RSM Chio Lim
Audit • Tax • Advisory

SPIRIT OF ENTERPRISE
(Registration No: 200301515E)

Directors' Report and Financial Statements

Year Ended 31 December 2014

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SPIRIT OF ENTERPRISE (Registration No: 200301515E)
(INCORPORATED IN THE REPUBLIC OF SINGAPORE AS A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

Directors' Report and Financial Statements

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SPIRIT OF ENTERPRISE (Registration No: 200301515E)
(INCORPORATED IN THE REPUBLIC OF SINGAPORE AS A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

Directors' Report

The directors of the company are pleased to present their report together with the audited financial statements of the company for the reporting year ended 31 December 2014.

1. Directors at date of report

The directors of the company in office at the date of this report are:

Rachel Wong Mai Kim	
Solomon Thomas Fernandez	
Chong Mo-ai Grace	(Appointed on 1 January 2015)

2. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

The company is limited by guarantee and has no share capital.

3. Directors' interests in shares and debentures

The company is limited by guarantee. There were no shares or debentures issued.

4. Contractual benefits of directors

Since the beginning of the reporting year, no director of the company has received or become entitled to receive a benefit which is required to be disclosed under section 201(8) of the Singapore Companies Act, Chapter 50, by reason of a contract made by the company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

5. Share options

This paragraph is not applicable as explained in Paragraph 2 above.

6. Independent auditors

The independent auditors, RSM Chio Lim LLP, have expressed their willingness to accept re-appointment.

On behalf of the directors

....	....
Rachel Wong Mai Kim	Solomon Thomas Fernandez
Director	Director

20 July 2015

SPIRIT OF ENTERPRISE (Registration No: 200301515E)
(INCORPORATED IN THE REPUBLIC OF SINGAPORE AS A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

Statement by Directors

In the opinion of the directors,

(a) the accompanying statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows, and notes thereto are drawn up so as to give a true and fair view of the state of affairs of the company as at 31 December 2014 and of the results, changes in equity and cash flows of the company for the reporting year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the company will be able to pay its debts as and when they fall due.

On behalf of the directors

....
Rachel Wong Mai Kim
Director

....
Solomon Thomas Fernandez
Director

20 July 2015

RSM Chio Lim LLP
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Independent Auditors' Report to the Member of
SPIRIT OF ENTERPRISE (Registration No: 200301515E)

Report on the financial statements

We have audited the accompanying financial statements of Spirit of Enterprise, which comprise the statement of financial position as at 31 December 2014, and the statement of finance activities, statement of changes in equity and statement of cash flows for the reporting year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility 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 Singapore Companies Act, Chapter 50 (the "Act"), the Singapore Charities Act, Chapter 37 (the "Charities Act") and Singapore Financial Reporting Standards, 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 statement of financial activities and statement of financial position and to maintain accountability of assets.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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Independent Auditors' Report to the Member of
SPIRIT OF ENTERPRISE (Registration No: 200301515E)

Opinion

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Act, the Charities Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the company as at 31 December 2014 and the results, changes in funds and cash flows of the company for the reporting year ended on that date.

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.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

20 July 2015

Partner-in-charge: Chan Weng Keen

Statement of Financial Activities
Reporting Year Ended 31 December 2014

	Note	2014 $	2013 $
Incoming resources			
Donations		101,800	117,100
Income from fundraising activities - golf		106,564	83,980
Other income		230,088	234,840
Total incoming resources		438,452	435,920
Less: Expenditure			
Fundraising expenses - golf		69,579	53,025
Other operating and administration expenses	4	340,060	302,062
Allowance for doubtful debts	6	24,035	–
Total resources expended		433,674	355,087
Net surplus for the year		4,778	80,833

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

Statement of Financial Position
As at 31 December 2014

	Notes	2014 $	2013 $
ASSETS			
Non-current assets			
Plant and equipment	5	–	14
Current assets			
Trade and other receivables	6	50,928	53,534
Other assets	7	1,095	763
Cash and cash equivalents	8	160,374	135,102
Total current assets		212,397	189,399
Total assets		212,397	189,413
EQUITY AND LIABILITIES			
Equity			
Accumulated surplus		168,481	163,703
Current liabilities			
Trade payables	9	43,916	25,710
Total equity and liabilities		212,397	189,413

