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GREEN FREIGHT ASIA NETWORK LIMITED
(A company limited by guarantee)
(Registration No. 201322291W)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 2019

GREEN FREIGHT ASIA NETWORK LIMITED
(A company limited by guarantee)

DIRECTORS' STATEMENT AND FINANCIAL STATEMENTS

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GREEN FREIGHT ASIA NETWORK LIMITED
(A company limited by guarantee)

DIRECTORS' STATEMENT

The directors present their statement together with the audited financial statements of the Company for the financial year ended March 31, 2019.

In the opinion of the directors, the financial statements of the Company as set out on pages 6 to 29 are drawn up so as to give a true and fair view of the financial position of the Company as at March 31, 2019, and the financial performance, changes in accumulated funds and cash flows of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

1 DIRECTORS

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

Sean Wilson Gillespie
Roxane Desmicht
Jaya Moorthi s/o Sinniah Pillai
Stephan Schablinski
Lin Shiu Mei
Lu Jiukang
Kipp Jessica Lynne
Lionel Ysser Steinitz (Appointed on March 31, 2019)

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

The Company is limited by guarantee, and without share capital and debentures. Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The Company is limited by guarantee, and without share capital and debentures. Accordingly, the requirements of Sections 201(6)(g), 201(6A)(h), 201(11) and 201(12) of the Singapore Companies Act are not applicable.

GREEN FREIGHT ASIA NETWORK LIMITED
(A company limited by guarantee)

DIRECTORS' STATEMENT

4 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

.....
Roxane Desmicht

.....
Stephan Schablinski

June 20, 2019

Deloitte.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

GREEN FREIGHT ASIA NETWORK LIMITED
(A company limited by guarantee)

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Green Freight Asia Network Limited (the "Company") which comprise the statement of financial position as at March 31, 2019, and the statement of income and expenditure and other comprehensive income, statement of changes in accumulated funds and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 6 to 29.

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 March 31, 2019 and of the financial performance, changes in accumulated funds 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.

Information Other than the Financial Statements and Auditor's Report Thereon

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.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

GREEN FREIGHT ASIA NETWORK LIMITED
(A company limited by guarantee)

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.

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:

(a) 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.

(b) 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.

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

(d) 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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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

GREEN FREIGHT ASIA NETWORK LIMITED
(A company limited by guarantee)

(e) 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 Company have been properly kept in accordance with the provisions of the Act.

Deloitte & Touche LLP

Public Accountants and
Chartered Accountants
Singapore

June 20, 2019

GREEN FREIGHT ASIA NETWORK LIMITED
(A company limited by guarantee)

STATEMENT OF FINANCIAL POSITION
March 31, 2019

	Note	2019	2018
		US$	US$
ASSETS			
Current assets			
Cash and cash equivalents	6	244,895	258,303
Trade and other receivables	7	95,525	93,041
Total current assets		340,420	351,344
Total assets		340,420	351,344
LIABILITIES AND ACCUMULATED FUNDS			
Current liabilities			
Trade and other payables	8	5,749	157,200
Contract liabilities	9	134,000	-
Income tax payable		238	-
Total current liabilities		139,987	157,200
Accumulated funds		200,433	194,144
Total liabilities and accumulated funds		340,420	351,344

See accompanying notes to financial statements.

GREEN FREIGHT ASIA NETWORK LIMITED
(A company limited by guarantee)

STATEMENT OF INCOME AND EXPENDITURE AND OTHER COMPREHENSIVE INCOME
Year ended March 31, 2019

	Note	2019	2018
		US$	US$
Revenue	10	137,380	136,181
Other income - government grant		156	145
Expenditure:			
Marketing expenses		-	(658)
Administrative expenses		(118,643)	(157,558)
Net foreign currency exchange (loss) gain		(2,294)	5,269
Write-off of grant receivables		-	(15,859)
Impairment loss recognised on trade receivables		(11,002)	(3,000)
Profit (Loss) before income tax		5,597	(35,480)
Income tax credit (expense)	11	692	(1,233)
Profit (Loss) after income tax, representing total comprehensive income (loss) for the year	12	6,289	(36,713)

See accompanying notes to financial statements.

GREEN FREIGHT ASIA NETWORK LIMITED
(A company limited by guarantee)

STATEMENT OF CHANGES IN ACCUMULATED FUNDS
Year ended March 31, 2019

	Accumulated funds
	US$
Balance as at April 1, 2017	230,857
Loss for the year, representing total comprehensive loss for the year	(36,713)
Balance as at March 31, 2018	194,144
Profit for the year, representing total comprehensive income for the year	6,289
Balance as at March 31, 2019	200,433

See accompanying notes to financial statements.

