

PROJECT DIGNITY PTE. LTD.
(Incorporated in Singapore)
(Company Registration Number: 2010-17313-E)

ACCOUNTS AND REPORTS

For the financial period ended

31 December 2013

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PROJECT DIGNITY PTE. LTD.
(Incorporated in Singapore)

REPORT OF THE DIRECTOR

The director presents his report together with the audited financial statements of the Company for the financial year ended 31 December 2013.

1. The director in office at the date of this report is:

Koh Seng Choon

2. Neither at the end of the financial year nor at any time during that financial year did there subsist any arrangement whose object is to enable the director of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.
3. The director holding office at the end of the financial year and his interest in the share capital of the Company as recorded in the register of director's shareholdings kept by the Company under Section 164 of the Companies Act, Cap. 50 were as follows:

<u>Number of ordinary shares in the Company</u>	Shareholdings registered in the name of director	
	<u>1/1/2013</u>	<u>31/12/2013</u>
Koh Seng Choon	1,000	1,000

4. Since the end of the last financial year, no director has received or become entitled to receive a benefit which is required to be disclosed by Section 201(8) of the Companies Act, Cap 50 by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a Company in which he has a substantial financial interest.
5. No options were granted during the financial year covered to any person to take up unissued shares in the Company.

6. No shares were issued during the financial year by virtue of the exercise of options to take up unissued shares in the Company.
7. No unissued shares of the Company were under option at the end of the financial year.
8. Messrs LEE S F & CO has expressed their willingness to accept re-appointment as auditors.



KOH SENG CHOON
Director

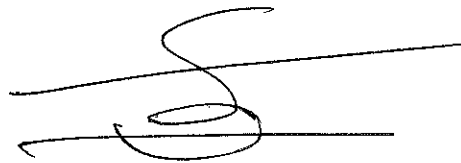
Dated: 20 NOV 2014

PROJECT DIGNITY PTE. LTD.
(Incorporated in Singapore)

STATEMENT BY DIRECTOR

In the opinion of the director, the accompanying statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Company together with the notes thereon are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2013 and of the results of the business, changes in equity 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 as and when they fall due.

The director has authorized these financial statements for issue on the date of this statement.



KOH SENG CHOON
Director

Dated: 20 NOV 2014

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
PROJECT DIGNITY PTE. LTD.**

Report on the Financial Statements

We have audited the accompanying financial statements of PROJECT DIGNITY PTE. LTD., which comprise the statement of financial position as at 31 December 2013, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss account and balance sheet and to maintain accountability of assets.

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion


In our opinion, the financial statements are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 December 2013 and the results, changes in equity and cash flows of the Company for the financial year ended on that date.

Emphasis of Matter

Without qualifying our opinion, we would like to highlight that as of 31 December 2013, the Company has a net capital deficit of \$663,207 and its current liabilities exceeded its current assets by \$878,002. The ability of the Company to continue as a going concern is dependent on the ability of the directors to obtain financial support for the Company. In the event for the financial support is not available, adjustments may have to be made to provide for further liabilities that may arise and to reclass recorded assets and liabilities.

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.


LEE S-F & CO
Public Accountants and Chartered Accountants
Singapore,
KK/LSF

20 NOV 2014

PROJECT DIGNITY PTE. LTD.
(Incorporated in Singapore)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

	Note	2013 \$	2012 \$
SHARE CAPITAL	3	1,000	1,000
(ACCUMULATED LOSSES)		(664,207)	(673,985)
		(663,207)	(672,985)
Represented By:			
FIXED ASSETS	4	214,795	28,180
CURRENT ASSETS			
Trade receivables	5	43,186	44,237
Other receivables and deposits	6	97,259	24,747
Cash and cash equivalents	15	72,869	52,736
		213,314	121,720
LESS CURRENT LIABILITIES			
Trade payables	7	38,113	50,677
Other payables, accruals and deposits received	8	971,908	635,411
Amount due to director/shareholder	9	34,121	136,797
Bank overdraft		47,174	-
		1,091,316	822,885
Net Current (Liabilities)		(878,002)	(701,165)
		(663,207)	(672,985)

