Singapore Management University Alumni Association
(Registration Number: 2110/2005)

Statement by the Management Committee and Financial Statements
Financial Year Ended 31 December 2016

KONG, LIM & PARTNERS LLP
CHARTERED ACCOUNTANTS
Associated worldwide with JHI
13A MacKenzie Road Singapore 228676
Tel: 6227 4180 Fax: 6324 0213

Members of the Management Committee

The members of the Management Committee of Association in office at the date of this report are as follows:

Name	Designation
Deborah Wee Shu Zhen	President
Wong Pui Meng (Nicholas)	Vice-President
Lee Chin Ying, Jeanie	Vice-President
Allan Tan Tse Chen	Treasurer
Gerald Tan Han Jie	Honorary Secretary
Lim Ang Kuan Edwin	Executive Secretary
See Jing Zhong	Executive Committee
Chua Mui Shan, Jolyn	Executive Committee
Yeo Ying Hao	Executive Committee
Neoh Hsien Min, Brennan	Executive Committee

Registered Office

81 Victoria Street Level 6,
Singapore Management University,
Administration Building,
Singapore 188065.

Auditor

Kong, Lim & Partners LLP

Principal Bankers

OCBC Bank

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Singapore Management University Alumni Association
Statement by the Management Committee
For the financial year ended 31 December 2016

We state that, in the opinion of the Management Committee,

(a) the financial statements of the Association are drawn up so as to give a true and fair view of the financial position of the Association as at 31 December 2016 and the financial performance, changes in accumulated fund and cash flows of the Association for the year then ended; and

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

On behalf of the Management Committee,

Deborah Wee Shu Zhen President	**Tan Tse Chen** Treasurer

Singapore, 12 JUN 2017

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Independent Auditor's Report to the members of Singapore Management University Alumni Association

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Singapore Management University Alumni Association (the "Association"), which comprise the statement of financial position as at 31 December 2016, and the statement of comprehensive income, statement of changes in accumulated fund 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 Societies Act and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Association as at 31 December 2016 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 Association 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.

Other Information

Management is responsible for the other information. The other information comprises the Statement by Management Committee set out on page 1.

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.

Other Matter

The financial statements of the Company for the year ended 31 December 2015 were audited by another auditor who expressed an unmodified opinion on those statements on 18 January 2017.

Independent Auditor's Report to the members of Singapore Management University Alumni Association (continued)

Responsibilities of Management Committee for the Financial Statements

Management committee is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Societies Act, Chapter 311 (the Societies 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.

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.

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KLP
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Chartered Accountants of Singapore

Independent Auditor's Report to the members of Singapore Management University Alumni Association (continued)

- 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.

Report on Other Legal and Regulatory Requirements

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

KONG, LIM & PARTNERS LLP
Public Accountants and
Chartered Accountants

Singapore, 12 JUN 2017

Singapore Management University Alumni Association
Statement of Financial Position
As at 31 December 2016

	Note	2016	2015
		S$	S$
Assets			
Non-current assets			
Property, plant and equipment	4	213,670	1,331
Current assets			
Trade and other receivables	5	15,677	2,299
Prepayment		763	25,642
Cash and cash equivalents	6	108,341	574,331
		124,781	602,272
Total assets		338,451	603,603
Fund and liabilities			
Fund			
Accumulated fund		134,620	461,805
Total fund		134,620	461,805
Current liabilities			
Trade and other payables	7	203,831	71,798
Amount due to a related party	8	-	70,000
		203,831	141,798
Total liabilities		203,831	141,798
Total fund and liabilities		338,451	603,603

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

Singapore Management University Alumni Association
Statement of Comprehensive Income
For the financial year ended 31 December 2016

	Note	01.01.2016 to 31.12.2016	01.04.2015 to 31.12.2015
		S$	S$
Revenue	9	463,075	112,017
Other income	10	57,749	-
Items of expense			
Purchases and other related cost		(166,272)	-
Rental		(66,737)	-
Staff and related costs	11	(348,022)	(5,320)
Depreciation of property, plant and equipment	4	(53,234)	(650)
Other expenses	12	(213,744)	(38,408)
		(848,009)	(44,378)
(Loss)/profit before income tax		(327,185)	67,639
Income tax expense	13	-	-
(Loss)/profit after tax and total comprehensive loss for the year/period		(327,185)	67,639

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

	Accumulated fund S$
Balance as at 1 April 2015	394,166
Total comprehensive income for the period	67,639
Balance as at 1 January 2016	461,805
Total comprehensive loss for the year	(327,185)
Balance as at 31 December 2016	134,620

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

Singapore Management University Alumni Association
Statement of Cash Flows
For the financial year ended 31 December 2016