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

Statement of Changes in Equity
Reporting Year Ended 31 December 2014

	Accumulated surplus $
Current Year:	
Opening balance at 1 January 2014	163,703
Net surplus for the year	4,778
Closing balance at 31 December 2014	168,481
Previous Year:	
Opening balance at 1 January 2013	82,870
Net surplus for the year	80,833
Closing balance at 31 December 2013	163,703

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

SPIRIT OF ENTERPRISE (Registration No: 200301515E)
(INCORPORATED IN THE REPUBLIC OF SINGAPORE AS A COMPANY LIMITED BY GUARANTEE AND NOT HAVING A SHARE CAPITAL)

Statement of Cash Flows
Year Ended 31 December 2014

	2014 $	2013 $
Cash flows from operating activities		
Net surplus for the year	4,778	80,833
Depreciation expense	14	599
Operating cash flows before changes in working capital	4,792	81,432
Trade and other receivables	2,606	(26,734)
Other assets	(332)	(35)
Trade payables	18,206	16,256
Operating cash flows from operating activities	25,272	70,919
Net increase in cash and cash equivalents	25,272	70,919
Cash and cash equivalents, statement of cash flows, beginning balance	135,102	64,183
Cash and cash equivalents, statement of cash flows, ending balance (Note 9)	160,374	135,102

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

1. General

Spirit of Enterprise (the "company") is incorporated in Singapore as a company limited by guarantee. The company is registered as a charity under the Singapore Charities Act, Chapter 37 and its registration number is 01696. The financial statements are presented in Singapore dollars.

The board of directors approved and authorised these financial statements for issue on the date of the statement by directors.

The principal activity of the company is to recognise and reward successful Singaporean entrepreneurs who have contributed greatly to the Singapore economy.

Each member of the company has undertaken to contribute such amounts not exceeding $10 to the assets of the company in the event the company is wound up and the monies are required for payment of the liabilities of the company. There are five members.

The registered office and principle place of business of the company is located at 1003 Bukit Merah Central, #02-10, Inno.Centre, Singapore 068896.

2. Summary of significant accounting policies

Accounting convention

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS") and the related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council and the Singapore Companies Act, Chapter 50. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in the profit or loss, as required or permitted by FRS. Reclassification adjustments are amounts reclassified to profit or loss in the current reporting year that were recognised in other comprehensive income in the current or previous reporting years.

Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make 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 reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this note to the financial statements, where applicable.

2. Summary of significant accounting policies (cont'd)

Revenue recognition

The donations and sponsorships income are recognised on an accrual basis when there is written confirmation of impending donation by donor and the collectability of the donation is virtually certain. Otherwise, the donations are recognised on cash basis. Income from fund raising is recognised when the special event takes place.

Income tax

As a charity, the Foundation is exempt from tax on income and gains falling within section 13U(1) of the Income Tax Act to the extent that these are applied to its charitable objects. No tax charges have arisen in the Foundation.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At the end of each reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss. The presentation is in the functional currency.

Plant and equipment

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rate of depreciation is as follows:

Computer and office equipment – 33%

An asset is depreciated when it is available for use until it is derecognised even if during the period the item is idle. Full depreciated assets still in use are retained in the financial statements.

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. The gain or loss arising from the derecognition of an item of plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

2. Summary of significant accounting policies (cont'd)

Impairment of non-financial assets

The carrying amount of non-financial assets is reviewed at the end of each reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At the end of each reporting year, non-financial assets with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognised.

Financial assets

Initial recognition, measurement and derecognition:

A financial asset is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based on the derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control. Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following four categories under FRS 39 is as follows:

#1. Financial assets at fair value through profit or loss: As at end of the reporting year, there were no financial assets classified in this category.

2. Summary of significant accounting policies (cont'd)

Financial assets (cont'd)

Subsequent measurement (cont'd)

#2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.

#3. Held-to-maturity financial assets: As at end of the reporting year, there were no financial assets classified in this category.

#4. Available-for-sale financial assets: As at end of the reporting year, there were no financial assets classified in this category.

Cash and cash equivalents

Cash and cash equivalents include bank and cash balances. For the statement of cash flows, the item includes cash and cash equivalents less cash subject to restriction, if any.

Financial liabilities

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expires. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date. Financial liabilities are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

2. Summary of significant accounting policies (cont'd)

Financial liabilities (cont'd)

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

#1. Financial liabilities at fair value through profit or loss: As at end of the reporting year, there were no financial liabilities classified in this category.

