AUDIT COPY

THE CHARTERED INSTITUTE OF LOGISTICS & TRANSPORT, SINGAPORE

(Registered in the Republic of Singapore)
(Unique Entity Number S72SS0011C)

AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

WU WAI HONG & CO.
CHARTERED ACCOUNTANTS

THE CHARTERED INSTITUTE OF LOGISTICS & TRANSPORT, SINGAPORE
(Registered in the Republic of Singapore)
(Unique Entity Number S72SS0011C)

AUDITED FINANCIAL STATEMENTS
31 DECEMBER 2018

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THE CHARTERED INSTITUTE OF LOGISTICS & TRANSPORT, SINGAPORE
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STATEMENT BY EXECUTIVE DIRECTOR

I, being the executive director of The Chartered Institute Of Logistics And Transport, Singapore ("the Society"), do hereby state that in my opinion, the accompanying financial statements of the institute are drawn up so as to present fairly the sate of affairs of the institute as at 31 December 2018 and the results, changes in funds and cash flows for the year ended on the date.

The sole Executive Director,

....

Koh Teow Ngan
Executive Director

Singapore, 05 March 2019.

THE CHARTERED INSTITUTE OF LOGISTICS & TRANSPORT, SINGAPORE
(Registered in the Republic of Singapore)
(Unique Entity Number S72SS0011C)

STATEMENT BY RESPONSIBLE BOARD MEMBERS

We, being three of the responsible members of the board of The Chartered Institute Of Logistics And Transport, Singapore ("the Society"), do hereby state that in our opinion, the accompanying financial statements of the institute are drawn up so as to present fairly the sate of affairs of the institute as at 31 December 2018 and the results, changes in funds and cash flows for the year ended on the date.

On behalf of the Responsible Board of Members,

....
Karmjit Singh
Chairman

....
Ivan Neo
Honorary Secretary

....
Loh Chow Kuang
Honorary Treasurer

Singapore, 05 March 2019.

WU WAI HONG & CO.
Chartered Accountants

5 Jalan Kilang Barat,
#05-03 Petro Centre,
Singapore 159349.
Tel: 62221351, Fax: 62227001
Website: wuwaihong.com.sg
Email: admin@wuwaihong.com.sg

THE CHARTERED INSTITUTE OF LOGISTICS & TRANSPORT, SINGAPORE
INDEPENDENT AUDITOR'S REPORT
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE CHARTERED INSTITUTE OF LOGISTICS & TRANSPORT, SINGAPORE

(Registered under the Societies Act, Chapter 311)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of The Chartered Institute of Logistics and Transport, Singapore ("the Society"), which comprise the statement of financial position as at 31 December 2018, and the statement of comprehensive income, statement of changes in funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to present fairly, in all material respects, the state of affairs of the Institute as at 31 December 2018 and the results, changes in funds and cash flows of the Institute for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of the Act and FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Institute's financial reporting process.

5 Jalan Kilang Barat,
#05-03 Petro Centre,
Singapore 159349.
Tel: 62221351, Fax: 62227001
Website: wuwaihong.com.sg
Email: admin@wuwaihong.com.sg

THE CHARTERED INSTITUTE OF LOGISTICS & TRANSPORT, SINGAPORE
INDEPENDENT AUDITOR'S REPORT (Continued)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Institute's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

WU WAI HONG & CO.
Chartered Accountants

5 Jalan Kilang Barat,
#05-03 Petro Centre,
Singapore 159349.
Tel: 62221351, Fax: 62227001
Website: wuwaihong.com.sg
Email: admin@wuwaihong.com.sg

THE CHARTERED INSTITUTE OF LOGISTICS & TRANSPORT, SINGAPORE
INDEPENDENT AUDITOR'S REPORT (Continued)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

Report on Other Legal and Regulatory Requirements

In our opinion:

(a) the accounting and other records required by the Societies Regulations enacted under the Act to be kept by the Institute have been properly kept in accordance with those Regulations.