GREEN FREIGHT ASIA NETWORK LIMITED
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
Year ended March 31, 2019

	2019	2018
	US$	US$
Operating activities		
Profit (Loss) before income tax	5,597	(35,480)
Adjustments for:		
Impairment loss recognised on trade receivables	11,002	3,000
Write-off of grant receivables	-	15,859
Operating cash flows before movements in working capital	16,599	(16,621)
Trade and other receivables	(13,907)	(80,911)
Trade and other payables	(55,151)	141,503
Contract liabilities	37,700	-
Cash (used in) generated from operations	(14,759)	43,971
Income tax refunded (paid)	1,351	(1,654)
Net cash (used in) from operating activities	(13,408)	42,317
Net (decrease) increase in cash and cash equivalents	(13,408)	42,317
Cash and cash equivalents at beginning of year	258,303	215,986
Cash and cash equivalents at end of year (Note 6)	244,895	258,303

See accompanying notes to financial statements.

1 GENERAL

GREEN FREIGHT ASIA NETWORK LIMITED (the "Company") (Registration No. 201322291W) is incorporated in Singapore as a Company limited by guarantee under the Singapore Companies Act, Chapter 50 with its principal place of business and registered office at 80 Robinson Road, #02-00, Singapore 068898. The financial statements are expressed in United States dollars.

The principal activity of the Company is to improve environmental performance of road freight transport in Asia.

The financial statements of the Company for the year ended March 31, 2019 were authorised for issue by the Board of Directors on June 20, 2019.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF ACCOUNTING - The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act and Financial Reporting Standards in Singapore ("FRSs").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in this financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of FRS 102 *Share-based Payment*, leasing transactions that are within the scope of FRS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in FRS 2 *Inventories* or value in use in FRS 36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- 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; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.2 ADOPTION OF NEW AND REVISED STANDARDS - 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 from annual periods beginning on or after April 1, 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 except as disclosed below.

FRS 109 *Financial Instruments*

FRS 109 introduces new requirements for 1) the classification and measurement of financial assets and financial liabilities, 2) impairment of financial assets and 3) general hedge accounting. Details of these new requirements as well as their impact on the financial statements are described below.

The Company applied FRS 109 with an initial application date of April 1, 2018. The Company has not restated the comparative information, which continues to be reported under FRS 39.

The significant accounting policies for financial instruments under FRS 109 is disclosed below.

(a) Classification and measurement of financial assets and financial liabilities

The Company has applied the requirements of FRS 109 to instruments that have not been derecognised as April 1, 2018 and has not applied the requirements to instruments that have already been derecognised as at April 1, 2018. The classification of financial assets is based on two criteria: the Company's business model for managing the assets and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding. There are no changes in classification and measurement of the Company's financial assets and financial liabilities.

(b) Impairment of financial assets

FRS 109 requires an expected credit loss model as opposed to an incurred credit loss model under FRS 39. The expected credit loss model requires the Company to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. It is no longer necessary for a credit event to have occurred before credit losses are recognised.

Specifically, FRS 109 requires the Company to recognise a loss allowance for expected credit losses on i) debt investments subsequently measured at amortised cost or at fair value through other comprehensive income ("FVTOCI"), ii) lease receivables, iii) contract assets and iv) loan commitments and financial guarantee contracts to which the impairment requirements of FRS 109 apply. There are no adjustments to the loss allowance provided by the Company arising from the adoption of FRS 109.

FRS 115 *Revenue from Contracts with Customers*

FRS 115 supersedes FRS 11 *Construction Contracts*, FRS 18 *Revenue* and the related interpretations. FRS 115 introduces a 5-step approach to revenue recognition. Far more prescriptive guidance has been added in FRS 115 to deal with specific scenarios. Details of these new requirements as well as their impact on the financial statements are described below.

The Company has applied FRS 115 using the modified retrospective method with the cumulative effect of initially applying this Standard recognised at the date of initial application (April 1, 2018).

FRS 115 uses the terms 'contract asset' and 'contract liability' to describe what might more commonly be known as 'accrued revenue' and 'deferred revenue', however the Standard does not prohibit an entity from using alternative descriptions in the statement of financial position. The Company has adopted the terminology used in FRS 115 to describe such balances.