#2. Other financial liabilities: All liabilities, which have not been classified as in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables are usually classified in this category. Items classified within current trade and other payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

Fair value measurement

Fair value is taken to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value. In making the fair value measurement, management determines the following: (a) the particular asset or liability being measured (these are identified and disclosed in the relevant notes below); (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis; (c) the market in which an orderly transaction would take place for the asset or liability; and (d) the appropriate valuation techniques to use when measuring fair value. The valuation techniques used maximise the use of relevant observable inputs and minimise unobservable inputs. These inputs are consistent with the inputs a market participant may use when pricing the asset or liability.

The fair value measurements and related disclosures categorise the inputs to valuation techniques used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless state otherwise in the relevant notes to the financial statements. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The level is measured on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. If a financial instrument measured at fair value has a bid price and an ask price, the price within the bid-ask spread or mid-market pricing that is most representative of fair value in the circumstances is used to measure fair value regardless of where the input is categorised within the fair value hierarchy. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique.

2. Summary of significant accounting policies (cont'd)

Fair value measurement (cont'd)

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

Critical judgements, assumptions and estimation uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, actual figures may differ from these estimates.

<u>Allowance for doubtful trade accounts</u>
An allowance is made for doubtful trade accounts for estimated losses resulting from the subsequent inability of the customers to make required payments. If the financial conditions of the customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. To the extent that it is feasible impairment and uncollectibility is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. At the end of the reporting year, the trade receivables carrying amount approximates the fair value and the carrying amounts might change materially within the next reporting year but these changes may not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in the Note on trade and other receivables.

3. Related party relationships and transactions

FRS 24 defines a related party as a person or entity that is related to the reporting entity and it includes (a) A person or a close member of that person's family if that person: (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to the reporting entity if any of the following conditions apply: (i) The entity and the reporting entity are members of the same group. (ii) One entity is an associate or joint venture of the other entity. (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 reporting entity or an entity related to the reporting entity. (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). (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.

3. Related party relationships and transactions (cont'd)

Key management personnel are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly. The directors did not receive any remuneration during the reporting year (2013: Nil).

4. Other operating and administration expenses

The major components include the following:

	2014 $	2013 $
SOE dinner	161,607	123,838
Secretarial fees	77,262	75,267
SOE books	65,000	65,165

5. Plant and equipment

	$
Cost:	
At 1 January 2013, 31 December 2013 and 31 December 2014	5,879
Accumulated depreciation:	
At 1 January 2013	5,266
Depreciation for the year	599
At 31 December 2013	5,865
Depreciation for the year	14
At 31 December 2014	5,879
Net book value:	
At 1 January 2013	613
At 31 December 2013	14
At 31 December 2014	–

6. Trade and other receivables

	2014 $	2013 $
Trade receivables	72,335	47,275
Less allowance for impairment	(24,035)	–
Sub-total	48,300	47,275
Other receivables	2,628	6,259
Total trade and other receivables	50,928	53,534
Movements in allowance for impairment loss:		
At the beginning of the reporting year	–	–
Impairment loss recognised in other expenditure	24,035	–
At the end of the reporting year	24,035	–

7. Other assets

	2014 $	2013 $
Prepayments	1,095	763

8. Cash and cash equivalents

	2014 $	2013 $
Cash and bank balances	160,374	135,102

The above balance is non-interest bearing.

9. Trade payables

	2014 $	2013 $
Outside parties and accrued liabilities	43,916	25,710

10. Financial instruments: information on financial risks

10A. Classification of financial assets and liabilities

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year by FRS 39 categories:

	2014	2013
	$	$
Financial assets:		
Cash and cash equivalents	160,374	135,102
Loans and receivables	50,928	53,534
	211,302	188,636
Financial liabilities:		
Trade payables at amortised cost	43,916	25,710

Further quantitative disclosures are included throughout these financial statements.

There are no significant fair value measurements recognised in the statement of financial position.

10B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There is exposure to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. The management has certain practices for the management of financial risks and action to be taken in order to manage the financial risks.

There have been no changes to the exposures to risk, the objectives, policies and processes for managing the risk and the methods used to measure the risk.

10C. Fair value of financial instruments

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

10. Financial instruments: information on financial risks (cont'd)

10D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial instruments at the end of the reporting year. Credit risk on cash balances with banks is limited because the counter-parties are entities with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed on the financial condition of the debtors and a loss from impairment is recognised in profit or loss. The exposure to credit risk is controlled by setting limits on the exposure to individual debtors and these are disseminated to the relevant persons concerned and compliance is monitored by management.