The accompanying notes form an integral part of these financial statements

PROJECT DIGNITY PTE. LTD.
(Incorporated in Singapore)

**STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL
YEAR ENDED 31 DECEMBER 2013**

	Note	2013 \$	2012 \$
Revenue	10	1,224,906	668,092
Cost of sales		<u>(327,965)</u>	<u>(247,334)</u>
Gross profit		896,941	420,758
Other income	11	314,253	180,997
Administrative expenses		(7,749)	(6,065)
Other operating expenses	12	<u>(1,193,667)</u>	<u>(997,514)</u>
Profit/(loss) for the financial year before taxation	13	9,778	(401,824)
Taxation	14	<u>-</u>	<u>-</u>
Profit/(loss) for the financial year after taxation		9,778	(401,824)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income/(loss) for the financial year/		<u>9,778</u>	<u>(401,824)</u>

The accompanying notes form an integral part of these financial statements

PROJECT DIGNITY PTE. LTD.
(Incorporated in Singapore)

**STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2013**

	Share Capital \$	(Accumulated Losses) \$	Total \$
As at 1 January 2012	1,000	(272,161)	(271,161)
Total comprehensive (loss) for the financial period	-	(401,824)	(401,824)
As at 31 December 2012	1,000	(673,985)	(672,985)
Total comprehensive income for the financial year	-	9,778	9,778
As at 31 December 2013	1,000	(664,207)	(663,207)

The accompanying notes form an integral part of these financial statements

PROJECT DIGNITY PTE. LTD.
(Incorporated in Singapore)

**STATEMENT OF CASH FLOWS FOR THE FINANCIAL
YEAR ENDED 31 DECEMBER 2013**

	<u>2013</u> \$	<u>2012</u> \$
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) for the financial year before taxation	9,778	(401,824)
Adjustment for:-		
Depreciation of fixed assets (Note 4)	70,885	23,709
Fixed assets written off	18,663	-
Operating profit/(loss) before working capital changes	<u>99,326</u>	<u>(378,115)</u>
Decrease/(increase) in trade receivables	1,051	(3,822)
(Increase)/decrease in other receivables, deposits and prepayment	(72,512)	19,017
(Decrease)/increase in trade payables	(12,564)	12,920
Increase in other payables, accruals and deposits received	306,498	464,722
Net cash generated from operating activities	<u>321,799</u>	<u>114,722</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(276,164)	(13,412)
Net cash (used in) investing activities	<u>(276,164)</u>	<u>(13,412)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment to director/shareholder	(72,676)	(59,958)
Net cash generated from financing activities	<u>(72,676)</u>	<u>(59,958)</u>
Net change in cash and cash equivalents	(27,041)	41,352
Cash and cash equivalents at beginning of the financial year	<u>52,736</u>	<u>11,384</u>
Cash and cash equivalents at end of the financial year (Note 15)	<u>25,695</u>	<u>52,736</u>

The accompanying notes form an integral part of these financial statements

CHANGES IN ACCOUNTING POLICIES (Cont'd)

Consequential amendments were also made to various standards as a result of these new/revised standards.

The Company has not early adopted any of the above new/revised standards, interpretations and amendments to the existing standards in financial year 2013. Management is in the process of making an assessment of their exact impact and is not yet in a position to state whether any substantial changes to the Company's significant accounting policies and presentation of the financial information will be resulted.

c) SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Income taxes

The Company is subject to income taxes in Singapore. Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Key sources of estimation uncertainty

Key assumptions concerning the future, and key sources of estimation uncertainty at the statement of financial position date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

(i) Impairment of loans and receivables

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial assets is impaired. To determine whether there is objective evidence of impairment, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (Cont'd)

Where there is objective evidence of impairment, the amount and timing of future cash flows are estimated based on historical loss experience for assets with similar credit risk characteristics.

d) FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated by using the straight-line basis to write off the cost of the fixed assets over their estimated useful lives which are taken as follows:

	Years
Computer and IT equipment	1-3
Office equipment	3
Renovation	3
Other equipment	3

Fully depreciated assets are retained in the financial statements until they are no longer in use.

e) FINANCIAL ASSETS

Financial assets are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets are initially recognised at fair value plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

Financial assets are derecognised when the contractual rights to the cash flows from the financial assets have expired or have been transferred. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in the statement of comprehensive income.

