

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

**ACCOUNTS AND REPORTS**

For the financial year ended

**31 December 2014**

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

**REPORT OF THE DIRECTOR**  
*FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014*

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The director presents his report together with the audited financial statements of the Company for the financial year ended 31 December 2014.

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 their interests in the share capital of the Company as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act, Cap. 50 were as follows:

<u>Number of ordinary shares</u>	Shareholdings registered in the name of directors	
	<u>1/1/2014</u>	<u>31/12/2014</u>
<b>Koh Seng Choon</b>	<b>1,000</b>	<b>50,000</b>


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.

**PROJECT DIGNITY PTE. LTD.**  
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**REPORT OF THE DIRECTOR**  
*FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014*

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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: 30 JUL 2015

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

**STATEMENT BY DIRECTOR**  
*FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014*

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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 2014 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 have authorized these financial statements for issue on the date of this statement.



**KOH SENG CHOON**  
**Director**

Dated: 30 JUL 2015

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

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**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 2014, 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 2014 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 2014, the Company has a net capital deficit of \$481,812 and its current liabilities exceeded its current assets by \$555,932. 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.

**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,  
SQ/LSF 30 JUL 2015

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

**STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014**

	<u>Note</u>	<u>2014</u> \$	<u>2013</u> \$
<b>SHARE CAPITAL</b>	3	50,000	1,000
<b>(ACCUMULATED LOSSES)</b>		(531,812)	(664,207)
		(481,812)	(663,207)
Represented By:			
<b>FIXED ASSETS</b>	4	142,305	214,795
<b>CURRENT ASSETS</b>			
Trade receivables	5	373,271	43,186
Other receivables, deposits and prepayments	6	33,843	97,259
Cash and cash equivalents	18	8,194	72,869
		415,308	213,314
<b>LESS CURRENT LIABILITIES</b>			
Trade payables	7	149,508	38,113
Other payables, deposits and accruals	8	698,664	971,908
Bank overdraft - unsecured	9	93,636	47,174
Amount due to a director/ shareholder	10	6,602	34,121
Term loan - unsecured	11	22,830	-
		971,240	1,091,316
<b>Net Current (Liabilities)</b>		(555,932)	(878,002)
<b>NON-CURRENT LIABILITIES</b>			
Term loan - unsecured	11	(68,185)	-
		(481,812)	(663,207)

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 2014**

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	<u>Note</u>	<u>2014</u> <u>\$</u>	<u>2013</u> <u>\$</u>
Revenue	12	1,603,074	1,224,906
Cost of sales		<u>(217,234)</u>	<u>(327,965)</u>
Gross profit		1,385,840	896,941
Other income	13	307,433	314,253
Administrative expenses		(7,668)	(7,749)
Other operating expenses	14	<u>(1,550,101)</u>	<u>(1,193,667)</u>
Profit from operations	15	135,504	9,778
Finance costs	16	<u>(3,109)</u>	<u>-</u>
Profit for the financial year before taxation		132,395	9,778
Taxation	17	<u>-</u>	<u>-</u>
Profit for the financial year after taxation		132,395	9,778
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the financial year		<u>132,395</u>	<u>9,778</u>

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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 2014**

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	<b>Share Capital</b>	<b>(Accumulated Losses)</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>
As at 1 January 2013	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)
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)

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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 2014**

	Note	2014 \$	2013 \$
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
<b>Profit for the financial year before taxation</b>		132,395	9,778
Adjustment for:-			
Depreciation of fixed assets	4	132,865	70,885
Fixed assets written off		-	18,663
Finance costs		3,109	-
<b>Operating profit before working capital changes</b>		<u>268,369</u>	<u>99,326</u>
(Increase)/ decrease in trade receivables		(330,085)	1,051
Decrease/ (increase) in other receivables, deposits and prepayments		63,416	(72,512)
Increase/ (decrease) in trade payables		111,395	(12,564)
(Decrease)/ increase in other payables, deposits and accruals		(273,244)	306,498
		<u>(428,518)</u>	<u>222,473</u>
<b>Net cash (used in)/ generated from operating activities</b>		<u>(160,149)</u>	<u>321,799</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of fixed assets		(60,375)	(276,164)
<b>Net cash (used in) investing activities</b>		<u>(60,375)</u>	<u>(276,164)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
(Repayment) to a director/ shareholder		(27,519)	(72,676)
Proceeds from shares issued		49,000	-
Proceeds from term loan		100,000	-
(Repayment) of term loan		(8,985)	-
Finance costs (paid)		(3,109)	-
<b>Net cash generated from/ (used in) financing activities</b>		<u>109,387</u>	<u>(72,676)</u>
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>		(111,137)	(27,041)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR</b>		<u>25,695</u>	<u>52,736</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR</b>	18	<u>(85,442)</u>	<u>25,695</u>

