

PROJECT DIGNITY PTE. LTD.
(Incorporated in Singapore)
(Registration No. 2010-17313-E)

ACCOUNTS AND REPORTS

For the financial year ended

31 December 2015

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PROJECT DIGNITY PTE. LTD.
(INCORPORATED IN SINGAPORE)

DIRECTOR'S STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

The director is pleased to present his statement to the members together with the audited financial statements of Project Dignity Pte. Ltd. for the financial year ended 31 December 2015.

1. Opinion of the director

In the opinion of the director,

- (a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2015 and the financial performance, changes in equity and cash flows of the Company for the year then ended; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Director

The director of the Company in office at the date of this statement is:

Koh Seng Choon

3. Arrangements to enable directors to acquire shares or debentures

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

4. Director's interests in shares or debentures

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

<u>Number of ordinary shares</u>	Shareholdings registered in the name of directors	
	<u>1/1/2015</u>	<u>31/12/2015</u>
Koh Seng Choon	50,000	50,000

PROJECT DIGNITY PTE. LTD.
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DIRECTOR'S STATEMENT (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

5. Share options

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

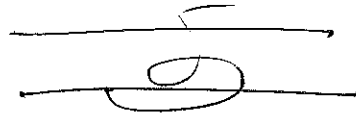
There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

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

6. Auditor

Messrs STRAITS ASSURANCE PAC has expressed their willingness to accept appointment as auditor.

The Sole Director

A handwritten signature in black ink, consisting of a series of loops and horizontal strokes, positioned between two horizontal lines.

KOH SENG CHOON
Director

Dated: **30 JUN 2016**

**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 2015, and 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the 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 and so as to give a true and fair view of the state of affairs of the Company as at 31 December 2015 and the results, changes in equity and cash flows of the Company for the year ended on that date.

Emphasis of Matter

Without qualifying our opinion, we would like to highlight that as of 31 December 2015, the Company has a net capital deficit of \$738,819 and its current liabilities exceeded its current assets by \$745,606. 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 reclassify recorded assets and liabilities.

Other Matter

The financial statements of the Company for the financial year ended 31 December 2014 were audited by another auditor who expressed an unqualified opinion on those statements on 30 July 2015.

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.



STRAITS ASSURANCE PAC
Public Accountants and Chartered Accountants
Singapore,
GL/SAPAC

30 JUN 2016

PROJECT DIGNITY PTE. LTD.
(INCORPORATED IN SINGAPORE)

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2015

	Note	2015 \$	2014 \$
SHARE CAPITAL	3	50,000	50,000
(ACCUMULATED LOSSES)		(788,819)	(531,812)
		(738,819)	(481,812)
Represented By:			
FIXED ASSETS	4	50,036	142,305
CURRENT ASSETS			
Trade receivables	5	168,465	373,271
Other receivables, deposits and prepayments	6	39,118	33,843
Cash and cash equivalents	18	10,157	8,194
		217,740	415,308
LESS CURRENT LIABILITIES			
Trade payables	7	112,318	149,508
Other payables, deposits and accruals	8	730,938	698,664
Bank overdraft - unsecured	9	90,441	93,636
Amount due to a director/ shareholder	10	5,502	6,602
Term loan - unsecured	11	24,147	22,830
		963,346	971,240
Net Current (Liabilities)		(745,606)	(555,932)
NON-CURRENT LIABILITIES			
Term loan - unsecured	11	(43,249)	(68,185)
		(738,819)	(481,812)

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 2015

	Note	2015 \$	2014 \$
Revenue	12	1,269,543	1,603,074
Cost of sales		<u>(249,304)</u>	<u>(217,234)</u>
Gross profit		1,020,239	1,385,840
Other income	13	226,183	307,433
Administrative expenses		(8,008)	(7,668)
Other operating expenses	14	<u>(1,486,376)</u>	<u>(1,550,101)</u>
(Loss)/profit from operations	15	(247,962)	135,504
Finance costs	16	<u>(9,045)</u>	<u>(3,109)</u>
(Loss)/profit for the financial year before taxation		(257,007)	132,395
Taxation	17	<u>-</u>	<u>-</u>
(Loss)/profit for the financial year after taxation		(257,007)	132,395
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive (expenses)/income for the financial year		<u>(257,007)</u>	<u>132,395</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 2015

