ORACLE FINANCIAL SERVICES CONSULTING PTE. LTD.

(Incorporated in the Republic of Singapore)
(Registration Number. 200005170D)

FINANCIAL STATEMENTS
YEAR ENDED
31 MARCH 2019

ROHAN • MAH & PARTNERS LLP
Chartered Accountants, Singapore

ORACLE FINANCIAL SERVICES CONSULTING PTE. LTD.
(Incorporated in the Republic of Singapore)

Directors

Avadhut Digambar Ketkar
Wong Gen Kown

Secretaries

Kong Yuh Ling Doreen
Nur Iman Binte Rohan

Registered Office

1 Fusionopolis Place
#12-10, Galaxis
Singapore 138522

Auditor

Rohan • Mah & Partners LLP

Banker

Citibank Singapore Ltd

Contents

DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of Oracle Financial Services Consulting Pte. Ltd. (the "Company") for the financial year ended 31 March 2019.

1 OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2019 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and

(b) at the date of this statement, as the penultimate holding company has given written confirmation of its continuing financial support for the Company, there are reasonable grounds to believe that the Company will be able to pay its debt as and when they fall due.

2 DIRECTORS

The directors of the Company in office at the date of this statement are:

Avadhut Digambar Ketkar
Wong Gen Kown

3 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

4 DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

	Direct interest	
	At beginning of year	**At end of year**
Ultimate Holding Corporation		
- Oracle Corporation		
Name of Director		
Wong Gen Kown	-	32

4 DIRECTORS' INTERESTS IN SHARES OR DEBENTURES - cont'd

	Direct interest	
	At beginning of year	At end of year
Penultimate Holding Corporation		
- Oracle Financial Services Software Limited		
Name of Directors		
Avadhut Digambar Ketkar	18,002	18,568
Wong Gen Kown	63	250

5 SHARE OPTIONS

There were no options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

6 AUDITOR

The auditor, Messrs. Rohan • Mah & Partners LLP has expressed its willingness to accept re-appointment.

THE BOARD OF DIRECTORS

....
Avadhut Digambar Ketkar
Director

....
Wong Gen Kown
Director

Singapore,
20 September 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

ORACLE FINANCIAL SERVICES CONSULTING PTE. LTD.

(Incorporated in the Republic of Singapore)

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of Oracle Financial Services Consulting Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2019, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Company as at 31 March 2019 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.2 to the financial statements with respect to the Company's ability to continue as a going concern. As of reporting date, the Company incurred a net loss during the year ended 31 March 2019 and, as of that date, current liabilities exceeded its current assets, and the accumulated losses exceeded the paid-up capital as at 31 March 2019. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The validity of the going concern basis on which the financial statements are prepared depends on management's assessment of the Company's ability to operate as a going concern as set forth in Note 2.2 to the financial statements. In the event that the Company is unable to continue as a going concern, adjustments may have to be made to reflect the situation that assets may need to be realised other than in the amounts at which they are currently recorded in the statements of financial position. In addition, the Company may have to provide for further liabilities that might arise and to reclassify non-current assets and liabilities as current assets and liabilities. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

ORACLE FINANCIAL SERVICES CONSULTING PTE. LTD.

(Incorporated in the Republic of Singapore)

Going Concern Basis of Accounting

The material uncertainty identified above does not indicate that the going concern basis of accounting is inappropriate. The Company's financial statements have been prepared using the going concern basis of accounting. The use of the going concern basis of accounting is appropriate unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. As part of our audit of the financial statements, we have concluded that management's use of the going concern basis of accounting in the preparation of the Company's financial statements is appropriate.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 2.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Company's financial reporting process.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

ORACLE FINANCIAL SERVICES CONSULTING PTE. LTD.

(Incorporated in the Republic of Singapore)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

ORACLE FINANCIAL SERVICES CONSULTING PTE. LTD.