All regular way purchases and sales of financial assets are recognised and derecognised on trade date basis where the purchase or sale of financial assets are under a contract whose terms require delivery of the assets within the timeframe established by the market concerned.

Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity, and available-for-sale. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this designation at every report date, with the exception that the designation of financial assets at fair value through profit or loss is not revocable.

FINANCIAL ASSETS (Cont'd)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loan and receivables are presented as "trade and other receivables" and "cash and cash equivalents" on the statement of financial position.

The Company has no financial assets at fair value through profit or loss, held-to-maturity financial assets and available-for-sale financial assets as of the reporting date.

Initial measurement

Financial assets are initially recognised at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction costs for financial assets at fair value through profit or loss are recognised immediately as expenses.

Subsequent measurement

Loan and receivables are subsequently carried at amortised cost using the effective interest method.

Impairment of financial assets

The Company assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognises an allowance for impairment when such evidence exists.

Loans and receivables

The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, the carrying amount of impaired financial assets 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 value of the financial asset.

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

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 is 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 the statement of comprehensive income.

f) TRADE AND OTHER RECEIVABLES

Trade receivables which generally have 30 days terms are classified and accounted for as loans and receivables under FRS 39. The accounting policy for this category of financial assets is stated in Note 1(e).

Trade receivables are recognised initially at original amount less allowance for impairment. An allowance for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance is recognised in the statement of comprehensive income when identified.

g) FINANCIAL LIABILITIES

Financial liabilities include trade payables, which are normally settled on 30 days terms, other amounts payable and payables to director. Financial liabilities are recognized on the balance sheet when, and only when the Company becomes a party on the contractual provisions of the financial instrument. Financial liabilities are initially recognized at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gain and losses are recognized in the profit and loss account when the liabilities are derecognized as well as through the amortization process. The liabilities are derecognized when the obligation under the liability is discharged or cancelled or expired.

h) RELATED PARTIES

A related party is defined as follows:

- (i) A person or a close member of that person's family is related to the Company if that person:
 - Has control or joint control over the Company;
 - Has significant influence over the Company; or
 - Is a member of the key management personnel of the Company or a parent of the Company.
- (ii) An entity is related to the Company if any of the following conditions applies:
 - The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - Both entities are joint ventures of the same third party;
 - One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - The entity is controlled or jointly controlled by a person identified in (i); or
 - A person identified in (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

i) TAXATION

Tax expense is determined on the basis of tax effect accounting, using the liability method, and it is applied to all significant temporary differences arising between the carrying amount of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit, except that a debit to the deferred tax balance is not carried forward unless there is a reasonable expectation of realization and the potential tax saving relating to a tax loss carry forward and unutilized capital allowances is not recorded as an asset.

Deferred taxation is calculated at the tax rates that are expected to apply to the period when the assets are realised or the liability is settled. Deferred tax is charged or credited to the profit and loss account. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority.

j) LEASES

Operating lease payments are recognised as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

k) PROVISIONS

A provision is recognised when there is a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed regularly and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of provision is the present value of the expenditures expected to be required to settle the obligation.

l) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash in hand and cash at bank placed with creditworthy financial institutions.

m) CURRENCIES TRANSLATION

Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The financial statements are presented in Singapore Dollar, which is the Company’s functional currency.

n) REVENUE RECOGNITION

Income from services is recognized in the statement of comprehensive income when the services are rendered, completed and on an accrual basis.