	01.01.2016 to 31.12.2016	01.04.2015 to 31.12.2015
	S$	S
Cash flows from operating activities		
(Loss)/profit before income tax	(327,185)	67,639
Adjustments for:		
Depreciation of property, plant and equipment	53,234	650
Operating cash flows before working capital changes	(273,951)	68,289
Changes in working capital:		
Prepayments	24,879	-
Trade and other receivables	(13,378)	(27,761)
Trade and other payables	132,033	17,622
Net cash flows (used in)/ generated from operating activiti	(130,417)	58,150
Cash flows from investing activities		
Purchase of property, plant and equipment	(265,573)	-
Amount due from a related party	-	452
Amount due to a related party	(70,000)	-
Net cash flows (used in)/generated from investing activitie	(335,573)	452
Net (decrease)/increase in cash and cash equivalents	(465,990)	58,602
Cash and cash equivalents at the beginning of year/period	574,331	515,729
Cash and cash equivalents at the end of year/period (Note	108,341	574,331

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

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

1. General

Singapore Management University Alumni Association (the "Association") is registered in Singapore under the Singapore Societies Act with its registered office and principal place of business at 81 Victoria Street Level 6, Singapore Management University, Administration Building, Singapore 188065.

The principal activities of the Association is to represent the interest of alumni of Singapore Management University ("SMU"), with the aim of promoting the welfare of SMU.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Association have been drawn up in accordance with the Societies Act, Cap. 311, and Singapore Financial Reporting Standards (FRS). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars (S$), which is the Association's functional currency.

2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Association has adopted all the new and revised standards which are relevant to the Association and are effective for annual financial periods beginning on or after 1 January 2016. The adoption of these standards did not have any material effect on the financial statements.

2.3 Standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are issued but effective for annual periods beginning after 1 January 2016, and have not been applied in preparing these financial statements. The Association does not plan to early adopt these standards.

The following standards that have been issued but not yet effective are as follows:

Description	*Effective for annual periods beginning on or after*
FRS 115 Revenue from Contracts with Customers	1 Jan 2018
FRS 109 Financial Instruments	1 Jan 2018
Amendments to FRS 115: Clarifications to FRS 115 Revenue from Contracts with Customers	1 Jan 2018
Amendments to FRS 7: Disclosure Initiative	1 Jan 2017

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

2. Summary of significant accounting policies (continued)

2.4 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Years
Office equipment	3
Furniture and fittings	3
Kitchen equipment	3
Renovation	3

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de- recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.5 Impairment of non-financial assets

The Association assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Association 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 costs 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 (continued)

2.6 Financial instruments

(a) Financial assets

Initial recognition and measurement

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

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

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 and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Loans and receivables comprise trade and other receivables and cash and cash equivalents.

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

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition 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 has been recognised in other comprehensive income is recognised in profit or loss.

(b) Financial liabilities

Initial recognition and measurement

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

All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss 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 trade and other payables and amount due to a related party.

2. Summary of significant accounting policies (continued)

2.6 Financial instruments

(b) Financial liabilities (continued)

De-recognition

A financial liability is de-recognised 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 liability are substantially modified, such an exchange or modification is treated as a de-recognition 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.

2.7 Impairment of financial assets

The Association 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 Association 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 Association determines that no objective evidence of impairment exists for 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. 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 Association considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

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. Summary of significant accounting policies (continued)

2.8 Cash and cash equivalents

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

2.9 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Association 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:

a) Subscriptions

Subscriptions are recognised when the right to receive are established.

b) Event income

Event income represents invoiced value of services performed less discount allowed. The revenue is recognised when the event are conducted.

c) Sale of goods

Revenue from sale of goods is recognised upon the transfer of significant risks and rewards of ownership of the goods to the customer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of good.

d) Commission income

Commission income is recognised when the corresponding service is provided.

2.10 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with.

Grants related to income may be presented as a credit in profit or loss, either separately or under a general heading such as "other income".

2.11 Employee benefits

Defined contribution plans

The Association 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.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. Liability is recognised for the amount expected to be paid if the Association 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 (continued)

2.12 Operating lease

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.13 Taxes

(a) 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 rate and tax law 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.

(b) Deferred tax

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax asset is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rate (and tax law) that have been enacted or substantively enacted at the end of each reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

2.14 Funds

Fund balances restricted by outside sources are so indicated and are distinguished from unrestricted funds allocated to specific purposes if any by action of the council members. Externally restricted funds may only be utilised in accordance with the purpose established by the source of such funds and are in contrast with the unrestricted funds over which the council members retains full control of use in achieving any of its institutional purposes.

3. Significant accounting judgments and estimates

The preparation of the Association's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

The management committee are of the opinion that there are no significant judgments made in applying accounting policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 Key sources of estimation of uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Association based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Company's property, plant and equipment as at 31 December 2016 was S$213,670 (2015: S$1,331).