(Incorporated in the Republic of Singapore)

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Rohan. Mah & Partners LLP

ROHAN • MAH & PARTNERS LLP
Public Accountants and
Chartered Accountants

Singapore
20 September 2019
(RK/MA./SR/KS/CT/DB/WQ/ccy)

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

	Note	2019 S$	2018 S$
ASSETS LESS LIABILITIES			
Current Assets			
Cash and cash equivalents	3	136,292	167,653
Current Liabilities			
Other payables	4	4,968,111	4,975,584
Net Current Liabilities		(4,831,819)	(4,807,931)
Net Liabilities		(4,831,819)	(4,807,931)
Capital and reserves attributable to equity holders of the Company			
Share capital	5	16,185,170	16,185,170
Accumulated losses		(21,016,989)	(20,993,101)
		(4,831,819)	(4,807,931)

The accompanying notes form an integral part of these audited financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019

	Note	2019	2018
Continuing Operations		**S$**	**S$**
Other income	6	140	20,108
Administration expenses	7	(24,028)	(3,112)
(Loss)/Profit before taxation		(23,888)	16,996
Taxation	8	-	-
(Loss)/Profit from continuing operations		(23,888)	16,996
(Loss)/Profit for the year		(23,888)	16,996
Total comprehensive (loss)/income		(23,888)	16,996
(Loss)/Profit attributable to:			
Equity holders of the Company		(23,888)	16,996
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		(23,888)	16,996

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2019

	Share Capital S$	Accumulated Losses S$	Total S$
As at 1 April 2017	16,185,170	(21,010,097)	(4,824,927)
Total comprehensive income for the year	-	16,996	16,996
As at 31 March 2018	16,185,170	(20,993,101)	(4,807,931)
Total comprehensive loss for the year	-	(23,888)	(23,888)
As at 31 March 2019	16,185,170	(21,016,989)	(4,831,819)

The accompanying notes form an integral part of these audited financial statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

	2019 S$	2018 S$
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/Profit before taxation	(23,888)	16,996
Adjustments for:		
Foreign exchange loss/(gain) - unrealised	19,906	(8,910)
Interest income	(140)	(223)
Operating (loss)/profit before working capital changes	(4,122)	7,863
Working capital changes, excluding changes related to cash:		
Other payables	-	(3,975)
Cash (used in)/generated from operations	(4,122)	3,888
Interest received	140	223
Net cash (used in)/generated from operating activities	(3,982)	4,111
CASH FLOWS FROM FINANCING ACTIVITY		
Amount due to immediate holding company - non-trade	(27,379)	(306,848)
Net cash flows used in financing activity	(27,379)	(306,848)
Net decrease in cash and cash equivalents	(31,361)	(302,737)
Cash and cash equivalents at beginning of year	167,653	470,390
Cash and cash equivalents at end of year (Note 3)	136,292	167,653

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 CORPORATE INFORMATION

Oracle Financial Services Consulting Pte. Ltd. (the "Company") is a limited liability company incorporated in Singapore with its registered office and the principal place of business at 1 Fusionopolis Place, #12-10 Galaxis, Singapore 138522.

The principal activities of the Company are the provision of computer system integrated services and consultancy related services. The Company has ceased trading operation since financial year 2013. There have been no significant changes in the nature of these activities during the financial year.

The immediate holding company is Oracle Financial Services Software Pte. Ltd., a company incorporated in Singapore. The ultimate holding company is Oracle Corporation, a company incorporated in the United States of America.

The financial statements of the Company for the year ended 31 March 2019 were authorised for issue in accordance with a resolution of the Directors on 20 September 2019.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements, expressed in Singapore Dollars (SGD or S$), which is also the functional currency of the Company, and it have been prepared on the basis that the Company is a going concern as the penultimate holding company has given written confirmation of its continuing financial support for the Company.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. There are no critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgment or complexity.

In the current financial year, the Company has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or before 1 April 2018. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.1 Basis of Preparation - cont'd

A number of new standards, amendments to standards and interpretations are issued but effective for annual periods beginning after 1 April 2018, and have not been applied in preparing these financial statements. The Company does not plan to early adopt these standards.