WU WAI HONG & CO.
Public Accountants and Chartered Accountants

Singapore, 05 March 2019

STATEMENT OF INCOME OR EXPENDITURE AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	Notes	2018 S$	2017 S$
Revenue	4	**58,207**	54,339
Other items of income			
Interest income		**916**	926
Other income		**32,452**	36,115
	5	**33,368**	37,041
Other items of expense			
Cost of program and seminars	6	**-**	(4,400)
Surplus from WILAT activities	7	**-**	475
Employee benefits expense	8	**(45,947)**	(51,044)
Depreciation of property, plant and equipment		**(8,506)**	(8,778)
Other expenses	9	**(39,664)**	(42,092)
		(94,117)	(105,839)
Deficit before tax		**(2,542)**	(14,459)
Income tax expense	10	**-**	-
Deficit for the year		**(2,542)**	(14,459)
Other comprehensive income			
Movement in Fair value	11	**(33,956)**	105,925
Profit for the year, representing total comprehensive (loss)/income for the year		**(36,498)**	91,466

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT, SINGAPORE
(Registered in the Republic of Singapore)
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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Notes	2018 S$	2017 S$
ASSETS			
Non-current assets			
Available-for-sale financial asset	11	537,045	567,977
Property, plant and equipment	12	324,352	332,398
		861,397	900,375
Current assets			
Other receivables	13	601	2,785
Cash and cash equivalents	14	353,986	362,386
		354,587	365,171
TOTAL ASSETS		1,215,984	1,265,546
ACCUMULATED FUND AND LIABILITIES			
Fair value reserve		37,359	71,315
Accumulated fund		1,095,761	1,098,303
		1,133,120	1,169,618
Non-current liabilities			
Other payables	15	63,736	58,237
Current liabilities			
Other payables	15	19,128	37,691
TOTAL EQUITY AND LIABILITIES		1,215,984	1,265,546

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT, SINGAPORE
(Registered in the Republic of Singapore)
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STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Fair value reserve S$	Accumulated fund S$	Total S$
Balance at 01 January 2017	(34,610)	1,112,762	1,078,152
Loss for the year, representing total comprehensive loss for the year	-	(14,459)	(14,459)
	(34,610)	1,098,303	1,063,693
Movement in fair value (note 11)	105,925	-	105,925
Balance at 31 December 2017	71,315	1,098,303	1,169,618
Balance at 01 January 2018	71,315	1,098,303	1,169,618
Loss for the year, representing total comprehensive loss for the year	-	(2,542)	(2,542)
	71,315	1,095,761	1,167,076
Movement in fair value (note 11)	(33,956)	-	(33,956)
Balance at 31 December 2018	37,359	1,095,761	1,133,120

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT, SINGAPORE

(Registered in the Republic of Singapore)

(Unique Entity Number S72SS0011C)

STATEMENT OF CHANGES IN FUNDS
FOR THE YEAR ENDED 31 DECEMBER 2018

	Fair value reserve S$	Accumulated fund S$	Total S$
Balance at 01 January 2017	(34,610)	1,112,762	1,078,152
Loss for the year, representing total comprehensive loss for the year	-	(14,459)	(14,459)
	(34,610)	1,098,303	1,063,693
Movement in fair value (note 11)	105,925	-	105,925
Balance at 31 December 2017	71,315	1,098,303	1,169,618
Balance at 01 January 2018	71,315	1,098,303	1,169,618
Loss for the year, representing total comprehensive loss for the year	-	(2,542)	(2,542)
	71,315	1,095,761	1,167,076
Movement in fair value (note 11)	(33,956)	-	(33,956)
Balance at 31 December 2018	37,359	1,095,761	1,133,120

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2018

	Notes	2018 S$	2017 S$
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit before tax		**(2,542)**	(14,459)
Adjustments for:			
Depreciation of property, plant and equipment		**8,506**	8,776
Interest income		**(916)**	(926)
		5,047	(6,609)
Change in working capital:			
Other receivables		**2,184**	(879)
Other payables		**(13,064)**	9,982
Cash (used in)/generated from operations		**(5,833)**	2,494
Income tax paid		**-**	-
Net cash (used in)/generated from operating activities		**(5,833)**	2,494
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		**(460)**	-
Interest received		**916**	926
Movement in long term fixed deposits		**911**	431
Purchase of quoted shares investment		**(3,024)**	(12,776)
Net cash used in investing activities		**(1,656)**	(11,419)
Net decrease in cash and cash equivalents		**(7,489)**	(8,925)
Cash and cash equivalents at 01 January		**104,970**	113,895
Cash and cash equivalents at 31 December	**14**	**97,481**	104,970

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

1. General

The Institution is registered and domiciled in Singapore. The address of its registered office and principal place of business at:

5 Jalan Kilang Barat,
#06-03 Petro Centre,
Singapore 159349.

The principal activities of the Institution are those of to promote, encourage and co-ordinate the study and advancement of the science and art of logistics and transport through the organisation and conduct of appropriate activities and services.

