancies between unaudited and audited accounts
Announcement Reference	SG170623OTHRMHQP
Submitted By (Co./ Ind. Name)	Lee Quang Loong
Designation	Company Secretary
Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)	Please refer to the attachment.

Additional Details

For Financial Period Ended	31/03/2017
Attachments	Discrepancies between unaudited and audited accounts.pdf Total size =57K



CSC HOLDINGS LIMITED

Co Registration No. 199707845E

MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND REVISED UNAUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

The Board of Directors (the “Board”) of CSC Holdings Limited (the “Company” and together with its subsidiaries, the “Group”) refers to the Company’s previous announcement made on 30 May 2017 in relation to its unaudited full year financial statements for the financial year ended 31 March 2017 (“FY17”) (the “Unaudited Results”).

The Board wishes to announce and clarify material differences between the unaudited financial statements and the revised unaudited financial statements for FY17 (the “Revised Unaudited Results”). The material differences and the reason therefor are set out below.

Consolidated Statement of Profit or Loss for FY17

	Group		
	12 months ended		Variance
	31-Mar-17 Revised Unaudited Results	31-Mar-17 Unaudited Results	
	\$'000	\$'000	\$'000
Loss before tax	(22,412)	(23,285)	873
Tax expense	(2,313)	(2,116)	(197)
<u>Loss for the year</u>			
Attributable to:			
Owners of the Company	(25,282)	(25,598)	316
Non-controlling interests	557	197	360
Loss for the year	(24,725)	(25,401)	676
Basic loss per share (cents)	(1.16)	(1.17)	0.01
Diluted loss per share (cents)	(1.16)	(1.17)	0.01

Statement of Financial Position as at 31 March 2017

	Group		
	31-Mar-17 Revised Unaudited Results	31-Mar-17 Unaudited Results	Variance
	\$'000	\$'000	\$'000
Current assets	181,076	180,236	840
Equity			
Equity attributable to:			
Owners of the Company	144,944	144,640	304
Non-controlling interests	25,900	25,553	347
Equity	170,844	170,193	651
Non-current liabilities	23,358	23,169	189
Net Asset Value per share (cents)	7.8	7.8	-

The above differences are due to the Group's successful efforts in recovering a long outstanding debt amounting to \$873,000 (the "Debt"). The Debt has been outstanding for more than a year. On a prudent basis, a full provision was made and reflected in the Unaudited Results of the Group. As a result of the Group's successful recovery of the Debt, the Group has reversed the provision made previously and has recorded a corresponding decrease to its loss for the current financial year.

Please refer to ANNEX A for the detailed variances.

BY ORDER OF THE BOARD

Lee Quang Loong
Company Secretary

23 June 2017

ANNEX A

Comparison of the Revised Unaudited Results and the Unaudited Results for FY17 are set out as follows:

Consolidated Statement of Profit or Loss for the 12 months ended 31 March 2017

	Group		
	12 months ended		Variance
	31-Mar-17 Revised Unaudited	31-Mar-17 Unaudited	
	\$'000	\$'000	\$'000
Revenue	252,360	252,360	-
Cost of sales	(244,114)	(244,114)	-
Gross profit	8,246	8,246	-
Other income	2,306	2,306	-
Distribution expenses	(526)	(526)	-
Administrative expenses	(25,711)	(25,711)	-
Other operating expenses	(1,843)	(2,716)	873
Write-down of plant and equipment	(1,007)	(1,007)	-
Results from operating activities	(18,535)	(19,408)	873
Finance income	213	213	-
Finance expenses	(3,843)	(3,843)	-
Net finance expenses	(3,630)	(3,630)	-
Share of loss of joint ventures (net of tax)	(247)	(247)	-
Loss before tax	(22,412)	(23,285)	873
Tax expense	(2,313)	(2,116)	(197)
Loss for the year	(24,725)	(25,401)	676
Attributable to:			
Owners of the Company	(25,282)	(25,598)	316
Non-controlling interests	557	197	360
Loss for the year	(24,725)	(25,401)	676
Loss per share			
Basic loss per share (cents)	(1.16)	(1.17)	0.01
Diluted loss per share (cents)	(1.16)	(1.17)	0.01

Consolidated Statement of Comprehensive Income for the 12 months ended 31 March 2017

	Group		
	12 months ended		Variance
	31-Mar-17 Revised Unaudited	31-Mar-17 Unaudited	
	\$'000	\$'000	\$'000
Loss for the year	(24,725)	(25,401)	676
Other comprehensive income			
Item that will not be reclassified to profit or loss:			
Revaluation of property, plant and equipment	11,828	11,828	-
Items that are or may be reclassified subsequently to profit or loss:			
Translation differences relating to financial statements of foreign subsidiaries, an associate and a joint venture	(1,595)	(1,570)	(25)
Translation differences relating to disposal of a joint venture reclassified to profit or loss	63	63	-
	(1,532)	(1,507)	(25)
Other comprehensive income for the year, net of tax	10,296	10,321	(25)
Total comprehensive income for the year	(14,429)	(15,080)	651
Attributable to:			
Owners of the Company	(14,943)	(15,247)	304
Non-controlling interests	514	167	347
Total comprehensive income for the year	(14,429)	(15,080)	651