(b) Impairment of loans and receivables

The impairment of trade and other receivables is based on the ageing analysis and management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, management considers, among other factors, the creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. The carrying amounts of the Company's trade and other receivables as at 31 December 2016 were S$15,677 (2015: S$2,299).

4. Property, plant and equipment

	Office equipment	Furniture and fittings	Kitchen equipment	Renovation	Total
	S$	S$	S$	S$	S$
Cost					
At 1 April 2015	4,333	-	-	-	4,333
Additions	-	-	-	-	-
At 31 December 2015	4,333	-	-	-	4,333
Additions	7,348	77,693	60,357	120,175	265,573
At 31 December 2016	11,681	77,693	60,357	120,175	269,906
Accumulated depreciation					
At 1 April 2015	2,352	-	-	-	2,352
Depreciation	650	-	-	-	650
At 31 December 2015	3,002	-	-	-	3,002
Depreciation	1,422	13,988	14,370	23,454	53,234
At 31 December 2016	4,424	13,988	14,370	23,454	56,236
Carrying amount					
At 31 December 2015	1,331	-	-	-	1,331
At 31 December 2016	7,257	63,705	45,987	96,721	213,670

5. Trade and other receivables

	2016	2015
	S$	S$
Trade receivables:		
- third parties	3,081	-
- related party	3,566	2,119
	6,647	2,119
Deposits	9,030	180
	15,677	2,299

Trade receivables are unsecured, non-interest bearing and are generally on 30 days terms (2015: 30 days).

There is no other class of financial assets that is past due and/or impaired except for trade receivables.

Trade and other receivables are denominated in Singapore Dollars.

Receivables that were past due but not impaired

The Association had trade receivables amounting to S$6,647 (2015: S$2,119) that were past due at the reporting date but not impaired. These receivables were unsecured and the analysis of their aging at the reporting date was as follows:

	2016	2015
	S$	S$
Trade receivables past due but not impaired:		
Lesser than 30 days	5,188	2,119
31 to 60 days	1,459	-
	6,647	2,119

Receivables that were past due and impaired

There were no trade receivables that were past due and impaired.

6. Cash and cash equivalents

	2016	2015
	S$	S$
Cash on hand	3,689	-
Cash at bank	104,652	574,331
	108,341	574,331

Cash and cash equivalents are denominated in Singapore Dollars.

7. Trade and other payables

	2016	2015
	S$	S$
Trade payables		
- third parties	56,768	-
- related company	21,073	-
	77,841	-
Accruals	25,356	8,300
Other payables	4,073	1,815
Deferred income	96,561	61,683
	203,831	71,798

Trade payables are non-interest bearing and are normally settled on 30 days terms (2015: 30 days).

Trade and other payables are denominated in Singapore Dollars.

8. Amount due to a related party

Amount due to a related party is unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Amount due to a related party is denominated in Singapore Dollars.

9. Revenue

	01.01.2016 to 31.12.2016	01.04.2015 to 31.12.2015
	S$	S$
Subscription	136,782	84,203
Events income	58,272	27,814
Sales on food and beverage	266,325	-
Commissions	1,696	-
	463,075	112,017

10. Other income

	01.01.2016 to 31.12.2016	01.04.2015 to 31.12.2015
	S$	S$
Special employment credit	2,367	-
Temporary employment credit	521	-
Written off amount due to related party	54,860	-
	57,748	-

Government grant consists of special employment credit, temporary employment credit and written off amount due to related party.

11. Staff and related costs

	01.01.2016 to 31.12.2016	01.04.2015 to 31.12.2015
	S$	S$
Staff and related costs (including key management personnel)		
Salaries, bonuses and allowances	313,582	4,824
CPF, FWL and SDL	27,433	496
Medical fee	789	-
Staff welfare	6,218	-
	348,022	5,320

12. Other expenses

The following items have been included in arriving at other expenses:

	01.01.2016 to 31.12.2016	01.04.2015 to 31.12.2015
	S$	S$
Accounting fee	10,530	1,500
Consultation fee	23,580	-
Event expenses	10,647	11,586
General expenses	14,582	2,116
Printing & stationery	16,915	6,018
Dismantle fee	46,189	-
Kitchen ware expenses	20,176	-

13. Income tax expense

Relationship between tax expense and accounting profit

A reconciliation between tax expense and the product of accounting (loss)/profit multiplied by the applicable corporate tax rate for the financial years ended 31 December 2016 and 2015 were as follows:

	01.01.2016 to 31.12.2016	01.04.2015 to 31.12.2015
	S$	S$
(Loss)/profit before tax	(327,186)	67,639
Income tax rate using the statutory tax rate of 17% (2015: 17%)	(55,622)	11,499
Tax effects of:		
Non-deductible expenses	9,050	7,544
Income not subject to taxation	(42,976)	(19,043)
Untilised losses carried forward	89,548	-
Income tax expense recognised in profit or loss	-	-

13. Income tax expense (continued)

The Association has unrecognised tax losses of S$526,752 (2015: Nil) and unabsorbed donation of approximately S$6,250 (2015: S$6,250) at the reporting date which can be carried forward and used to offset against future taxable income subject to meeting certain statutory requirements. The tax losses have no expiry date.

14. Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	01.01.2016 to 31.12.2016	01.04.2015 to 31.12.2015
	S$	S$
Purchases from Milk and Honey Group Pte Ltd	1,408	-
Saled to Singapore Management University	58,059	
Purchases from Singapore Management University	150,310	-

Compensation of key management personnel

	01.01.2016 to 31.12.2016	01.04.2015 to 31.12.2015
	S$	S$
Salaries	21,900	-
CPF contributions	1,020	
	22,920	-

15. Operating lease commitments

Where the Association is a lessee

The Association leases cafe under non-cancellable operating lease agreements.

The future minimum rental payable under non-cancellable operating leases contracted for at the reporting date but not recognised as liability, are as follows:

	01.01.2016 to 31.12.2016	01.04.2015 to 31.12.2015
	S$	S$
Within one year	84,291	-
Later than one year but within 5 years	42,145	-
	126,436	-

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 31 December 2016 amounted to S$66,496 (2015: Nil).

16. Financial risk management

The Association's activities expose it to a variety of financial risks from its operation. The key financial risks include credit risk and liquidity risk.

The Management Committee reviews and agrees policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Association's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Association's exposure to the above mentioned financial risks and the objectives, policies and processes for the management of these risks.

The following sections provide details regarding the Association's exposure to the above mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Association has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Association performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The maximum exposure to credit risk in the event that the counterparties fail to perform their obligations as at the end of the financial year in relation to each class of recognised financial assets is the carrying amount of those assets as stated in the statement of financial position.

Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Association's performance to developments affecting a particular industry.

Exposure to credit risk

The Association has no significant concentration of credit risk. The Association has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Company. Cash and cash equivalents are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 5.

16. Financial risk management (continued)

Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short- term 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. It is managed by matching the payment and receipt cycles. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Company's operations are financed mainly through fund. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Association's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Carrying amount	Contractual cash flows	One year or less
	S$	S$	S$
31 December 2016			
Financial asssets:			
Trade and other receivables	15,677	15,677	15,677
Cash and cash equivalents	108,341	108,341	108,341
Total undiscounted financial assets	124,018	124,018	124,018
Financial liabilities:			
Trade and other payables	203,831	203,831	203,831
Total undiscounted financial liabilities	203,831	203,831	203,831
Net undiscounted financial libilities	(79,813)	(79,813)	(79,813)
31 December 2015			
Financial asssets:			
Trade and other receivables	2,299	2,299	2,299
Cash and cash equivalents	574,331	574,331	574,331
Total undiscounted financial assets	576,630	576,630	576,630
Financial liabilities:			
Trade and other payables	71,798	71,798	71,798
Amount due to a related party	70,000	70,000	70,000
Total undiscounted financial liabilities	141,798	141,798	141,798
Net undiscounted financial assets	434,832	434,832	434,832

17. Fair values

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

Cash and cash equivalents, other receivables, other payables and amount due to a related party

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

Trade receivables and trade payables

The carrying amounts of these receivables and payables approximate their fair values as they are subject to normal trade credit terms.

18. Financial instruments by category

At the reporting date, the aggregate carrying amounts of loans and receivables and financial liabilities at amortised cost were as follows:

	2016	2015
	S$	S$
Loans and receivables		
Trade and other receivables (Note 5)	15,677	2,299
Cash and cash equivalents (Note 6)	108,341	574,331
Total loans and receivables	124,018	576,630
Financial liabilities measured at amortised cost		
Trade and other payables (Note 7)	203,831	71,798
Amount due to a related party (Note 8)	-	70,000
Total financial liabilities measured at amortised cost	203,831	141,798

19. Fund management

The Association's objective when managing the funds is to ensure that the funds are utilised in accordance with the purpose of the funds.

20. Comparative information

Change in classification

During 2016, the Association modified the classification of current asset and to reflect more appropriately the way in which economic benefits are derived from its use. As a result, the comparative financial statements were restated as follows:

	Previously reported	Effect	After reclassification
	S$	S$	S$
Statement of financial position as at 31 December 2015			
Trade and other receivables	27,941	(25,642)	2,299
Prepayment	-	25,642-	25,642
Overall impact on current assets	27,941	-	27,941

Since the amounts are reclassifications within the statement of financial position, this reclassification did not have any effect on the statements of financial position and cash flows.

21. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2016 were authorised for issue by the Management Committee on the date of the Statement by the Management Committee.