HONOUR (SINGAPORE) LTD.
(Co. Reg. No. 201405223G)

FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD FROM
25 FEBRUARY 2014 (DATE OF INCORPORATION)
TO 31 MAY 2015

CONTENTS

BAKER TILLY
TFW

Baker Tilly TFW LLP
Chartered Accountants of Singapore

An independent member of Baker Tilly International

HONOUR (SINGAPORE) LTD.
(A company limited by guarantee)

DIRECTORS' REPORT

The directors are pleased to present their first report to the members together with the audited financial statements of the Company for the financial period from 25 February 2014 (date of incorporation) to 31 May 2015.

1 Directors

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

Lee Heng Fatt Georgie	(Appointed on 25 February 2014)
Lim Siong Guan	(Appointed on 25 February 2014)
Wong Seng Yoong	(Appointed on 26 April 2014)
Richard Rokmat Magnus	(Appointed on 25 February 2014)
Khoo Oon Theam	(Appointed on 25 February 2014)

2 Arrangement to enable directors to acquire benefits

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 in or debentures of any other body corporate.

3 Directors' contractual benefits

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 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.

4 Other matters

As the Company is limited by guarantee, matters relating to interest in shares, debentures, or share options are not applicable.

5 Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the Directors

Lim Siong Guan
Director

Lee Heng Fatt Georgie
Director

31 July 2015

HONOUR (SINGAPORE) LTD.
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STATEMENT BY DIRECTORS

In the opinion of the Directors:

(i) the financial statements set out on pages 4 to 13 are drawn up so as to give a true and fair view of the financial position of the Company at 31 May 2015 and the financial performance, changes in fund and cash flows of the Company for the financial period from 25 February 2014 (date of incorporation) to 31 May 2015 in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards; and

(ii) at the date of this statements, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Directors

Lim Siong Guan
Director

Lee Heng Fatt Georgie
Director

31 July 2015

BAKER TILLY
TFW

Baker Tilly TFW LLP
Chartered Accountants of Singapore
600 North Bridge Road
#05-01 Parkview Square
Singapore 188778

T: +65 6336 2828
F: +65 6339 0438

www.bakertillytfw.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF HONOUR (SINGAPORE) LTD.
(A company limited by guarantee)

Report on the Financial Statements
We have audited the accompanying financial statements of Honour (Singapore) Ltd. (the "Company") set out on pages 4 to 13, which comprise the balance sheet as at 31 May 2015, and the statement of profit or loss and other comprehensive income, statement of changes in fund and statement of cash flows for the financial period from 25 February 2014 (date of incorporation) to 31 May 2015, 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 (the "Act"), the Singapore Charities Act (the "Charities 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 financial statements and to maintain accountability of assets.

Auditor's 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 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 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, the Charities Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 31 May 2015 and financial performance, changes in fund and cash flows of the Company for the financial period from 25 February 2014 (date of incorporation) to 31 May 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.

During the course of our audit, nothing has come to our attention that caused us to believe that during the financial period:
a) The use of the donation money was not in accordance with the objectives of the Company as required under regulation 16 of the Charities (Institutions of Public Character) Regulation; and
b) The Company has not complied with the requirements of regulation is (Fund-raising expenses) of the Charities (Institution of a Public Character) Regulations.

Baker Tilly

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

31 July 2015

HONOUR (SINGAPORE) LTD.
(A company limited by guarantee)

STATEMENT OF COMPREHENSIVE INCOME
For the financial period from 25 February 2014 (date of incorporation) to 31 May 2015

	Note	$
Income		
Donations received	3	1,072,170
Less expenditures		
Administrative support fees	4	50,000
Central provident fund contributions		5,314
Consultancy fees		104,000
Depreciation of property, plant and equipment		4,606
Launch of Honour Singapore		64,460
Salaries		52,000
Other expenses		29,005
		309,385
Net surplus and total comprehensive income for the period		762,785

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

HONOUR (SINGAPORE) LTD.
(A company limited by guarantee)