	Share Capital \$	(Accumulated Losses)/Profit \$	Total \$
As at 1 January 2014	1,000	(664,207)	(663,207)
Shares issued	49,000	-	49,000
Total comprehensive income for the financial year	-	132,395	132,395
As at 31 December 2014	50,000	(531,812)	(481,812)
Total comprehensive (expenses) for the financial year	-	(257,007)	(257,007)
As at 31 December 2015	50,000	(788,819)	(738,819)

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 2015

	2015	2014
Note	\$	\$
CASH FLOW FROM OPERATING ACTIVITIES		
(Loss)/profit for the financial year before taxation	(257,007)	132,395
Adjustment for:-		
Depreciation of fixed assets	96,284	132,865
Finance costs	9,045	3,109
Operating (loss)/profit before working capital changes	(151,678)	268,369
Decrease/(increase) in trade receivables	204,806	(330,085)
(Increase)/decrease in other receivables, deposits and prepayments	(5,275)	63,416
(Decrease)/increase in trade payables	(37,190)	111,395
Increase/(decrease) in other payables, deposits and accruals	32,274	(273,244)
	194,615	(428,518)
Net cash generated/(used in) from operating activities	42,937	(160,149)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(4,015)	(60,375)
Net cash (used in) investing activities	(4,015)	(60,375)
CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment) to a director/ shareholder	(1,100)	(27,519)
Proceeds from shares issued	-	49,000
Proceeds from term loan	-	100,000
(Repayment) of term loan	(23,619)	(8,985)
Finance costs (paid)	(9,045)	(3,109)
Net cash (used in)/generated from financing activities	(33,764)	109,387
NET CHANGE IN CASH AND CASH EQUIVALENTS	5,158	(111,137)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	(85,442)	25,695
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	(80,284)	(85,442)

The accompanying notes form an integral part of these financial statements

**PROJECT DIGNITY PTE. LTD.
(INCORPORATED IN SINGAPORE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

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

1. CORPORATE INFORMATION

PROJECT DIGNITY PTE. LTD. is incorporated and domiciled in Singapore as a private limited liability company.

The registered office of the Company is located at Blk 267 Serangoon Ave 3, #02-02 Singapore 550267

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF PREPARATION

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards ("FRS"). These financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. Areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note (c).

b) CHANGES IN ACCOUNTING POLICIES

During the current financial year beginning 1 January 2015, the Company has adopted all applicable new and revised FRS INT FRS that are relevant to its operations and effective for the current financial year. The adoption of these new and revised FRS and INT FRS does not result in any changes to the Company's accounting policies and has no material effect on the amounts reported for the current or prior financial years.

FRS and INT FRS issued but not yet effective

At the date of authorisation of these financial statements, the Company has not adopted the following new/revised FRS (including their consequential amendments) and INT FRS which are potentially relevant to the Company that have been issued but not yet effective for the current financial year.

PROJECT DIGNITY PTE. LTD.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

CHANGES IN ACCOUNTING POLICIES (CONT'D)

Description	<u>Effective for annual periods beginning on or after</u>
Amendments to FRS 1: Disclosure Initiative	1 January 2016
Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 27 Equity Method in Separate Financial Statements	1 January 2016
FRS 109 Financial Instruments	1 January 2018

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 2015. 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) CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS 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.

**CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS
(CONT'D)**

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) Useful lives of fixed assets

The Company's fixed assets are depreciated on a straight-line basis over the fixed assets economic useful lives. Changes in the expected level of usage and technologies developments could impact the economic useful lives and the residual values of these assets, therefore, depreciation charges could be revised. The carrying amount of the Company's fixed assets is disclosed in Note 4.