The Company's significant accounting policies for its revenue streams are disclosed in Note 2.6. Apart from providing more extensive disclosures on the Company's revenue transactions, the amount of adjustment for each financial statement line item affected by the application of FRS 115 for the current year is illustrated below.

The effects of adopting FRS 115 under the modified retrospective approach are presented and explained below:

(A) Impact on the Statement of Financial Position as at April 1, 2018 (date of initial application)

	Previously reported as at March 31, 2018	Adoption of FRS 115	(Note)	Adjusted as at April 1, 2019
	US$	US$		US$
Current liabilities				
Trade and other payables	157,200	(96,300)	(a)	60,900
Contract liabilities	-	96,300	(a)	96,300

(B) Impact on the Statement of Financial Position as at March 31, 2019 (current reporting period)

	Under previous FRS	Adoption of FRS 115	(Note)	Under new FRS
	US$	US$		US$
Current liabilities				
Trade and other payables	139,749	(134,000)	(a)	5,749
Contract liabilities	-	134,000	(a)	134,000

Explanatory notes:

FRS 115

(a) Under FRS 115, advanced membership fees billed to members and advanced sponsorship fees received are recognised as contract liabilities. These balances were previously presented as part of trade and other payables and so have been reclassified. There was no impact on the statement of profit or loss as a result of the reclassification.

2.3 FINANCIAL INSTRUMENTS - Financial assets and financial liabilities are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instruments.

2.3.1 FINANCIAL ASSETS (before April 1, 2018)

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss which are initially measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees paid or received that form an integral of the effective interest rate, transaction costs and other premium or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period. Income and expense is recognised on an effective interest basis for debt instruments.

Loans and receivables

Trade receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables (including trade and other receivables and cash at bank) are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the effect of discounting is immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For all financial assets, objective evidence of impairment could include:

- Significant financial difficulty of the issuer or counterparty; or
- Default or delinquency of the issuer or counterparty; or
- It becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial asset, such as trade receivables, assets that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period of 30 days, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivables is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off against the profit or loss. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, if, in a subsequent period, the amount of the impairment decreases and the decrease can be related objectively to an event occurring after the impairment loss was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2.3.2 FINANCIAL ASSETS (from April 1, 2018)

Classification of financial assets

Debt instruments that meet the following conditions and are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest is recognised using the effective interest method for debt instruments measured subsequently at amortised cost, except for short-term balances when the effect of discounting is immaterial.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses ("ECL") on trade and other receivables and contract assets. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime ECL for trade and other receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

The Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if i) the financial instrument has a low risk of default, ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

The Company considers that default has occurred when a financial asset is more than 90 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred.

Write-off policy

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of expected credit losses

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

2.3.3 FINANCIAL LIABILITIES

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when the Company's obligations are discharged, cancelled or they expire.

2.4 PROVISIONS - Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

2.5 GOVERNMENT GRANTS - Government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis.

2.6.1 REVENUE RECOGNITION (before April 1, 2018) - Revenue is measured at the fair value of the consideration received or receivable.

The Company recognises revenue when the amount of revenue and related cost can be reliably measured and when it is probable that the collectability of the related receivables is reasonably assured.

Membership fee

Membership fee is recognised on a straight-line basis over the period of their validity.

Project consultancy fee

Revenue in respect of project consultancy fee is recognised when the services have been rendered.

2.6.2 REVENUE RECOGNITION (from April 1, 2018) - Revenue is measured based on the consideration specified in a contract with a customer or member, and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of service to a customer.

Rendering of services

The Company provides membership and project consultancy services. Such performance obligations are recognised as a performance obligation over time. Revenue is recognised for these services over the contract period. Management has assessed that the revenue recognition method is an appropriate measure of progress towards complete satisfaction of these performance obligations under FRS 115.

Sponsorship fee

Sponsorship fee is recognised for on-going brand marketing service provided to sponsors in accordance with the terms agreed between the parties. Such performance obligations are recognised as a performance obligation over time. Revenue is recognised for these services over the contract period. Management has assessed that the revenue recognition method is an appropriate measure of progress towards complete satisfaction of these performance obligations under FRS 115.

2.7 INCOME TAX - Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of income and expenditure and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Company's liability for current tax is calculated using tax rate (and tax laws) that has been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in income and expenditure, except when it relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside income and expenditure (either in other comprehensive income or directly in equity, respectively).

2.8 FOREIGN CURRENCY TRANSACTIONS - The financial statements of the Company are measured and presented in the currency of the primary economic environment in which the Company operates (its functional currency), which is United States dollars.