Statement of Financial Position as at 31 March 2017

DESCRIPTION	Group		
	31-Mar-17 Revised Unaudited	31-Mar-17 Unaudited	Variance
	\$'000	\$'000	\$'000
Non-current assets			
Property, plant and equipment	164,929	164,929	-
Intangible assets	1,452	1,452	-
Investments in:			
- an associate	904	904	-
- a joint venture	704	704	-
Other investment	879	879	-
Trade and other receivables	10,544	10,544	-
Deferred tax assets	252	252	-
	179,664	179,664	-
Current assets			
Inventories	25,257	25,257	-
Trade and other receivables	137,287	136,447	840
Cash and cash equivalents	18,532	18,532	-
	181,076	180,236	840
Total assets	360,740	359,900	840
Equity attributable to owners of the Company			
Share capital	80,292	80,292	-
Reserves	64,652	64,348	304
	144,944	144,640	304
Non-controlling interests	25,900	25,553	347
Total equity	170,844	170,193	651
Non-current liabilities			
Loans and borrowings	21,632	21,632	-
Deferred tax liabilities	1,726	1,537	189
	23,358	23,169	189
Current liabilities			
Loans and borrowings	64,050	64,050	-
Trade and other payables	84,960	84,960	-
Excess of progress billings over construction work-in-progress	186	186	-
Provisions	15,917	15,917	-
Current tax payable	1,425	1,425	-
	166,538	166,538	-
Total liabilities	189,896	189,707	189
Total equity and liabilities	360,740	359,900	840
Net Asset Value per share (cents)	7.8	7.8	-

Consolidated Statement of Cash Flows for the 12 months ended 31 March 2017

	Group		
	12 months ended		Variance
	31-Mar-17	31-Mar-17	
	Revised	Unaudited	\$'000
Unaudited	Unaudited	\$'000	
	\$'000	\$'000	\$'000
Cash flows from operating activities			
Loss for the year	(24,725)	(25,401)	676
Adjustments for:			
Allowance for foreseeable losses made on construction work-in-progress	133	133	-
Bad debts written back	(20)	(20)	-
Depreciation of property, plant and equipment	26,941	26,941	-
Gain on disposal of:			
- property, plant and equipment	(1,287)	(1,287)	-
- a joint venture	(179)	(179)	-
Impairment losses recognised on trade and other receivables	1,712	2,585	(873)
Net finance expenses	3,630	3,630	-
Property, plant and equipment written off	1	1	-
Provision for liquidated damages	521	521	-
Provision for rectification costs	437	437	-
Share of loss of joint ventures (net of tax)	247	247	-
Write-down of plant and equipment	1,007	1,007	-
Tax expense	2,313	2,116	197
Operating activities before working capital changes	10,731	10,731	-
Changes in working capital:			
Inventories	(2,089)	(2,089)	-
Trade and other receivables	21,075	21,075	-
Trade and other payables	(11,632)	(11,632)	-
Cash generated from operations	18,085	18,085	-
Taxes paid	(1,743)	(1,743)	-
Interest received	213	213	-
Net cash generated from operating activities	16,555	16,555	-
Cash flows from investing activities			
Purchase of property, plant and equipment	(13,055)	(13,055)	-
Proceeds from disposal of:			
- property, plant and equipment	4,387	4,387	-
- subsidiaries	286	286	-
- a joint venture	548	548	-
Investments in:			
- an associate	(904)	(904)	-
- a joint venture	(749)	(749)	-
Net cash used in investing activities	(9,487)	(9,487)	-
Cash flows from financing activities			
Interest paid	(3,217)	(3,217)	-
Dividends paid:			
- non-controlling interests of a subsidiary	(195)	(195)	-
Proceeds from:			
- bank loans	28,897	28,897	-
- bills payable	32,017	32,017	-
- cash grant from Productivity and Innovation Credit Scheme for acquisition of property, plant and equipment	64	64	-
- issue of shares from exercise of warrants, net of expenses	3	3	-
Repayment of:			
- bank loans	(20,505)	(20,505)	-
- bills payable	(38,535)	(38,535)	-
- finance lease liabilities	(16,792)	(16,792)	-
Increase in fixed deposits pledged	(1,000)	(1,000)	-
Net cash used in financing activities	(19,263)	(19,263)	-
Net decrease in cash and cash equivalents	(12,195)	(12,195)	-
Cash and cash equivalents at 1 April	25,935	25,935	-
Effect of exchange rate changes on balances held in foreign currencies	(650)	(650)	-
Cash and cash equivalents at 31 March	13,090	13,090	-
Comprising:			
Cash and cash equivalents	18,532	18,532	-
Bank overdrafts	(4,442)	(4,442)	-
	14,090	14,090	-
Less:			
Fixed deposits pledged as security for bank facilities	(1,000)	(1,000)	-
Cash and cash equivalents in the consolidated cash flow statement	13,090	13,090	-