(ii) Allowance for doubtful receivables

Allowance for doubtful receivables of the Company is based on an evaluation of the collectability of receivables. A considerable amount of judgement is required in assessing the ultimate realization of these receivables, including their current creditworthiness, past collection history of each customer and ongoing dealings with them. If the financial conditions of the counterparties with which the Company contracted were to deteriorate, resulting in an impairment of their ability to make payments, additional allowance may be required.

d) FIXED ASSETS AND DEPRECIATION

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

	Years
Computer and IT equipment	3
Kitchen Equipment	1
Office equipment	3
Other equipment	3
Renovation	3

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further depreciation is charged in respect of these assets.

**PROJECT DIGNITY PTE. LTD.
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

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.

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.

**PROJECT DIGNITY PTE. LTD.
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

FINANCIAL ASSETS (CONT'D)

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 2(e).

Trade receivables are recognized initially at original invoiced amount less allowance for impairment. An allowance for impairment of trade 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 recognized in the statement of comprehensive income when identified.

g) FINANCIAL LIABILITIES

Financial liabilities within the scope of FRS 39 are recognised on the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

Subsequent to initial recognition, derivatives are measured at fair value. Other financial liabilities are measured at amortised cost using the effective interest method.

For financial liabilities other than derivatives, gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised, and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in statement of comprehensive income. Net gains or losses on derivatives include exchange differences.

A financial liability is derecognised when the obligation under the liability is extinguished. 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 derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of comprehensive income.

h) CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise of cash in hand and bank balances less bank overdrafts placed with creditworthy financial institutions.

i) TRADE PAYABLES

Liabilities for trade payables are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services rendered, whether or not billed to the Company.

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

Provisions are recognised when the Company has 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 measured at management's best estimate of the expenditure required to settle the present obligation at the reporting date, and are discounted to present value when the effect is material. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

**PROJECT DIGNITY PTE. LTD.
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

PROVISIONS (CONT'D)

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 receivable can be measured reliably.

l) 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 composition 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 tax is calculated at the tax rates that are expected to apply to the period when the assets are realized 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 taxed levied by the same tax authority.

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.

Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the date of statement of financial position are recognized in the statement of comprehensive income.

Non-Monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when fair values are determined.

PROJECT DIGNITY PROJECT DIGNITY PTE. LTD.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

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 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 recognised 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 recognised 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.

3. SHARE CAPITAL

	2015		2014	
	No. of shares	\$	No. of shares	\$
Ordinary shares issued and fully paid:				
At beginning of the financial year	50,000	50,000	1,000	1,000
Issuance of shares	-	-	49,000	49,000
At end of the financial year	50,000	50,000	50,000	50,000

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 restriction. The ordinary shares have no par value.

PROJECT DIGNITY PTE. LTD.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

4. FIXED ASSETS

	At 1 January 2015 \$	Additions / Charge \$	(Disposal) \$	At 31 December 2015 \$
2015				
Cost				
Computer and IT equipment	58,007	2,115	-	60,122
Kitchen Equipment	8,471	1,900	(623)	9,748
Office equipment	23,461	-	-	23,461
Other equipment	16,174	-	-	16,174
Renovation	245,890	-	-	245,890
	352,003	4,015	(623)	355,395
Accumulated depreciation				
Computer and IT equipment	54,491	5,631	-	60,122
Kitchen Equipment	8,471	633	(623)	8,481
Office equipment	10,212	7,820	-	18,032
Other equipment	15,563	237	-	15,800
Renovation	120,961	81,963	-	202,924
	209,698	96,284	(623)	305,359
	At 1 January 2014 \$	Additions / Charge \$	(Disposal) \$	At 31 December 2014 \$
2014				
Cost				
Computer and IT equipment	29,560	28,447	-	58,007
Kitchen Equipment	-	8,471	-	8,471
Office equipment	12,614	10,847	-	23,461
Other equipment	15,464	710	-	16,174
Renovation	233,990	11,900	-	245,890
	291,628	60,375	-	352,003