BALANCE SHEET
At 31 May 2015

	Note	$
Non-current asset		
Property, plant and equipment	5	–
Current assets		
Deposits		6,440
Cash and cash equivalents		815,721
		822,161
Total assets		822,161
Current liabilities		
Other payables and accruals		11,376
Deferred grant income	6	48,000
		59,376
Net assets		762,785
Funds		
General fund		762,785

The accompanying notes form an integral part of these financial statements

HONOUR (SINGAPORE) LTD.
(A company limited by guarantee)

STATEMENT OF CHANGES IN GENERAL FUND
For the financial period from 25 February 2014 (date of incorporation) to 31 May 2015

	Accumulated fund
	$
Balance at 25 February 2014 (date of incorporation)	–
Profit and total comprehensive income for the period	762,785
Balance at 31 May 2015	**762,785**

The accompanying notes form an integral part of these financial statements

HONOUR (SINGAPORE) LTD.
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
For the financial period from 25 February 2014 (date of incorporation) to 31 May 2015

	$
Cash flows from operating activities	
Net surplus for the period	762,785
Adjustment for:	
Depreciation of property, plant and equipment (Note 3)	4,606
Operating cash flows before changes in working capital	767,391
Receivables	(6,440)
Payables	11,376
Deferred grant income	48,000
Net cash generated from operating activities	820,327
Cash flows from investing activities	
Purchases of property, plant and equipment	(4,606)
Net cash used in investing activities	(4,606)
Net increase in cash and cash equivalent	815,721
Cash and cash equivalents at date of incorporation	–
Cash and cash equivalents and end of period	815,721

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

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

1 Corporate information

The Company (Co. Reg. No. 201405223G) is incorporated and domiciled in Singapore on 25 February 2014. Its principal place of business is at 19 China Street, #03-02 Far East Square, China House, Singapore 049561.

The principal activity of the Company is to advance the welfare of Singapore by promoting a culture of honour in Singapore.

The Company is an approved Institution of Public Character.

2 Summary of significant accounting policies

a) Basis of preparation

The financial statements, expressed in Singapore dollar, which is the Company's functional currency, have been prepared in accordance with the provisions of the Singapore Companies Act, the Charities Act and Singapore Financial Reporting Standards ("FRS"). The 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 the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on management's best knowledge of current events and actions and historical experiences and various other factors that are believed to be reasonable under the circumstances, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. There were no significant judgments and estimates made during the financial period.

The carrying amounts of cash and cash equivalents, other current receivables and payables approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

In the current financial period, the Company has adopted all the new and revised FRS and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the financial year. The adoption of these new/revised FRS and INT FRS was no material effect on the financial statements.

New standards, amendments to standards and interpretations that have been issued at the reporting period but are not yet effective for the financial period ended 31 May 2015 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.

2 Summary of significant accounting policies (cont'd)

b) Income recognition

Donations are recognised on a receipt basis.

c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on the straight-line basis so as to write off the cost of property, plant and equipment over their estimated useful lives. The estimated useful lives are:

	Years
Computers	1

On disposal of a property, plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss.

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

d) Employee benefits

Defined contribution plans

The Company makes contributions to the Central Provident Fund scheme in Singapore ("CPF"), a defined contribution plan. Contributions to CPF are charged to profit or loss in the period in which the related service is performed.

e) Income taxes

The Company is a registered charity under the Charities Act and is exempted from income tax under the provisions of the Income Tax Act.

f) Financial assets

The Company classifies its financial assets according to 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 reporting date.

The Company's financial assets are "loans and receivables" which comprise deposits and cash and cash equivalents.

Loans and receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest method, less impairment. The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. When such evidence exists, the carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. When a receivable is uncollectible, it is written off against the allowance account for receivables. Subsequent recoveries of amounts previously written off are credited in profit or loss.