Revenue from sales of goods is recognised upon delivery and acceptance of goods.

Rental income is recognized based on accrual basis over the lease term.

o) GOVERNMENT GRANT

Government grants are recognized at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognized in profit or loss over the period necessary to match them on a systematic basis to the costs that is intended to compensate. Where the grant relates to an asset, the fair value is recognized as deferred capital grant on the balance sheet and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

p) EMPLOYEE BENEFITS

Defined Contribution Plan

As required by the Law, the Company makes contribution to the Central Provident Fund (“CPF”) Scheme in Singapore, a defined contribution pension scheme. CPF contributions are recognised as an expense in the same period as the employment that gives rise to the contribution.

Employee Leave Entitlement

Employee entitlements to annual leave are recognized when they accrue to employees. A provision is made for the estimated liability for leave as a result of services rendered by employees up to the date of statement of financial position.

q) IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amount of the Company’s assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset’s recoverable amount is estimated. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the assets or cash-generating unit is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately, unless the relevant asset is at a revalued amount, in which case the impairment loss is treated as a decrease in revaluation.

r) REVERSAL OF NON-FINANCIAL ASSETS

An impairment loss is only reversed to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognised. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is at a revalued amount, in which case the reversal of the impairment loss is treated as an increase in revaluation.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company include provision of technical and vocational education and operators of food courts, coffee shops and eating house.

3. SHARE CAPITAL

	2013		2012	
	No. of Shares	\$	No. of Shares	\$
Ordinary shares issued and fully paid:				
At beginning and end of the financial year/ period	1,000	1,000	1,000	1,000

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

4. FIXED ASSETS

	At beginning of the year	Additions/ Charge	(Disposal)	At end of the year
	\$	\$	\$	\$
2013				
Cost				
Computer and IT equipment	-	29,560	-	29,560
Office equipment	-	12,614	-	12,614
Renovation	49,992	233,990	(49,992)	233,990
Other equipment	21,136	-	(5,672)	15,464
	71,128	276,164	(55,664)	291,628
Accumulated depreciation and impairment losses				
Computer and IT equipment	-	22,527	-	22,527
Office equipment	-	4,205	-	4,205
Renovation	33,328	38,998	(33,328)	38,998
Other equipment	9,620	5,155	(3,672)	11,103
	42,948	70,885	(37,000)	76,833
2012				
Cost				
Renovation	49,992	-	-	49,992
Equipment	7,724	13,412	-	21,136
	57,716	13,412	-	71,128
Accumulated depreciation and impairment losses				
Renovation	16,664	16,664	-	33,328
Equipment	2,575	7,045	-	9,620
	19,239	23,709	-	42,948

FIXED ASSETS (Cont'd)

	Net book value		Depreciation	
	2013	2012	2013	2012
	\$	\$	\$	\$
Computer and IT equipment	7,033	-	22,527	-
Office equipment	8,409	-	4,205	-
Renovation	194,992	16,664	38,998	16,664
Other equipment	4,361	11,516	5,155	7,045
	<u>214,795</u>	<u>28,180</u>	<u>70,885</u>	<u>23,709</u>

5. TRADE RECEIVABLES

The trade receivables are denominated in Singapore Dollar and they approximate their fair values.

6. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2013	2012
	\$	\$
Grant receivable	60,000	-
Prepayment	561	60
Advance to staff	-	350
Deposits	36,698	24,337
	<u>97,259</u>	<u>24,747</u>

7. TRADE PAYABLES

The trade payables are denominated in Singapore Dollar and they approximate their fair values.

8. OTHER PAYABLES, ACCRUALS AND DEPOSITS RECEIVED

	2013	2012
	\$	\$
Other payables	130,290	64,437
Loan creditors – unsecured and interest-free	648,386	350,000
Advance from sponsors	1,000	205,581
Accruals	43,518	10,593
Deposits received	-	4,800
Deferred income	148,714	-
	<u>971,908</u>	<u>635,411</u>

9. AMOUNTS DUE TO DIRECTOR/SHAREHOLDER

The amount due to director/shareholder is unsecured, interest-free and with no fixed terms of repayment.

