Accordia Golf Trust Management Pte. Ltd.
Registration Number: 201407957D

Financial Statements
Period from 20 March 2014 (date of incorporation) to
31 March 2015

Directors' report

We are pleased to submit this annual report to the members of Accordia Golf Trust Management Pte. Ltd. (the "Company") together with the audited financial statements for the financial period from 20 March 2014 (date of incorporation) to 31 March 2015.

Directors

The directors in office at the date of this report are as follows:

Khoo Kee Cheok @ Kee Chor	(Appointed on 20 March 2014)
Yoshihiko Machida	(Appointed on 16 June 2014)
Takuya Nagano	(Appointed on 16 June 2014)
Chong Teck Sin	(Appointed on 16 June 2014)
Hitoshi Kumagai	(Appointed on 16 June 2014)

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Chapter 50 (the Act), no director who held office at the end of the financial period (including those held by their spouses and infant children) had interest in shares, debentures, warrants, share options and share awards in the Company and its related corporations either at the beginning of the financial period, or date of appointment if later, or at the end of the financial period.

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

Except as disclosed in note 15, since the date of incorporation, no director has received or become entitled to receive, a benefit 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.

Share options

During the financial period, there were:

(i) no options granted by the Company to any person to take up unissued shares in the Company; and

(ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial period, there were no unissued shares of the Company under option.

Auditors

Pursuant to the Directors' resolution dated 19 June 2014, KPMG LLP has been appointed as the statutory auditor of the Company, effective from the date of its engagement letter.

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Yoshihiko Machida
Director

Takuya Nagano
Director

24 June 2015

Statement by Directors

In our opinion:

(a) the financial statements set out on pages FS1 to FS18 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Company for the period from 20 March 2014 (date of incorporation) to 31 March 2015 in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; 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.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors

Yoshihiko Machida
Director

Takuya Nagano
Director

24 June 2015

Independent auditors' report

Members of the Company
Accordia Golf Trust Management Pte. Ltd.

Report on the financial statements

We have audited the accompanying financial statements of Accordia Golf Trust Management Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period from 20 March 2014 (date of incorporation) to 31 March 2015, and a summary of significant accounting policies and other explanatory information, as set out on pages FS1 to FS18.

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 Standard, 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 accounts and balance sheets 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 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 of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Company for the period from 20 March 2014 (date of incorporation) to 31 March 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.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore

24 June 2015

Statement of financial position
As at 31 March 2015

	Note	2015 $
Non-current assets		
Plant and equipment	4	72,921
		72,921
Current assets		
Trade and other receivables	5	1,064,436
Prepayments		51,626
Cash and cash equivalents	6	4,120,274
		5,236,336
Total asset		5,309,257
Equity		
Share capital	7	625,000
Accumulated profits		3,608,758
Total equity		4,233,758
Non-current liability		
Deferred tax liabilities	8	6,400
		6,400
Current liabilities		
Trade and other payables	9	468,064
Current tax payable		601,035
		1,069,099
Total liabilities		1,075,499
Total equity and liabilities		5,309,257

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

Statement of comprehensive income
Period from 20 March 2014 (date of incorporation) to 31 March 2015

	Note	Period from 20/3/2014 (date of incorporation) to 31/3/2015 $
Revenue	10	6,680,167
Staff costs		(1,313,830)
Professional fees		(391,021)
Human resource and administrative service fees		(243,856)
Investor relation expenses		(128,228)
Operating lease expenses		(124,919)
Travelling expenses		(105,839)
Other expenses		(160,195)
Total expenses		(2,467,888)
Finance income		3,914
Profit before tax	11	4,216,193
Tax expense	12	(607,435)
Profit for the period, representing total comprehensive income for the period		3,608,758

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

Statement of changes in equity
Period from 20 March 2014 (date of incorporation) to 31 March 2015

	Share capital $	Accumulated profits $	Total equity $
At 20 March 2014 (date of incorporation)	–	–	–
Total comprehensive income for the period			
Profit for the period	–	3,608,758	3,608,758
Total comprehensive income for the period	–	3,608,758	3,608,758
Transactions with owners, recognised directly in equity			
Contributions by and distributions to owners			
Issue of ordinary shares	625,000	–	625,000
Total contributions by and distributions to owners	625,000	–	625,000
At 31 March 2015	625,000	3,608,758	4,233,758

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

Statement of cash flows
Period from 20 March 2014 (date of incorporation) to 31 March 2015

	Note	Period from 20/3/2014 (date of incorporation) to 31/3/2015 $
Cash flows from operating activities		
Profit before tax		4,216,193
Adjustments for:		
Depreciation of plant and equipment		13,052
Interest income		(2,206)
		4,227,039
Changes in working capital:		
– trade and other receivables		(1,062,230)
– prepayments		(51,626)
– trade and other payables		468,064
Net cash from operating activities		3,581,247
Cash flows from investing activity		
Purchase of plant and equipment		(85,973)
Net cash used in investing activity		(85,973)
Cash flows from financing activity		
Proceeds from issuance of ordinary shares		625,000
Net cash from financing activity		625,000
Net increase in cash and cash equivalents		4,120,274
Cash and cash equivalent at date of incorporation		–
Cash and cash equivalents at 31 March	6	4,120,274

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

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 24 June 2015.