PROJECT DIGNITY PTE. LTD.
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

FIXED ASSETS (CONT'D)

	At 1 January 2014 \$	Additions / Charge \$	(Disposal) \$	At 31 December 2014 \$
Accumulated depreciation				
Computer and IT equipment	22,527	31,964	-	54,491
Kitchen Equipment	-	8,471	-	8,471
Office equipment	4,205	6,007	-	10,212
Other equipment	11,103	4,460	-	15,563
Renovation	38,998	81,963	-	120,961
	76,833	132,865	-	209,698

	Net Book Value		Depreciation	
	2015 \$	2014 \$	2015 \$	2014 \$
Computer and IT equipment	-	3,516	5,631	31,964
Kitchen Equipment	1,267	-	633	8,471
Office equipment	5,429	13,249	7,820	6,007
Other equipment	374	611	237	4,460
Renovation	42,966	124,929	81,963	81,963
	50,036	142,305	96,284	132,865

5. TRADE RECEIVABLES

	2015 \$	2014 \$
Trade receivables	168,465	373,271

Receivables that are past due but not impaired

The Company has trade receivables amounting to \$168,465 (2014: \$373,271) that are past due at the date of statement of financial position but not impaired. These trade receivables are unsecured and the analysis of their aging at the date of statement of financial position is as follows:

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(INCORPORATED IN SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

TRADE RECEIVABLES (CONT'D)

	2015	2014
	\$	\$
Lesser than 31 days	17,345	355,083
31 to 60 days	27,738	10,070
61 to 90 days	17,134	1,292
More than 90 days	106,248	6,826
	<u>168,465</u>	<u>373,271</u>

Trade receivables that are individually determined to be impaired at the statement of financial position date relate to debtors that are in significant and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

The carrying amount of trade receivables which approximate their fair values are denominated in Singapore Dollar.

6. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2015	2014
	\$	\$
Other receivables	3,781	2,450
Deposits	29,970	25,663
Prepayments	5,367	5,730
	<u>39,118</u>	<u>33,843</u>

7. TRADE PAYABLES

	2015	2014
	\$	\$
Trade payables	102,172	142,805
GST payables	10,146	6,703
	<u>112,318</u>	<u>149,508</u>

The carrying amount of trade payables which approximate their fair values are denominated in Singapore Dollar.

PROJECT DIGNITY PTE. LTD.
(INCORPORATED IN SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

8. OTHER PAYABLES, DEPOSITS AND ACCRUALS

	2015	2014
	\$	\$
Advance from sponsors	34,170	76,827
Deferred income	4,974	59,387
Loan creditors – unsecured and interest-free	634,743	507,784
Deposits	-	4,400
Accruals	57,051	50,266
	<u>730,938</u>	<u>698,664</u>

9. BANK OVERDRAFT - UNSECURED

	2015	2014
	\$	\$
Bank overdraft 1	1,436	65,159
Bank overdraft 2	89,005	28,478
	<u>90,441</u>	<u>93,636</u>

Bank overdraft 1 arise due to unpresented cheques not cleared as at date of statement of financial position.

Bank overdraft 2 has a credit limit of \$90,000 and bears an interest of 12.88% per annum. It is secured by personal guarantee from Company director.

10. AMOUNT DUE TO A DIRECTOR/ SHAREHOLDER

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

11. TERM LOAN - UNSECURED

	2015	2014
	\$	\$
Payable within 1 year	24,147	22,830
Payables after 1 year	43,249	68,185
	<u>67,396</u>	<u>91,015</u>

Term loan of \$100,000 commenced on 1 July 2014 is repayable over 48 monthly instalments. Interest rate is charged at 5.5% per annum on a monthly rest. It is secured by personal guarantee from Company director.