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 2014**

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

**1. 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 2014, the Company has adopted all applicable new and revised FRS and 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.

<b>Description</b>	<b><u>Effective for annual periods beginning on or after</u></b>
Amendments to FRS 19 Defined Benefit Plans: Employee contributions Improvements on FRSs (January 2014)	1 July 2014
(a) Amendments to FRS 113 Fair Value Measurement	1 July 2014
(b) Amendments to FRS 24 Related Party Disclosures Improvements on FRSs (February 2014)	1 July 2014
(a) Amendments to FRS 113 Fair Value Measurement	1 July 2014
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

### **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 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.

#### 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.

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

(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:

	<b>Years</b>
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.

**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.

## **FINANCIAL ASSETS (CONT'D)**

### **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.

### **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.

**FINANCIAL ASSETS (CONT'D)**

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 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 placed with creditworthy financial institutions.

**i) LEASES**

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

**j) PROVISIONS**

Provisions are recognised when the Company has a present obligation where, as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount of the obligation can be reasonably estimated. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

**k) 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.

**D) 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.

## **CURRENCIES TRANSLATION (CONT'D)**

### 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.

### **m) 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.

### **n) 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 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.

### **o) 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.



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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

**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**

	2014		2013	
	No. of shares	\$	No. of shares	\$
Ordinary shares issued and fully paid:				
At beginning of the financial year	1,000	1,000	1,000	1,000
Shares issued	49,000	49,000	-	-
At end of the financial year	50,000	50,000	1,000	1,000

During the financial year, the Company issued another 49,000 ordinary shares for cash of \$49,000 to provide for additional working capital to the Company.

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.

**4. FIXED ASSETS**

	At 1 January 2014 \$	Additions / Charge \$	(Disposal) \$	At 31 December 2014 \$
<b>2014</b>				
<b>Cost</b>				
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
<b>Accumulated depreciation</b>				
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

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

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

**FIXED ASSETS (CONT'D)**

	At 1 January 2013 \$	Additions / Charge \$	(Disposal) \$	At 31 December 2013 \$
<b>2013</b>				
<b>Cost</b>				
Computer and IT equipment	-	29,560	-	29,560
Office equipment	-	12,614	-	12,614
Other equipment	21,136	-	(5,672)	15,464
Renovation	49,992	233,990	(49,992)	233,990
	<u>71,128</u>	<u>276,164</u>	<u>(55,664)</u>	<u>291,628</u>
<b>Accumulated depreciation</b>				
Computer and IT equipment	-	22,527	-	22,527
Office equipment	-	4,205	-	4,205
Other equipment	9,620	5,155	(3,672)	11,103
Renovation	33,328	38,998	(33,328)	38,998
	<u>42,948</u>	<u>70,885</u>	<u>(37,000)</u>	<u>76,833</u>
	<b>Net Book Value</b>		<b>Depreciation</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
	\$	\$	\$	\$
Computer and IT equipment	3,516	7,033	31,964	22,527
Kitchen Equipment	-	-	8,471	-
Office equipment	13,249	8,409	6,007	4,205
Other equipment	611	4,361	4,460	5,155
Renovation	124,929	194,992	81,963	38,998
	<u>142,305</u>	<u>214,795</u>	<u>132,865</u>	<u>70,885</u>

**5. TRADE RECEIVABLES**

	<b>2014</b> \$	<b>2013</b> \$
Trade receivables	<u>373,271</u>	<u>43,186</u>

**PROJECT DIGNITY PTE. LTD.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

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**TRADE RECEIVABLES (CONT'D)**