10. REVENUE

Revenue represents sponsorship income received, sales of food and beverages, training services rendered, etc in the ordinary course of business.

11. OTHER INCOME

	2013	2012
	\$	\$
Rental income	37,859	56,720
ODF grant	-	5,330
MYCS grant	-	24,000
CDC course grant	120,670	67,650
MSF Comcare grant	35,646	-
Curriculum Development grant	18,315	-
Marketing and Outreach grant	6,215	-
SME cash grant	-	5,000
Special Employment Credit	22,593	5,331
Miscellaneous	8,507	16,061
Amortisation of deferred income	64,448	-
Accruals written back	-	905
	<u>314,253</u>	<u>180,997</u>

12. OTHER OPERATING EXPENSES

	2013	2012
	\$	\$
Other operating expenses include the following significant items:		
- Allowance to trainee	129,449	134,282
- CET expenses	115,658	-
- Rental of premises	176,759	169,025
- Staff costs (Note 16)	455,284	423,739
- Transport	6,107	46,409
- Utilities	142,263	143,567
	<u>142,263</u>	<u>143,567</u>

13. (LOSS) FOR THE FINANCIAL YEAR BEFORE TAXATION

	2013	2012
	\$	\$
(Loss) for the financial year before taxation is arrived at after charging:		
- Bad debts written off - trade	-	13,600
- Depreciation of fixed assets (Note 4)	70,885	23,709
- Fixed assets written off	18,663	-

14. TAXATION

	2013	2012
	\$	\$
Current year tax expense	-	-

The income tax expense on the results for the financial period varies from the amount of income tax determined by applying the Singapore standard rate of income tax to profit/loss before taxation due to the following factors:

	2013	2012
	\$	\$
(Loss) before taxation	9,778	(401,824)
Tax calculated at a tax rate of 17% (2012: 17%)	1,662	(68,310)
Expenses not deductible for tax purposes	5,869	3,867
Section 14Q	-	(2,833)
Unabsorbed losses brought forward	(44,132)	(44,132)
Deferred tax assets not recognized	36,601	111,408

As at the date of statement of financial position, the Company had unabsorbed tax losses of approximately \$655,000 (2012: \$655,000) available for set-off against future taxable profit subject to the provisions of Section 37 of the Income Tax Act.

	2013	2012
	\$	\$
Deferred tax assets not recognized:		
Unabsorbed tax losses	36,601	111,408

Deferred tax assets arising from unutilized tax losses have not been recognized as the availability of future taxable profit is still uncertain against which the Company may utilize the benefits.

15. CASH AND CASH EQUIVALENTS

For the purpose of statement of cash flows, cash and cash equivalents comprise the following statement of financial position amounts:

	2013	2012
	\$	\$
Bank balances	69,626	51,129
Bank overdraft	(47,174)	-
Cash in hand	3,243	1,607
	<u>25,695</u>	<u>52,736</u>

The cash and cash equivalents are denominated in Singapore Dollar and approximate its fair values:

The bank overdraft arisen due to unpresented cheques not cleared at of date of statement of financial position.

16. STAFF COSTS

	2013	2012
	\$	\$
Directors' remuneration	-	77,500
Salaries and bonuses	403,136	299,577
Contributions to defined contribution plans	46,237	37,299
Medical fees	1,583	1,133
Skill Development Levy	1,114	949
Staff training	1,806	3,277
Staff welfare	1,408	4,004
	<u>455,284</u>	<u>423,739</u>

17. FINANCIAL RISKS AND FAIR VALUES

The Company does not have written risk management policies and guidelines. The Company is exposed to financial risks arising in the normal course of business.

a) Liquidity Risk

The Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Company's operation and mitigate the effects of fluctuations in cash flows.

b) Interest Rate Risk

The Company is not exposed to interest rate risk as it has no interest-bearing borrowings.