PROJECT DIGNITY PTE. LTD.
(INCORPORATED IN SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

12. REVENUE

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

13. OTHER INCOME

	2015	2014
	\$	\$
Absentee Payroll	960	-
Amortisation of deferred income	45,438	45,438
Capability Development Grant	20,000	5,000
Career Services Grant	-	17,120
Curriculum Development Grant	26,204	-
Marketing and outreach Grant	13,243	-
Miscellaneous income	50,650	71,525
MSF Comcare grant	-	65,354
PIC Cash Payout	-	30,670
Programme Manager Grant	-	42,000
Rental income	2,565	-
SG Enable	9,530	-
Special Employment Credit	37,472	18,913
Wage Credit Scheme	20,121	11,413
	<u>226,183</u>	<u>307,433</u>

14. OTHER OPERATING EXPENSES

	2015	2014
	\$	\$
Other operating expenses include the following significant items:		
- Allowance to trainee	118,429	128,031
- CET expenses	84,820	174,250
- Rental of premises	140,484	106,331
- Staff costs (Note 19)	865,615	765,754
- Transport	6,328	36,751
- Utilities	72,283	85,725
	<u>72,283</u>	<u>85,725</u>

15. (LOSS) / PROFIT FROM OPERATIONS

	2015	2014
	\$	\$
Profit from operations is arrived at after charging:		
- Bad debts written off - trade	-	835
- Depreciation of fixed assets (Note 4)	96,284	132,865
	<u>96,284</u>	<u>132,865</u>

**PROJECT DIGNITY PTE. LTD.
(INCORPORATED IN SINGAPORE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015**

16. FINANCE COSTS

	2015	2014
	\$	\$
Interest on term loan	4,289	2,644
Overdraft facility interest	4,756	465
	<u>9,045</u>	<u>3,109</u>

17. TAXATION

Tax expense

	2015	2014
	\$	\$
Current year tax expense	<u>-</u>	<u>-</u>

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

	2015	2014
	\$	\$
(Loss)/profit for the financial year before taxation	<u>(257,007)</u>	<u>132,395</u>
Tax calculated at a tax rate of 17% (2014: 17%)	(43,691)	22,507
Income not taxable for tax purpose	(7,724)	(10,388)
Expenses not deductible for tax purpose	18,793	23,446
PIC Enhanced deduction	-	(2,020)
S14Q	(6,924)	(6,924)
Unabsorbed loss brought forward	(86,338)	(112,959)
Deferred tax assets not recognised	<u>125,884</u>	<u>86,338</u>
	<u>-</u>	<u>-</u>
Deferred tax assets not recognised		
Unabsorbed tax losses	<u>125,884</u>	<u>86,338</u>

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

As at the date of statement of financial position, the Company had unabsorbed tax losses of approximately \$740,000 (2014: \$507,000) available for set-off against future taxable profit subject to the provisions of Section 37 of the Income Tax Act.

PROJECT DIGNITY PTE. LTD.
(INCORPORATED IN SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

18. CASH AND CASH EQUIVALENTS

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

	2015	2014
	\$	\$
Cash in hand	8,350	7,194
Cash at bank	1,807	1,000
	<u>10,157</u>	<u>8,194</u>
Bank overdraft (Note 9)	(90,441)	(93,636)
	<u>(80,284)</u>	<u>(85,442)</u>

The carrying amounts of cash and cash equivalents which approximate their fair values are denominated in Singapore Dollar.

19. STAFF COSTS

	2015	2014
	\$	\$
Directors' remuneration	81,600	82,535
Central Provident Fund	87,731	68,480
Salaries and bonus	664,260	592,360
Foreign Worker's Levy	8,640	9,600
Medical fee	1,584	2,274
Skill Development Levy	1,795	1,435
Staff training	9,217	3,960
Staff welfare	10,788	5,110
	<u>865,615</u>	<u>765,754</u>

20. OPERATING LEASE COMMITMENT

The Company leases property from non-related parties under non-cancellable operating lease agreements. These leases have varying terms, escalating clauses and renewal rights.