Description	Effective for annual periods beginning on or after
FRS 116 Leases	1 April 2019
Amendments to FRS 109: Prepayment features with negative compensation	1 April 2019
Amendments to FRS 28: Long-term interests in Associates and Joint Ventures	1 April 2019
INT FRS 123: Uncertainty over Income Tax treatments	1 April 2019
Annual Improvements to FRS (March 2018)	1 April 2019

The directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application.

2.2 Going Concern

The Company incurred a net loss during the year ended 31 March 2019 and, as of that date, current liabilities exceeded the current assets, and the accumulated losses exceeded the paid-up capital as at 31 March 2019. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The financial statements have been prepared on the basis that the Company is a going concern as the penultimate holding company has given written confirmation of its continuing financial support for the Company. The ability of the Company to continue as a going concern depends on the penultimate holding company's undertaking to provide continued financial support.

The financial statements have been prepared on a going concern basis as the Directors are satisfied that:

(i) the continuing financial support from the penultimate holding company to procure the necessary finance and support for a period of not less than twelve months from the end of the reporting period;

(ii) the Company is able to generate sufficient cash flows from its operations to meet its current and future obligations.

If the financial support is not forthcoming and as a result, the Company is unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reflect the situation that the assets may need to be realised other than in the normal course of the business and at amounts which could differ significantly from the amounts stated in statement of financial position. In addition, the Company may have to provide further liabilities which may arise, and to reclassify long term assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.3 Foreign Currency Transactions and Balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.4 Fair Value Estimation

The fair values of financial instruments traded in active markets are based on quoted market prices at the reporting date. The quoted market prices used for financial assets held by the Company are the current bid prices; the appropriate quoted market prices for financial liabilities are the current ask prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The Company uses a variety of methods and makes assumptions that are based on market conditions existing at each reporting date. Quoted market prices or dealer quotes for similar instruments are used where appropriate. Other techniques, such as estimated discounted cash flows, are also used to determine the fair values of the financial instruments.

The carrying amounts of current receivables and payables are assumed to approximate their fair values. The fair values of non-current receivables for disclosure purposes are estimated by discounting the future contractual cash flows at the current market interest rates that are available to the Company for similar financial instruments.

2.5 Related Parties

A related party is defined as follows:

(a) ***A person or a close member of that person's family is related to the Company if that person:***

(i) Has control or joint control over the Company;
(ii) Has significant influence over the Company; or
(iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.

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2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.5 Related Parties - cont'd

(b) An entity is related to the Company if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
(ii) One entity is an associate or joint venture of the other entity (or and associate or joint venture of a member of a group of which the other entity is a member);
(iii) Both entities are joint ventures of the same third party.
(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
(vi) The entity is controlled or jointly controlled by a person identified in (a);
(vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

2.6 Cash and Cash Equivalents

Cash and cash equivalents comprise cash at banks and on hand which are subject to an insignificant risk of changes in value.

2.7 Impairment of Non-Financial Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less cost of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.8 Financial Instrument

These accounting policies are applied on and after the initial application date of FRS 109, 1 April 2018:

2.8.1 Financial Assets

Initial Recognition and Measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at Fair Value through Profit or Loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent Measurement

Investments in Debt Instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, Fair Value through Other Comprehensive Income (FVOCI) and FVPL. The Company only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Investment in Equity Instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in the other comprehensive income which will not be reclassified subsequently to profit or loss. Dividend from such investments are to be recognised in profit or loss when the Company's right to receive payments is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.8 Financial Instrument - cont'd

2.8.1 Financial Assets - cont'd

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

2.8.2 Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent Measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged and cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

These accounting policies are applied before the initial application date of FRS 109, 1 April 2018:

2.8.3 Financial Assets

Initial Recognition and Measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at FVPL, directly attributable transaction costs.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.8 Financial Instruments - cont'd

2.8.3 Financial Assets - cont'd

Subsequent Measurement

Loans and Receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables comprised cash and cash equivalents.

Cash and cash equivalents comprise cash at banks and on hand.