Cash and cash equivalents disclosed in Note 8 represent amount with less than 90-days maturity.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable is about 30 days (2013: 30 days). But some debtors take a longer period to settle the amounts.

(a) Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

	2014 $	2013 $
Trade receivables:		
60 to 90 days	–	44,575
Over 90 days	18,300	2,700
	18,300	47,275

(b) Ageing analysis as at the end of reporting year of trade receivable amounts that are impaired:

	2014 $	2013 $
Trade receivables:		
60 to 90 days	5,500	–
Over 90 days	18,535	–
	24,035	–

The allowance which is disclosed in the Note on trade receivables is based on individual accounts totalling $24,035 (2013: Nil) that are determined to be impaired at the end of reporting year. These are not secured.

10. Financial instruments: information on financial risks (cont'd)

10D. Credit risk on financial assets (cont'd)

Other receivables are normally with no fixed terms and therefore there is no maturity.

Concentration of trade receivable customers as at end of the reporting year:

	2014 $	2013 $
Top 1 customer	7,900	7,900
Top 2 customer	15,800	13,900
Top 3 customer	23,700	18,900

10E. Liquidity risk – financial liabilities maturity analysis

The following table analyses the financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows) at the end of the reporting year:

	Less than 1 year	
	2014 $	2013 $
Trade payables	43,916	25,710

The above amount disclosed in the maturity analysis are the contractual and undiscounted cash flows and such undiscounted cash flows differ from the amount included in the statement of financial position. When the counterparty has a choice of when an amount is paid, the liability is included on the basis of the earliest date on which it can be required to pay.

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2012: 30 days). The other payables are with short-term durations. In order to meet such cash commitments, the operating activities are expected to generate sufficient cash inflows.

10F. Interest rate risk

The company is not exposed to interest rate risk.

10G. Foreign currency risk

The company is not exposed to foreign currency risk.

11. Changes and adoption of financial reporting standards

For the current reporting year the following new or revised Singapore Financial Reporting Standards were adopted. The new or revised standards did not require any material modification of the measurement methods or the presentation in the financial statements.

FRS No.	Title
FRS 27	Consolidated and Separate Financial Statements (Amendments to) (*)
FRS 27	Separate Financial Statements (Revised) (*)
FRS 28	Investments in Associates and Joint Ventures (Revised) (*)
FRS 36	Amendments to FRS 36: Recoverable Amount Disclosures for Non-Financial Assets (relating to goodwill) (*)
FRS 39	Amendments to FRS 39: Novation of Derivatives and Continuation of Hedge Accounting (*)
FRS 110	Consolidated Financial Statements (*)
FRS 110	Amendments to FRS 110, FRS 111 and FRS 112 (*)
FRS 111	Joint Arrangements (*)
FRS 112	Disclosure of Interests in Other Entities (*)
INT FRS 121	Levies (*)

(*) Not relevant to the entity.

12. Future Changes in Financial Reporting Standards

The following new or revised Singapore Financial Reporting Standards that have been issued will be effective in future. The transfer to the new or revised standards from the effective dates is not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year.

FRS No.	Title	Effective date for periods beginning on or after
FRS 19	Amendments To FRS 19: Defined Benefit Plans: Employee Contributions (*)	1 July 2014
	Improvements to FRSs (Issued in January 2014). Relating to FRS 102 Share-based Payment (*) FRS 103 Business Combinations (*) FRS 108 Operating Segments (*) FRS 113 Fair Value Measurement (*) FRS 16 Property, Plant and Equipment (*) FRS 24 Related Party Disclosures FRS 38 Intangible Assets (*)	1 July 2014
	Improvements to FRSs (Issued in February 2014). Relating to FRS 103 Business Combinations (*) FRS 113 Fair Value Measurement (*) FRS 40 Investment Property (*)	1 July 2014
FRS 114	Regulatory Deferral Accounts (*)	1 January 2016
FRS 27	Amendments to FRS 27: Equity Method in Separate Financial Statements (*)	1 January 2016
FRS 16, FRS 38	Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation (*)	1 January 2016
FRS 16, FRS 41	Amendments to FRS 16 and FRS 41: Agriculture: Bearer Plants (*)	1 January 2016
FRS 111	Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations (*)	1 January 2016
FRS 115	Revenue from Contracts with Customers Illustrative Examples (*)	1 January 2017
FRS 110, FRS 28	Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (*)	1 January 2016
Various	Improvements to FRSs (November 2014)	1 January 2016

(*) Not relevant to the entity.