FINANCIAL RISKS AND FAIR VALUES (Cont'd)

c) Credit Risk

The carrying amount of financial assets in the statement of financial position represents the Company's maximum exposure to credit risk.

The Company has no significant concentration of credit risk as at date of statement of financial position.

d) Fair Values

The fair values of financial assets and financial liabilities approximate the carrying amounts of those assets and liabilities reported in the statement of financial position.

e) Capital management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The capital structure of the Company consists of debt, bank balances and equity attributable to equity holders of the Company, comprising issued capital and retained earnings as disclosed in relevant notes to financial statements.

Management reviews the Company's capital structure from time to time and recommends to the Board of Directors appropriate actions such as payment of dividend and new share issues.

As at 31 December 2013, the Company is not subject to any externally imposed capital requirement.

19. ADDITIONAL INFORMATION

PROJECT DIGNITY PTE. LTD. is a company incorporated in Singapore with its registered office at 267 Serangoon Avenue 3, #02-02, Singapore 550267.

20. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 December 2013 were authorised for issue in accordance with a resolution of the directors on

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

**THE FOLLOWING SCHEDULE DOES NOT FORM
PART OF THE AUDITED STATUTORY FINANCIAL STATEMENTS**

PROJECT DIGNITY PTE. LTD.
(Incorporated in Singapore)

**DETAILED INCOME STATEMENT FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2013**

	2013 \$	2012 \$
Revenue	1,224,906	668,092
Less: Cost of sales		
Purchases	327,965	247,334
Gross profit	896,941	420,758
Add: Other income		
Rental income	37,859	56,720
ODF grant	-	5,330
MYCS grant	-	24,000
CDC course grant	120,670	67,650
MSF Comcare grant	35,646	-
Curriculum Development grant	18,315	-
Marketing and Outreach grant	6,215	-
SME cash grant	-	5,000
Special Employment Credit	22,593	5,331
Miscellaneous	8,507	16,061
Amortisation of deferred income	64,448	-
Accruals written back	-	905
	314,253	180,997
	1,211,194	601,755
Less: Total expenses (Refer to Page 24)	1,201,416	1,003,579
Profit/(loss) for the financial year	9,778	(401,824)

PROJECT DIGNITY PTE. LTD.
(Incorporated in Singapore)

**TOTAL EXPENSES FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2013**

	2013 \$	2012 \$
Administrative expenses		
Audit fee – current year	1,500	1,250
Audit fee – prior year	285	535
Postage and courier	256	103
Printing and stationery	5,358	3,827
Tax fee	350	350
	7,749	6,065
Other operating expenses		
Advertisement and promotion	9,019	827
Allowance to trainee	129,449	134,282
Bad debts written off - trade	-	13,600
Bank service charges	680	346
Casual helpers	-	100
Central Provident Fund	46,237	37,299
CET expenses	115,658	-
Cleaning supplies	9,661	6,962
Computer expenses	4,537	131
Course fee	1,948	-
Depreciation of fixed assets	70,885	23,709
Directors' remuneration	-	77,500
Donation	-	486
Entertainment and refreshment	125	737
Fixed assets written off	18,663	-
Foreign Worker Levy	9,240	2,096
General expenses	5,907	3,431
Insurance	4,558	5,010
Late payment interest	9,426	277
License and permit	750	890
Medical fees	1,583	1,133
Membership and subscription	273	838
Office supplies	3,185	-
Pest control services	1,321	2,100
Professional and legal fee	-	32
Rental of equipment	5,885	7,062
Rental of premises	176,759	169,025
Repair and maintenance	5,249	3,045
Salaries and bonus	403,136	299,577
Skill Development Levy	1,114	949
Staff training	1,806	3,277
Staff welfare	1,408	4,004
Telecommunication	3,982	3,010
Transport	6,107	46,409
Uniform	-	2,000
Upkeep of stalls	2,853	3,803
Utilities	142,263	143,567
	1,193,667	997,514
Total expenses	1,201,416	1,003,579