Available-for-sale Financial Assets

Available-for-sale financial assets are those non-derivative financial assets which are not classified as held-to-maturity investments, loans and receivables or financial assets at FVPL.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognised in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in profit or loss. The cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is derecognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

Derecognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirely, the difference between the carrying amount and the sum of the consideration received (and, where applicable, any cumulative gain or loss that has been recognised in other comprehensive income) is recognised in profit or loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.8 Financial Instruments - cont'd

2.8.4 Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent Measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Such financial liabilities comprise other payables.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liabilities are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

2.9 Impairment of Financial Assets

These accounting policies are applied on and after the initial application date of FRS 109, 1 April 2018:

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.9 Impairment of Financial Assets - cont'd

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

These accounting policies are applied before the initial application date of FRS 109, 1 April 2018:

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial Assets Carried at Amortised Cost

For financial assets carried at amortised cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying amount of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.9 Impairment of Financial Assets - cont'd

Financial Assets Carried at Amortised Cost - cont'd

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2.10 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.11 Revenue Recognition

These accounting policies are applied on and after the initial application date of FRS 115, 1 April 2018:

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

2.11.1 Rendering of Services

Revenue from sale of goods and services in the ordinary course of business is recognised when the Company satisfies a performance obligation ("PO") by transferring control of a promised good and service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative standalone selling prices of the promised goods and services. The individual standalone selling price of a good and service that has not previously been sold on a stand-alone basis, or has a highly variable selling price, is determined based on the residual portion of the transaction price after allocating the transaction price to goods and services with observable stand-alone selling prices. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates specifically to those performance obligations.

Revenue may be recognised at a point in time or over time following the timing of satisfaction of the PO. If a PO is satisfied over time, revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that PO.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.11 Revenue Recognition – cont'd

These accounting policies are applied before the initial application date of FRS 115, 1 April 2018:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. The following specific recognition criteria must also be met before revenue is recognised:

2.11.2 Rendering of Services

Revenue from rendering services is recognised when the services are rendered, using the percentage of completion method based on the actual service provided as a proportion of the total services to be performed.

2.11.3 Interest Income

Interest income is measured using the effective interest method.

2.12 Employee Benefits

2.12.1 Defined Contribution Plans

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

2.12.2 Short-term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - cont'd

2.13 Taxes

2.13.1 Current Income Tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

3 CASH AND CASH EQUIVALENTS

	2019 S$	2018 S$
Cash at bank	136,292	167,653

4 OTHER PAYABLES

	2019 S$	2018 S$
Accruals	4,000	4,000
Amount due to immediate holding company - non-trade	4,964,111	4,971,584
	4,968,111	4,975,584

Amount due to immediate holding company - non trade are unsecured, non-interest bearing and repayable on demand.

5 SHARE CAPITAL

	2019		2018	
	No. of shares	S$	No. of shares	S$
Ordinary shares issued and fully paid:				
At beginning and at end of year	16,185,170	16,185,170	16,185,170	16,185,170

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction and have no par value.

6 OTHER INCOME

	2019 S$	2018 S$
Foreign exchange gain - unrealised	-	8,910
Interest income	140	223
Reversal of accruals	-	10,975
	140	20,108

7 ADMINISTRATION EXPENSES

Administration expenses include:

	2019 S$	2018 S$
Foreign exchange loss - unrealised	19,906	-
Bank charges	122	112

8 TAXATION

Major components of income tax expense are as follows:

	2019 S$	2018 S$
Current year taxation	-	-

A reconciliation between the tax expense and the product of accounting profit and loss multiplied by the applicable tax rate are as follows:

	2019 S$	2018 S$
(Loss)/Profit before taxation	(23,888)	16,996
Income tax on (loss)/profit before tax at 17%	(4,061)	2,889
Adjustments:		
Non-deductible expenses	4,085	-
Non-taxable income	(24)	(3,418)
Unutilised tax losses	-	529
Tax expense	-	-

8 TAXATION - cont'd

Unrecognised deferred tax assets:

Deferred tax assets in respect of the following items have not been recognised in the financial statements as the probability of future taxable profits being available to utilise such benefits cannot be reliably established:

	2019 S$	2018 S$
Unutilised capital allowances	73,246	73,246
Unutilised tax losses	3,317,648	3,317,648
	3,390,894	3,390,894

The Company's unutilised capital allowances and tax losses are available for offset against future taxable profits subject to the agreement of the tax authorities and compliance with certain provisions of the Singapore Income Tax Act, Chapter134.