The financial statements for the financial year ended 31 December 2018 were authorised for issue by the Executive Director and Responsible Board Members on 05 March 2019.

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the Institution have been drawn up in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ($), which is the Institution's functional currency.

2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Institution has adopted all the new and revised standards which are relevant to the Institution and are effective for annual financial periods beginning on or after 01 Januay 2018. The adoption of these standards did not have any material effect on the financial statements.

2.3 Standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are issued but not yet effective for annual periods beginning 01 Januay 2018, and have not been applied in preparing these financial statements. The Institution does not plan to early adopt these standards.

2. Summary of significant accounting policies (Continued)

2.4 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Institution and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognized in profit or loss.

2.5 Property, plant and equipment

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	Useful lives
Computers	3 years
Renovation	3 years
Furniture & fixtures	5 years
Office equipment	5 years
Leasehold property	56 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

2. Summary of significant accounting policies (Continued)

2.5 Property, plant and equipment (Continued)

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognized.

2.6 Impairment of non-financial assets

The Institution assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Institution makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in profit or loss.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized previously. Such reversal is recognized in profit or loss.

2.7 Financial instruments

(a) Financial assets

Initial recognition and measurement

Financial assets are recognized when, and only when, the Institution becomes a party to the contractual provisions of the financial instrument. The Institution determines the classification of its financial assets at initial recognition.

When financial assets are recognized initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

2. Summary of significant accounting policies (Continued)

2.7 Financial instruments (Continued)

(a) Financial assets (Continued)

Subsequent measurement

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortized cost using the effective interest method, less impairment. Gains and losses are recognized in profit or loss when the loans and receivables are derecognized or impaired, and through the amortization process.

Loans and receivables comprise Other receivables, and Cash and Cash equivalents.

Cash and Cash equivalent comprise Cash at banks, at hand and fixed deposit.

De-recognition

A financial asset is derecognized when the contractual right to receive cash flows from the asset has expired. On de-recognition 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 has been recognized in other comprehensive income is recognized in profit or loss.

Available-for-sale financial assets

Available-for-sale financial assets are those, which are neither classified as held for trading nor designated at fair value through profit or loss.

After initial recognition, available-for-sale financial assets are subsequently measured at fair value. Any gains or losses from changes in fair value of the financial assets are recognized in other comprehensive income, except that impairment losses, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognized in profit or loss. The cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment when the financial asset is de-recognized.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

2. Summary of significant accounting policies (Continued)

2.7 Financial instruments (Continued)

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognized when, and only when, the Institution becomes a party to the contractual provisions of the financial instrument. The Institution determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognized initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognized in profit or loss when the liabilities are derecognized, and through the amortization process.

Such financial liabilities comprise Other payables.

De-recognition

A financial liability is de-recognized when the obligation under the liability is discharged, cancelled or expires. 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 de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit or loss.

2. Summary of significant accounting policies (Continued)

2.8 Impairment of financial assets

The Institution assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

Financial assets carried at amortized cost

For financial assets carried at amortized cost, the Institution first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Institution determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognized in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset 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 amount of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Institution 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 was recognized, the previously recognized impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortized cost at the reversal date. The amount of reversal is recognized in profit or loss.

2.9 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and are subject to an insignificant risk of changes in value.

2. Summary of significant accounting policies (Continued)

2.10 Provisions

General

Provisions are recognized when the Institution has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

2.11 Government grants

Government grants are recognized when 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 recognized as deferred capital grant on the statement of financial position and is amortized to profit or loss over the expected useful life of the relevant asset by equal annual installments.

Where loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as additional government grant.

2.12 Employee benefits

(a) Defined contribution plans

The Institution makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognized as an expense in the period in which the related service is performed.