Receivables that are past due but not impaired

The Company has trade receivables amounting to \$373,271 (2013: \$43,186) 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:

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Lesser than 31 days	355,083	43,186
31 to 60 days	10,070	-
61 to 90 days	1,292	-
More than 90 days	6,826	-
	<u>373,271</u>	<u>43,186</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**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Grant receivable	-	60,000
Other receivables	2,450	-
Deposits	25,663	36,698
Prepayments	5,730	561
	<u>33,843</u>	<u>97,259</u>

**7. TRADE PAYABLES**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Trade payables	142,805	38,113
GST payables	6,703	-
	<u>149,508</u>	<u>38,113</u>

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

**PROJECT DIGNITY PTE. LTD.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

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**8. OTHER PAYABLES, DEPOSITS AND ACCRUALS**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Advance from sponsors	76,827	1,000
Deferred income	59,387	148,714
Loan creditors – unsecured and interest-free	507,784	648,386
Other payables	-	130,290
Deposits	4,400	-
Accruals	50,266	43,518
	<u>698,664</u>	<u>971,908</u>

**9. BANK OVERDRAFT - UNSECURED**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Bank overdraft 1	65,159	47,174
Bank overdraft 2	28,478	-
	<u>93,636</u>	<u>47,174</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 \$40,000 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**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Payable within 1 year	22,830	-
Payables after 1 year	68,185	-
	<u>91,015</u>	<u>-</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.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

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**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**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Amortisation of deferred income	45,438	64,448
Capability Development Grant	5,000	-
Career Services Grant	17,120	-
CDC Course Grant	-	120,670
Curriculum Development Grant	-	18,315
Marketing and outreach Grant	-	6,215
Miscellaneous income	71,525	8,507
MSF Comcare grant	65,354	35,646
PIC Cash Payout	30,670	-
Programme Manager Grant	42,000	-
Rental income	-	37,859
Special Employment Credit	18,913	22,593
Wage Credit Scheme	11,413	-
	<u>307,433</u>	<u>314,253</u>

**14. OTHER OPERATING EXPENSES**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Other operating expenses include the following significant items:		
- Allowance to trainee	128,031	129,449
- CET expenses	174,250	115,658
- Rental of premises	106,331	176,759
- Staff costs (Note 19)	765,754	464,524
- Transport	36,751	6,107
- Utilities	85,725	142,263
	<u>85,725</u>	<u>142,263</u>

**15. PROFIT FROM OPERATIONS**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Profit from operations is arrived at after charging:		
- Bad debts written off - trade	835	-
- Depreciation of fixed assets (Note 4)	132,865	70,885
- Fixed assets written off	-	18,663
	<u>-</u>	<u>18,663</u>

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**PROJECT DIGNITY PTE. LTD.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

**16. FINANCE COSTS**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Interest on term loan	2,644	-
Overdraft facility interest	465	-
	<u>3,109</u>	<u>-</u>

**17. TAXATION**

Tax expense

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
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 profit before taxation due to the following factors:

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Profit for the financial year before taxation	<u>132,395</u>	<u>9,778</u>
Tax calculated at a tax rate of 17% (2013: 17%)	22,507	1,662
Income not taxable for tax purpose	(10,388)	-
Expenses not deductible for tax purpose	23,446	5,869
PIC Enhanced deduction	(2,020)	-
S14Q	(6,924)	-
Unabsorbed loss brought forward	(112,959)	(44,132)
Deferred tax assets not recognised	<u>86,338</u>	<u>36,601</u>
	<u>-</u>	<u>-</u>
Deferred tax assets not recognised		
Unabsorbed tax losses	<u>86,338</u>	<u>36,601</u>
	<u>86,338</u>	<u>36,601</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 \$507,000 (2013: \$655,000) available for set-off against future taxable profit subject to the provisions of Section 37 of the Income Tax Act.