9 SIGNIFICANT RELATED PARTIES TRANSACTIONS

Significant related party transactions on terms agreed between the Company and its related party is as follows:

	2019 S$	2018 S$
Holding Company		
Repayment of payable to	(32,267)	(300,000)

Balances with related parties at the reporting date are set out in Note 4.

10 FINANCIAL INSTRUMENTS

Categories of Financial Instruments

The carrying amounts presented in the statement of financial position relate to the following categories of financial assets and financial liabilities:

	2019 S$	2018 S$
Financial Assets		
Loans and receivables:		
Cash and cash equivalents	136,292	167,653
Financial Liabilities		
Financial liabilities measured at amortised cost:		
Other payables	4,968,111	4,975,584

10 FINANCIAL INSTRUMENTS - cont'd

Financial Risk Management Objectives and Policies

The main risks arising from the Company's financial instruments are credit, foreign currency, interest rate and liquidity risks. The policies of managing each of these risks are summarised below:

Credit Risk

Credit risk refers to the risk that counter parties may default on their contractual obligations resulting in a financial loss to the Company. The Company has ceased trading operation and no exposure to credit risk.

Foreign Currency Risk

Foreign currency risk arises from change in foreign exchange rates that may have an adverse effect on the Company in the current reporting period and in the future years. The Company's exposure to foreign currency risk is minimal.

The Company's exposures to major foreign currencies are as follows:

	United States Dollar S$
2019	
Cash and cash equivalents	4
Other payables	(624,567)
	(624,563)
2018	
Cash and cash equivalents	41,315
Other payables	(604,207)
	(562,892)

Sensitivity analysis

A 5% strengthening of Singapore Dollar against the following currencies at the reporting date would increase/(decrease) equity and profit or loss (before tax) by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit or loss (before tax) S$
2019	
United States Dollar	31,228
2018	
United States Dollar	28,145

10 FINANCIAL INSTRUMENTS - cont'd

Financial Risk Management Objectives and Policies - cont'd

Foreign Currency Risk - cont'd

Sensitivity analysis - cont'd

A 5% weakening of Singapore Dollar against the above currencies would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Company is not exposed to interest rate risk as it does not have any financial instrument with variable interest rate as at the reporting date.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

To manage liquidity risk, the Company monitors its net operating cash flow and maintains an adequate level of cash and cash equivalent.

No maturity analysis is presented as all financial assets and liabilities are due within 12 months.

11 FAIR VALUE

Cash and Cash Equivalents and Other Payables

The carrying amounts of these balances approximate their fair values due to short-term nature of these balances.

12 CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to maximise shareholder's value.

The Company manages its capital structure and make adjustments to it, in light of changes in the working capital requirements, business performance and economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 March 2019 and 31 March 2018.

The Company will continue to be guided by prudent financial policies of which gearing is an important aspects. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and cash equivalents. Total capital is calculated as equity plus net debt.

	2019 S$	2018 S$
Net debts	4,831,819	4,807,931
Total equity	(4,831,819)	(4,807,931)
Total capital	-	-
Gearing ratio	-	-

The Company does not have any externally imposed capital requirements for the financial year ended 31 March 2019 and 31 March 2018.

13 EXPLANATION OF ADOPTION OF NEW STANDARD

The Company applied the following standards that are mandatorily effective for annual periods beginning on or after 1 April 2018:

(a) FRS 109: Financial Instruments

(b) FRS 115: Revenue from Contracts with Customers

(c) INT FRS 122: Foreign currency transactions and advance considerations

The application of the above standards and interpretations do not have a material effect on the financial statements.