The future minimum lease payables under these non-cancellable operating leases contracted for at date of statement of financial position but not recognised as liabilities, is as follows:

	2015	2014
	\$	\$
Within 1 year	140,484	138,521
Within 2 to 5 years	94,198	91,800
	<u>234,682</u>	<u>230,321</u>

21. 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 operations and mitigate the effects of fluctuations in cash flows.

b) Interest rate risk

The Company obtains additional financing through bank borrowings and leasing arrangements.

The Company's policy is to obtain the most favorable interest rates available in the market. Information relating to the Company's interest-rate exposure is disclosed in Notes 11 to the financial statements.

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 the date of statement of financial position.

d) Fair values

As at the date of statement of financial position, the carrying amounts of the Company's financial assets and financial liabilities were approximate to their net fair values.

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 2015, the Company is not subject to any externally imposed capital requirement.

PROJECT DIGNITY PTE. LTD.
(INCORPORATED IN SINGAPORE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

22. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 December 2015 were authorised for issue in accordance with a resolution of the directors on

30 JUN 2016

**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 2015

	2015 \$	2014 \$
Revenue	1,269,543	1,603,074
Less: Cost of sales		
Purchases	(249,304)	(217,234)
Gross profit	1,020,239	1,385,840
Add: Other income		
Absentee Payroll	960	-
Amortisation of deferred income	45,438	45,438
Capability Development Grant	20,000	5,000
Career Services Grant	-	17,120
Curriculum Development Grant	26,204	-
Marketing and outreach Grant	13,243	-
Miscellaneous income	50,650	71,525
MSF Comcare grant	-	65,354
PIC Cash Payout	-	30,670
Programme Manager Grant	-	42,000
Rental income	2,565	-
SG Enable	9,530	-
Special Employment Credit	37,472	18,913
Wage Credit Scheme	20,121	11,413
	226,183	307,433
	1,246,422	1,693,273
Less: Total expenses (page 27)	(1,503,429)	(1,560,878)
(Loss)/ profit for the financial year	(257,007)	132,395

PROJECT DIGNITY PTE. LTD.
(INCORPORATED IN SINGAPORE)

SCHEDULE OF TOTAL EXPENSES
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2015

	2015 \$	2014 \$
Administrative expenses		
Audit fee – current year	1,900	1,700
Audit fee – prior year	-	(285)
Postage and courier	141	238
Printing and stationery	5,517	5,565
Tax fee	450	450
	8,008	7,668
Other operating expenses		
Advertisement and promotion	3,248	21,615
Allowance to trainee	118,429	128,031
Bad debts written off - trade	-	835
Bank service charges	2,295	2,931
Central Provident Fund	87,731	68,480
CET expenses	84,820	174,250
Cleaning supplies	2,835	5,607
Computer expenses	1,167	1,143
Depreciation of fixed assets	96,284	132,865
Directors' remuneration	81,600	82,535
Entertainment and refreshment	398	88
Foreign Worker Levy	8,640	9,600
General expenses	4,654	5,929
Insurance	5,199	699
Late payment interest	2,883	1,110
License and permit	2,626	1,046
Loss in foreign exchange	556	-
Medical fees	1,584	2,274
Membership and subscription	475	185
Non CET training expenses	7,792	-
Office supplies	2,475	3,590
Pest control services	1,860	1,860
Professional and legal fee	24,623	22,200
Rental of equipment	4,980	6,600
Rental of premises	140,484	106,331
Repair and maintenance	17,379	27,094
Salaries and bonus	664,260	592,360
Skill Development Levy	1,795	1,435
Staff training	9,217	3,960
Staff welfare	10,788	5,110
Telecommunication	4,236	4,810
Transport	6,328	36,751
Travelling	1,645	-
Upkeep of stalls	7,807	13,052
Utilities	72,283	85,725
Website expenses	3,000	-
	1,486,376	1,550,101
Less: Finance costs		
Interest on term loan	4,289	2,644
Overdraft facility interest	4,756	465
	9,045	3,109
Total expenses	1,503,429	1,560,878