1 Domicile and activities

Accordia Golf Trust Management Pte. Ltd. (the Company) is incorporated in the Republic of Singapore. The address of the Company's registered office is at 6 Shenton Way, OUE Downtown 2, 25-09, Singapore 068809.

The principal activity of the Company is that of a trustee-manager for Accordia Golf Trust (business trust).

The Company is a joint venture between Accordia Golf Co., Ltd. and Daiwa Real Estate Asset Management Co. Ltd.. Both companies are incorporated in Japan.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (FRS).

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the accounting policies set out below.

2.3 Functional and presentation currency

These financial statements are presented in Singapore dollar, which is the Company's functional currency.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at exchange rates at the average daily exchange rate of the transacted month. Monetary assets and liabilities denominated in foreign currencies at the end of the reporting period are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

3.2 Financial instruments

Non-derivative financial assets

The Company initially recognises loans and receivables and deposits on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial assets into loans and receivables.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

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

Cash and cash equivalents comprise cash and bank balances and fixed deposit placed with financial institutions.

Non-derivative financial liabilities

The Company initially recognises financial liabilities on the trade date, which is the date that the Company becomes a party to the contractual provisions of the instrument.

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Company classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise trade and other payables.

Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.3 Plant and equipment

Items of plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

The gain or loss on disposal of an item of plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of plant and equipment, and is recognised net within other expenses in profit or loss.

Subsequent costs

The cost of replacing a component of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment.

Depreciation is recognised from the date that the plant and equipment are installed and are ready for use.

The estimated useful lives for the current period are as follows:

Computers	–	3 years
Office equipment	–	3 years
Furniture and fittings	–	5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.4 Impairment

Non-derivative financial assets

A financial asset not carried at fair value through profit or loss is assessed at the end of each reporting period to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the estimated future cash flows of that asset that can be estimated reliably.

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers.

Loans and receivables

The Company considers evidence of impairment for loans and receivables at both a specific asset and collective level. All individually significant loans and receivables are assessed for specific impairment. All individually significant receivables found not to be specifically impaired are then collectively assessed for any impairment that has been incurred but not yet identified. Loans and receivables that are not individually significant are collectively assessed for impairment by grouping together loans and receivables with similar risk characteristics.

In assessing collective impairment, the Company uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows, discounted at the asset's original effective interest rate. Losses are recognised in profit or loss and reflected in an allowance account against loans and receivables. Interest on the impaired asset continues to be recognised. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a *pro rata* basis.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.5 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

3.6 Revenue recognition

Management fee

Management fee is derived from the management of the business trust and comprises base fee and performance fee which are respectively determined based on the value of the total assets of the business trust on a consolidated basis, and the adjusted net operating income of the investments of business trust. Management fee is recognised on an accrual basis.

Acquisition, divestment and one-time initial setup fees

Acquisition and divestment fees relate to fees earned in relation to the acquisition and divestment of assets by business trust. The acquisition and divestment fees are determined based on the value of the assets acquired and divested and are recognised when the services have been rendered.

One-time initial setup fee relates to acquisition fee for work done in connection with the acquisition of the initial portfolio by business trust. The fee is recognised when the services have been rendered.

3.7 Finance income

Finance income comprises interest income on deposits placed with banks. Interest income is recognised in profit or loss as it accrues, using the effective interest method.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3.8 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities. Such changes to tax liabilities will impact tax expense in the period that such a determination is made.

3.9 New standards and interpretations not adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 20 March 2014, and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

4 Plant and equipment

	Computers $	Office equipment $	Furniture and fittings $	Total $
Cost				
At 20 March 2014 (date of incorporation)	–	–	–	–
Additions	26,860	2,616	56,497	85,973
At 31 March 2015	26,860	2,616	56,497	85,973
Accumulated depreciation				
At 20 March 2014 (date of incorporation)	–	–	–	–
Depreciation charge for the period	4,477	508	8,067	13,052
At 31 March 2015	4,477	508	8,067	13,052
Carrying amounts				
At 20 March 2014 (date of incorporation)	–	–	–	–
At 31 March 2015	22,383	2,108	48,430	72,921

5 Trade and other receivables

	2015 $
Amount due from related corporation (trade)	947,950
Deposits	114,280
Accrued interest income	2,206
	1,064,436

The Company's primary exposure to credit risk arises through its receivables from related corporations. The Company believes that no impairment allowance is necessary in respect of receivables not past due. As at the reporting date, there are no receivables past due.

6 Cash and cash equivalents

	2015 $
Cash and bank balances	3,120,274
Fixed deposit placed with financial institutions	1,000,000
Cash and cash equivalents	4,120,274

Fixed deposit placed with financial institutions matures within the next 12 months and bears interest rates of 1.388% per annum.