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

2.9 CASH AND CASH EQUIVALENTS IN THE STATEMENT OF CASH FLOWS - Cash and cash equivalents in the statement of cash flows include cash at bank that is subject to an insignificant risk of change in value.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the entity's accounting policies

Management is of the opinion that there are no critical judgements involved in the application of the Company's accounting policies.

Key sources of estimation uncertainty

The management is of the opinion that there are no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	2019	2018
	US$	US$
Financial assets		
Financial assets, at amortised cost	337,395	345,803
Financial liabilities		
Payables at amortised cost	5,749	60,900

Financial assets consist of cash and cash equivalents, and trade and other receivables excluding prepayments.

Financial liabilities consist of trade and other payables.

(b) Financial risk management policies and objectives

The Company seeks to minimise the potential adverse impact arising from fluctuations in interest rates and the unpredictability of the financial markets. The Company does not trade in derivative financial instruments. The main areas of financial risk faced by the Company are as follows:

i) Foreign exchange risk management

Foreign currency risk occurs as a result of transactions that are not denominated in the Company's functional currency. These transactions arise from the ordinary course of business.

The Company's foreign currency exposures arise mainly from the exchange rate movements of the Singapore dollar.

Those exposures are managed primarily by using natural hedges that arise from offsetting assets and liabilities that are denominated in foreign currencies.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the Company's functional currency are as follows:

	Assets		Liabilities	
	2019	2018	2019	2018
	US$	US$	US$	US$
Singapore dollar	56,300	54,259	5,749	4,413

Foreign currency sensitivity

The following table details the sensitivity to a 10% increase and decrease in the relevant foreign currencies against USD. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

If the relevant foreign currency strengthens by 10% against USD, profit or loss will increase by:

	2019	2018
	US$	US$
Singapore dollar impact	5,055	4,985

If the SGD weakens by 10% against the relevant foreign currency, the effect on profit or loss will be vice versa.

ii) Interest rate risk management

Interest rate risk arises from potential change in interest rates that may have an adverse effect on the Company in the current reporting period and in the future years.

The Company is not exposed to interest rate risk as it does not hold any interest bearing assets or liabilities as at March 31, 2019 and 2018.

iii) Credit risk management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company.

Credit risks are controlled by the application of regular monitoring procedures. The extent of the Company's credit exposure is represented by the aggregate balance of financial assets at the end of the reporting period.

The Company develops and maintains its credit risk gradings to categorise exposures according to their degree of risk of default. The Company uses its own trading records to rate its major customers and other debtors.

The Company's current credit risk grading framework comprises the following categories:

Category	**Description**	**Basis for recognising expected credit losses (ECL)**
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is > 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	Amount is > 90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the group has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Company's financial assets as well as maximum exposure to credit risk by credit risk rating grades:

	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
				US$	US$	US$
2018						
Trade receivables: - third parties	7	(i)	Lifetime ECL (Simplified approach)	92,500	-	92,500

(i) For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the expected credit losses on these items estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Note 7 includes further details on loss allowance for these trade receivables.

Cash and cash equivalents are placed with a creditworthy financial institution and is subject to immaterial credit loss.

iv) Liquidity risk management

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet its obligations.

The Company monitors and maintains a level of cash and cash equivalents deemed adequate to finance its operations. Funding is also made available through their surplus from its operations.

v) Fair values of financial assets and financial liabilities

The carrying amounts of financial assets and financial liabilities reported on the statement of financial position approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

(c) Capital management policies and objectives

The Company reviews its capital structure at least annually to ensure that the Company will be able to continue as a going concern. The Company's overall strategy remains unchanged from 2018.

The capital structure of the Company consists of accumulated funds.

5 RELATED PARTY TRANSACTIONS

Some of the transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

During the year, the Company entered into the following transaction with the related parties:

	2019	2018
	US$	US$
Membership fees	117,300	106,700
Sponsorship fee	8,000	-

No remuneration is paid to directors of the Company in their capacities as members of the Board.

6 CASH AND CASH EQUIVALENTS

	2019	2018
	US$	US$
Cash at bank	244,895	258,303

7 TRADE AND OTHER RECEIVABLES

	2019	2018
	US$	US$
Trade receivables - outside parties	110,501	94,500
Allowance for doubtful debt	(18,001)	(7,000)
	92,500	87,500
Prepayments	3,025	5,120
Tax recoverable	-	421
	95,525	93,041

The average credit period of the trade receivables is approximately 30 days (2018 : 30 days) and no interest is charged on the outstanding balance.