**PROJECT DIGNITY PTE. LTD.**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

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**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:

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Cash in hand	7,194	3,243
Cash at bank	1,000	69,626
	<u>8,194</u>	<u>72,869</u>
Bank overdraft (Note 9)	(93,636)	(47,174)
	<u>(85,442)</u>	<u>25,695</u>

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

**19. STAFF COSTS**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Directors' remuneration	82,535	-
Central Provident Fund	68,480	46,237
Salaries and bonus	592,360	403,136
Foreign Worker's Levy	9,600	9,240
Medical fee	2,274	1,583
Skill Development Levy	1,435	1,114
Staff training	3,960	1,806
Staff welfare	5,110	1,408
	<u>765,754</u>	<u>464,524</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:

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
Within 1 year	138,521	123,622
Within 2 to 5 years	91,800	214,200
	<u>230,321</u>	<u>337,822</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 2014, the Company is not subject to any externally imposed capital requirement.



**PROJECT DIGNITY PTE. LTD.  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

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**22. 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.

**23. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE**

The financial statements for the financial year ended 31 December 2014 were authorised for issue in accordance with a resolution of the directors on

**30 JUL 2015**

**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 2014**

	<b>2014</b>	<b>2013</b>
	<b>\$</b>	<b>\$</b>
<b>Revenue</b>	1,603,074	1,224,906
<b>Less: Cost of sales</b>		
Purchases	217,234	327,965
<b>Gross profit</b>	1,385,840	896,941
<b>Add: Other income</b>		
Amortisation of deferred income	45,438	64,448
Capability Development Grant	5,000	-
Career Services Grant	17,120	-
CDC Course Grant	-	120,670
Curriculum Development Grant	-	18,315
Marketing and outreach Grant	-	6,215
Miscellaneous income	71,525	8,507
MSF Comcare grant	65,354	35,646
PIC Cash Payout	30,670	-
Programme Manager Grant	42,000	-
Rental income	-	37,859
Special Employment Credit	18,913	22,593
Wage Credit Scheme	11,413	-
	<b>307,433</b>	<b>314,253</b>
	1,693,273	1,211,194
<b>Less: Total expenses (page 27)</b>	<b>(1,560,878)</b>	<b>(1,201,416)</b>
<b>Profit for the financial year</b>	<b>132,395</b>	<b>9,778</b>

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

**SCHEDULE OF TOTAL EXPENSES**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2014**

	2014 \$	2013 \$
<b>Administrative expenses</b>		
Audit fee – current year	1,700	1,500
Audit fee – prior year	(285)	285
Postage and courier	238	256
Printing and stationery	5,565	5,358
Tax fee	450	350
	<b>7,668</b>	<b>7,749</b>
<b>Other operating expenses</b>		
Advertisement and promotion	21,615	9,019
Allowance to trainee	128,031	129,449
Bad debts written off - trade	835	-
Bank service charges	2,931	680
Central Provident Fund	68,480	46,237
CET expenses	174,250	115,658
Cleaning supplies	5,607	9,661
Computer expenses	1,143	4,537
Course fee	-	1,948
Depreciation of fixed assets	132,865	70,885
Directors' remuneration	82,535	-
Entertainment and refreshment	88	125
Fixed assets written off	-	18,663
Foreign Worker Levy	9,600	9,240
General expenses	5,929	5,907
Insurance	699	4,558
Late payment interest	1,110	9,426
License and permit	1,046	750
Medical fees	2,274	1,583
Membership and subscription	185	273
Office supplies	3,590	3,185
Pest control services	1,860	1,321
Professional and legal fee	22,200	-
Rental of equipment	6,600	5,885
Rental of premises	106,331	176,759
Repair and maintenance	27,094	5,249
Salaries and bonus	592,360	403,136
Skill Development Levy	1,435	1,114
Staff training	3,960	1,806
Staff welfare	5,110	1,408
Telecommunication	4,810	3,982
Transport	36,751	6,107
Upkeep of stalls	13,052	2,853
Utilities	85,725	142,263
	<b>1,550,101</b>	<b>1,193,667</b>
<b>Less: Finance costs</b>		
Interest on term loan	2,644	-
Overdraft facility interest	465	-
	<b>3,109</b>	<b>-</b>
<b>Total expenses</b>	<b>1,560,878</b>	<b>1,201,416</b>