7 Share capital

	2015 No. of shares
Fully paid ordinary shares, with no par value:	
At 20 March 2014 (date of incorporation)	–
Issue of ordinary shares	625,000
At 31 March 2015	625,000

During the year, the Company issued 625,000 ordinary shares for cash consideration of $625,000 to provide working capital. The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

8 Deferred tax liabilities

Movement in deferred tax liabilities of the Company during the period is as follows:

	At 20/3/2014 (date of incorporation) $	Recognised in profit or loss (note 12) $	At 31/3/2015 $
Plant and equipment	–	6,400	6,400

9 Trade and other payables

	2015 $
Trade payables	221,636
Amount due to related corporation (trade)	150,692
Accrued operating expenses	46,850
Other payables	48,886
	468,064

10 Revenue

	Period from 20/3/2014 (date of incorporation) to 31/3/2015 $
Management fee	1,828,154
One-time initial setup fee	4,852,013
	6,680,167

11 Profit before tax

The following items have been included in arriving at profit before tax:

	Period from 20/3/2014 (date of incorporation) to 31/3/2015 $
Salaries and bonuses	1,161,608
Contributions to defined contribution plans	14,222
Other personnel expenses	138,000

12 Tax expense

	Period from 20/3/2014 (date of incorporation) to 31/3/2015 $
Current tax expense	
Current period	601,035
Deferred tax expense	
Origination and reversal of temporary differences	6,400
Total tax expense	607,435
Reconciliation of effective tax rate	
Profit before tax	4,216,193
Tax calculated using Singapore tax rate of 17%	716,753
Non-deductible expenses	3,233
Tax exempt income	(25,925)
Tax incentive	(66,626)
Tax rebate	(20,000)
	607,435

13 Financial instruments

Overview

The Company has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

At the reporting date, the Company only has receivables from a related corporation. The carrying amounts of financial assets in the statement of financial position represent the Company's maximum exposure to credit risk.

Impairment losses

Trade receivables that are neither past due nor impaired mainly arise from creditworthy debtors with good payment record with the Company.

Cash and cash equivalents

The Company held cash and cash equivalents of $4,120,274 as at 31 March 2015, which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with bank and financial institutions which are regulated.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

In the management of liquidity risks, 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 flow.

The following are the contractual maturities of financial liabilities excluding the impact of netting agreements:

		Cash flows		
	Carrying amount	**Contractual cash flows**	**Within 1 year**	**Within 1 to 5 years**
	$	**$**	**$**	**$**
31 March 2015				
Non-derivative financial liabilities				
Trade and other payables	468,064	(468,064)	(468,064)	–
	468,064	(468,064)	(468,064)	–

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk

The Company is exposed to currency risk on purchases and cash balances that are denominated in Japanese yen (JPY) and British pound (GBP).

The Company does not use derivative financial instruments to hedge its currency risk.

Management reviews periodically to ensure that the net exposure is kept at an acceptable level.

The Company's exposure to foreign currency risk is as follows:

	2015	
	JPY	**GBP**
	$	**$**
Cash and cash equivalents	19,262	–
Trade and other payables	(7,306)	(8,763)
Net exposure	11,956	(8,763)

Sensitivity analysis

A strengthening of the SGD against the JPY and GBP at 31 March 2015 would have increased/(decreased) profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted purchases.

	Profit or loss	
	10% strengthening	**10% weakening**
	$	**$**
31 March 2015		
JPY	(1,196)	1,196
GBP	876	(876)

Capital management

The Board's policy is to maintain a sound capital position to support its business growth and strategic investments.

There were no changes in the Company's approach to capital management during the period.

The Company is not subject to externally imposed capital requirements.

Accounting classifications and fair values

The fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	Note	Loans and receivables $	Other financial liabilities $	Total carrying amount $	Fair value $
31 March 2015					
Trade and other receivables	5	1,064,436	–	1,064,436	1,064,436
Cash and cash equivalents	6	4,120,274	–	4,120,274	4,120,274
		5,184,710	–	5,184,710	5,184,710
Trade and other payables	9	–	468,064	468,064	468,064
		–	468,064	468,064	468,064

Determination of fair values

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including cash and cash equivalents, trade receivables and other payables) approximate their fair values because of the short period to maturity.

14 Operating lease

Non-cancellable operating lease rental is payable to a related corporation as follows:

	2015 $
Within one year	119,376
Between one and five years	24,207
	143,583

The Company leases its office under operating lease with a related corporation. The lease runs for a period of 2 years, with no option to renew the lease after that date.

15 Related parties

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties on terms agreed between the parties:

Key management personnel compensation

Key management personnel of the Company are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The directors of the Company are considered as key management personnel.

The key management personnel compensation, representing compensation to directors of the Company, for the period is as follows:

	Period from 20/3/2014 (date of incorporation) to 31/3/2015 $
Salaries and other short-term employee benefits	650,433

Other related party transactions

The following significant transaction between the Company and its related parties took place during the period on terms agreed between the parties:

	Period from 20/3/2014 (date of incorporation) to 31/3/2015 $
Sale and purchase of goods and services	
Related corporations	
Management fee	1,828,154
One-time initial setup fee	4,852,013
Human resource and administrative service rendered	243,331
Rental expense	121,863

16 Comparative information

No comparative figures are presented as this is the first set of financial statements prepared by the Company since the date of its incorporation.