2 Summary of significant accounting policies (cont'd)

g) Impairment of non-financial assets

Non-financial assets are reviewed for impairment at each balance sheet date or whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised in profit or loss.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recorded in profit or loss. However, the increased carrying amount of an asset due to a reversal of an impairment loss is recognised to the extent it does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for that asset in prior years.

h) Cash and cash equivalents

Cash and cash equivalents are stated in the balance sheet at cost. For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and bank balances.

i) Financial liabilities

Financial liabilities, which comprise accrued operating expenses are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

j) Provisions

Provisions are recognised when the Company has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

k) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the balance sheet and is amortised to income and expenditure over the expected useful life of the relevant asset by equal annual instalments.

When the grant relates to an expense item, it is recognised in income and expenditure over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.

2 Summary of significant accounting policies (cont'd)

l) Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are taken to profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

3 Donations

Included in donations are tax deductible and non-tax deductible receipts of $870,470 and $201,700 respectively.

4 Expenditure

	$
Administrative support fees paid to FGB Gatekeepers Singapore where the directors are the management committee	50,000

5 Property, plant and equipment

	Computers $	Total $
2015		
Cost		
Balance at date of incorporation	–	–
Addition	4,606	4,606
Balance at 31.5.2015	4,606	4,606
Accumulated depreciation		
Balance at date of incorporation	–	–
Depreciation charge	4,606	4,606
Balance at 31.5.2015	4,606	4,606
Net carrying value		
At 31.5.2015	–	–

6 Deferred grant income

	$
At date of incorporation	–
Addition during the period	48,000
At 31.5.2015	48,000

On 8 December 2014, the Company entered into an agreement with Ministry of Education (for and on behalf of the Republic of Singapore ("Government")) for Singapore 50 Collaboration Fund, which is to support projects in conjunction with the commemoration of 50 years of independence of the Republic of Singapore in 2015. The first disbursement was received during the current period. The grant is recognised in income and expenditure over the period necessary to match them on a systematic basis to the costs that it is intended to compensate. The project has to be completed within eighteen (18) months after signing the agreement or by 31 December 2015 (whichever is earlier), otherwise it has to be returned.

7 Operating lease commitments

Commitments in relation to non-cancellable operating lease contracted for rental of office at the balance sheet date but not recognised as liabilities are as follows:

	$
Not later than one financial year	37,899

8 Financial instruments

a) Categories of financial instruments

Financial instruments at their carrying amounts at the balance sheet date are as follows:

	$
Financial assets	
Loans and receivables (included cash and cash equivalents)	822,161
Financial liabilities	
At amortised cost	59,376

b) Financial risk management

The Company's activities expose it to minimal financial risks and overall risk management is determined and carried out by the directors on an informal basis. The Company is not exposed to foreign exchange risk and interest rate risk as its transactions, assets and liabilities are denominated in Singapore dollar and the Company has no significant interest bearing assets or liabilities.

(i) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's credit risk is concentrated on its bank and cash balances. Bank balance is placed with a bank which is regulated. Management does not expect any counterparty to fail to meet its obligations. The maximum exposure to credit risk for each class of financial assets is the carrying amount of that class of financial asset presented on the balance sheet. There is no financial asset that is past due or impaired.

8 Financial instruments (cont'd)

b) Financial risk management (cont'd)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company manages liquidity risk by maintaining sufficient cash to enable them to meet their normal operating commitments.

c) Fair values

The carrying amounts of the financial assets and financial liabilities recorded in the financial statements of the Company approximate their fair values.

9 Fund management

The Company's objectives when managing its funds are to safeguard and to maintain adequate working capital to continue as a going concern and to develop its principal activities over the longer term through donations from public.

10 Comparative figures

The financial statements of the Company cover the financial period from 25 February 2014 (date of incorporation) to 31 May 2015. This being the first set of financial statements presented since the date of incorporation, there are no comparative figures.

11 Authorisation of financial statements

The financial statements of the Company for the financial period from 25 February 2014 (date of incorporation) to 31 May 2015 were authorised for issue in accordance with a resolution of the Board of Directors dated 31 July 2015.