(b) 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 recognized for the amount expected to be paid if the Institution 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.

2. Summary of significant accounting policies (Continued)

2.13 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Institution and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

(a) Membership fees and Sponsorship

Subscription and entrances fees from members are recognized when due and received. Income from courses and seminars are recognized when delivered.

(b) Interest income

Interest income is recognized on a time proportion basis using the effective interest method.

(c) Dividend income

Dividend income is recognized when the right to receive payment is established.

2.14 Operating leases as lessee

Finance leases which transfer to the Institution substantially all the risks and rewards incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalized. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Institution will obtain ownership by the end of the lease term.

Operating lease payments are recognized as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognized as a reduction of rental expense over the lease term on a straight-line basis.

3. Significant accounting judgments and estimates

The preparation of the Institution's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

Determination of functional currency

In determining the functional currency of the Institution, judgment is used by the Institution to determine the currency of the primary economic environment in which the Institution operates. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Institution based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Institution. Such changes are reflected in the assumptions when they occur.

(a) Useful lives of property, plant and equipment

The useful life of an item of property, plant and equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount from the Institution's Property, Plant and Equipment as at 31 December 2018 was SGD324,352 (2017: SGD332,398).

4. REVENUE

	2018 S$	2017 S$
Income is represented by:		
• Activities/courses/seminar fees	**32,447**	28,268
• Members subscription	**23,000**	19,141
• Transfer fee/entrance fee/re-instatement fee	**2,760**	6,930
	58,207	54,339

5. OTHER INCOME

	2018 S$	2017 S$
Interest income		
- Bank interest	**47**	60
- Fixed deposit interest	**869**	866
	916	926
Government grants		
- Skill future credit	-	1,875
- Special employment credit	**3,453**	3,630
- Temporary employment credit	**104**	416
	3,557	5,921
Dividends	**28,895**	28,835
Miscellaneous	-	1,359
	33,368	37,041

6. COST OF PROGRAM AND SEMINARS

	2018 S$	2017 S$
Cold Chain Delivery Solution	-	2,000
Harbour Design and Port Operations (TUM)	-	2,400
	-	4,400

7. WILAT ACTIVITIES

	2018 S$	2017 S$
Income		
- Networking Session	-	895
Expenses		
- Networking Session	-	(420)
Surplus from WILAT activities	-	475

8. EMPLOYEE BENEFITS EXPENSES

	2018 S$	2017 S$
Salaries and wages	**42,510**	46,600
Employer's CPF contribution for Staff	**3,282**	4,217
Staff medical expenses	**50**	105
Levies and other costs	**105**	122
	45,947	51,044

9. OTHER OPERATING EXPENSES

	2018 S$	2017 S$
Accounting fees	**5,400**	5,400
Audit fee	**1,500**	1,500
AGM & Board expenses	**1,225**	1,049
Annual fees	**1,347**	1,634
Bank charges	**341**	583
Cleaning expenses	**-**	800
Course expenses	**4,475**	4,163
Entertainment & refreshment	**345**	499
Loss/(Gain) on foreign exchange	**147**	(107)
Insurance professional indemnity	**-**	669
Miscellaneous	**-**	3
Office expenses	**354**	393
Postage & courier charges	**25**	16
Printing & stationery	**100**	875
Property maintenance	**8,752**	8,752
Property tax	**5,580**	5,630
Repairs & maintenance	**180**	-
Rental of equipment	**3,197**	3,062
Telephone and internet charges	**2,222**	2,743
Transport & travelling expenses	**324**	892
Upkeep of website	**1,154**	788
Utilities	**2,996**	2,749
	39,664	42,092

10. INCOME TAX EXPENSE

The Institution has been exempted from income taxation with effect from the Year of Assessment 2008.

11. AVAILABLE-FOR-SALE FINANCIAL ASSET

	2018	2017
	S$	S$
Quoted shares in companies		
• Balance at beginning	**567,977**	449,276
Acquisition during the year	**3,024**	12,776
Movement in Fair value	**(33,956)**	105,925
Balance at end	**537,045**	567,977
Available-for-sale financial asset carried at fair value are as follows:		
- Quoted equity investments	**537,045**	567,977

The fair value of quoted equity investments is determined by reference to stock exchange quoted bid prices.