Loss allowance for trade receivables are measured at an amount equal to lifetime expected credit losses (ECL). The ECL on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

A trade receivable is written off when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

The Company has performed a risk profile of trade receivables based on the Company's credit risk grading framework, and has determined that the trade receivables are subject to immaterial credit loss.

The following tables detail the risk profile of trade receivables from contracts with customers based on the Company's provision matrix. As the Company's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Company's different customer base.

	Trade receivables - days past due			
	Not past due	1 - 90 days	> 90 days	Total
	US$	US$	US$	US$
2019				
Estimated gross carrying amount at default	92,000	-	18,501	110,501
Lifetime ECL	-	-	(18,001)	(18,001)
				92,500

The table below shows the movement in lifetime ECL that has been recognised for trade and other receivables in accordance with the simplified approach set out in FRS 109:

	2019
	US$
Balance at beginning of year	7,000
Loss allowance recognised in profit or loss during the year	11,001
Balance at end of year	18,001

Previous accounting policy for impairment of trade receivables

In 2018, doubtful debt allowances for trade receivables were determined based on estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience. Allowances of US$7,000 were made based on collective assessment of receivables.

In determining the recoverability of a receivable, management considers any change in the credit quality of the receivable from the date credit was initially granted up to the reporting date. Credit risk is limited due to management's on-going evaluation of the creditworthiness of the company's customers and that majority of the company's trade receivables are within their expected cash collection cycle.

The table below is an analysis of trade receivables:

	2018
	US$
Not past due and not impaired	81,500
Past due but not impaired	6,000
	87,500

Movement in allowance for doubtful trade receivables:

	2018
	US$
Balance at beginning of year	4,000
Increase in allowance recognised in profit or loss	3,000
Balance at end of year	7,000

Included in trade receivables balance are debtors which are past due at the reporting date for which the Company has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The carrying amounts and aging profiles on these receivables are as follows:

	2018
	US$
> 90 days	6,000

8 TRADE AND OTHER PAYABLES

	2019	2018
	US$	US$
Third parties	1,874	-
Accruals	3,875	60,900
Advanced Membership Fee	-	96,300
	5,749	157,200

The average credit period on purchases is 30 days (2018 : 30 days).

9 CONTRACT LIABILITIES

This relates to consideration received from the following:

Advanced membership fee

A contract liability is recognised as membership fees are invoiced upfront whereas revenue is recognised over the membership period in the next financial year. There were no significant changes in the contract liability balances during the reporting period.

Advanced sponsorship fee

A contract liability is recognised as sponsorship fees are received upfront whereas revenue is recognised over time for on-going brand marketing services during events, in accordance with the terms agreed by the parties.There were no significant changes in the contract liability balances during the reporting period.

The amount of revenue recognised in the current reporting period which relates to brought-forward contract liabilities is $96,300.

10 REVENUE

A disaggregation of the Company's revenue for the year is as follows:

	2019
	US$
Type of service	
Membership fees	117,300
Project consultancy fee	12,080
Sponsorship fee	8,000
	137,380
Timing of revenue recognition	
Over time	137,380

The aggregate amounts of performance obligations that are unsatisfied from membership fee revenue and sponsorship fee revenue at the end of the reporting period are US$102,000 and US$32,000 respectively. Management expects that full amount will be recognised as revenue during the next reporting period.

	2018
	US$
Membership fees	107,436
Project consultancy fee	28,745
	136,181

11 INCOME TAX (CREDIT) EXPENSE

	2019	2018
	US$	US$
Current tax expense	238	-
(Over) Under provision in prior year	(930)	1,233
	(692)	1,233

Income tax is calculated at 17% (2018 : 17%) of the estimated assessable income for the year.

The income tax (credit) expense for the year can be reconciled to the accounting profit (loss) as follows:

	2019	2018
	US$	US$
Profit (Loss) before income tax	5,597	(35,480)
Income tax credit (expense) at statutory rate	951	(6,032)
Tax exempt income	(968)	-
Deferred tax not recognised	-	6,032
(Over) Under provision in prior year	(930)	1,233
Non-deductible expenses	255	-
Income tax (credit) expense	(692)	1,233

12 PROFIT (LOSS) AFTER INCOME TAX

Other than disclosed elsewhere in the financial statements, profit (loss) after income tax has been arrived at after charging:

	2019	2018
	US$	US$
Employee benefits expense	54,181	52,775
Costs of defined contribution plans included in staff costs	1,816	2,643