12. PROPERTY, PLANT & EQUIPMENT

	Computer	Renovation	Furniture & fittings	Office equipment	Leasehold property	Total
	S$	S$	S$	S$	S$	S$
Cost						
At 31 December 2017	5,518	35,263	10,057	5,986	458,091	514,915
At 01 January 2018	5,518	35,263	10,057	5,986	458,091	514,915
Additions	460	-	-	-	-	460
Disposals	(3,500)	-	-	-	-	(3,500)
At 31 December 2018	2,478	35,263	10,057	5,986	458,091	511,875
Accumulated Depreciation						
At 01 January 2017	5,205	35,263	9,084	5,337	118,850	173,739
Depreciation	313	-	313	263	7,889	8,776
At 31 December 2017	5,518	35,263	9,397	5,600	126,739	182,517
At 01 January 2018	5,518	35,263	9,397	5,600	126,739	182,517
Depreciation	115	-	240	262	7,889	8,506
Disposals	(3,500)	-	-	-	-	(3,500)
At 31 December 2018	2,133	35,263	9,637	5,862	134,628	187,523
Carrying amount						
At 31 December 2017	-	-	660	386	331,352	332,398
At 31 December 2018	345	-	420	124	323,463	324,352

13. OTHER RECEIVABLES

	2018 S$	2017 S$
CURRENT		
Non-trade receivables		
- Deposits	**270**	550
- Prepayments	**331**	340
- Recoverable expense	**-**	1,775
- Other debtors	**-**	120
	601	2,785

14. CASH AND CASH EQUIVALENTS

	2018 S$	2017 S$
Cash on hand	**300**	300
Cash at banks	**97,181**	104,670
Fixed deposits	**256,505**	257,416
Statement of financial position	**353,986**	362,386
Fixed deposits	**(256,505)**	(257,416)
Statement of cash flows	**97,481**	104,970

Cash at banks earn interest based on daily bank deposits rates.

Included in cash and cash equivalents are bank deposits amounting to SGD256,505 (2017: SGD257,416) which are not freely remissible for use by the Institution because of having maturity later than 3 months.

Included in cash and cash equivalents are SGD4,490 (2017: SGD196) held in trust for the Women in Logistics and Transport (WILAT), Hong Kong.

15. OTHER PAYABLES

	2018 S$	2017 S$
CURRENT		
Non-trade payables		
- Accrued operating expenses	**7,282**	8,686
- Subscription in advance	**11,846**	28,855
- Other creditors	**-**	150
	19,128	37,691

15. OTHER PAYABLES (Continued)

	2018	2017
	S$	S$
NON-CURRENT		
Non-trade payables		
- Amount from Lee Foundation States of Malaya	**48,500**	48,500
- Amount from WILAT, Hong Kong	**4,420**	-
- Subscription in advance	**10,816**	9,737
	63,736	58,237
Total other payables	**82,864**	95,928

Current other payables have an average term of 3 months.

Included in non-trade payables are SGD4,420 held in trust for the Women in Logistics and Transport (WILAT), Hong Kong.

16. FINANCIAL RISK MANAGEMENT

The main arising from the Institution's financial management are interest rate risk, credit risk and liquidity risk. The policies for managing each of these risk are summaried below:

(a) Liquidity risk

Liquidity risk is the risk the Institute is unable to meet its cash flow obligations as and when they fall due.

In the management of its liquidty risk, the Institution monitors and maintains a level of cash and cash equivalents deemed adequate by the executive committee to finance the Institution's operations and mitigate the effects of fluctuations in cash flows.

(b) Interest rate risk

Interest rate risk is the risk to earnings and value of financial instruments caused by fluctuations in interest rates.

The Institution's exposure to risk for changes in interest rates relates primarily to its interest-bearing bank deposits. The Institution adopts a policy of constantly monitoring movements in interest rates to obtain the most favourable interest rate available in the market. Presently, the Institution does not use derivative financial instruments to hedge its interest risk.

16. FINANCIAL RISK MANAGEMENT (Continued)

(c) Credit risk

Credit risk is the potential loss arising from any failure by the counterparties to fulfill their obligations as an when these obligations fall due.

The Institution manages this risk by monitoring credit ratings and limiting the aggregate financial exposure to any individual counterparty.