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 2019

WU WAI HONG & CO.
CHARTERED ACCOUNTANTS

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

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THE CHARTERED INSTITUTE OF LOGISTICS & TRANSPORT, SINGAPORE

(Registered in the Republic of Singapore)

(Unique Entity Number S72SS0011C)

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 2019 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, 25 February 2020.

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 2019 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

....

Thomas Ng
Honorary Treasurer

Singapore, 25 February 2020.

WU WAI HONG & CO.
Chartered Accountants

5 Jalan Kilang Barat,
#05-03 Petro Centre,
Singapore 159349.
Tel: 62221351, Fax: 62227001
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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 2019, 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 2019 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.

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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.

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Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

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.

Report on Other Legal and Regulatory Requirements

In our opinion, 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, 25 February 2020.

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

STATEMENT OF INCOME OR EXPENDITURE AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	Notes	2019	2018
		S$	S$
Revenue	4	50,686	58,207
Income from Wilat activities	6	22,262	-
		72,948	58,207
Other items of income			
Interest income		1,565	916
Other income		34,666	32,452
	5	36,231	33,368
Other items of expense			
Employee benefits expense	7	(46,481)	(45,947)
Depreciation of property, plant and equipment	11	(9,315)	(8,506)
Other expenses	8	(40,392)	(39,664)
Expenses from Wilat activities	6	(22,881)	-
		(119,069)	(94,117)
Deficit before tax		(9,890)	(2,542)
Income tax expense	9	-	-
Deficit for the year		(9,890)	(2,542)
Other comprehensive income			
Item that will not be reclassified to profit or loss:			
Net fair value gains/(losses) on equity instruments at fair value through other comprehensive income	10	100,325	(33,956)
Profit/(loss) for the year, representing total comprehensive income for the year		90,435	(36,498)

THE CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT, SINGAPORE
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STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Notes	2019	2018
		S$	S$
ASSETS			
Non-current assets			
Investment securities	10	658,600	537,045
Property, plant and equipment	11	321,005	324,352
		979,605	861,397
Current assets			
Other receivables	14	820	601
Cash and cash equivalents	12	319,518	353,986
		320,338	354,587
TOTAL ASSETS		1,299,943	1,215,984
ACCUMULATED FUND AND LIABILITIES			
Fair value reserve		137,684	37,359
Accumulated funds		1,085,871	1,095,761
		1,223,555	1,133,120
Non-current liabilities			
Other payables	13	60,142	63,736
Current liabilities			
Other payables	13	16,246	19,128
TOTAL EQUITY AND LIABILITIES		1,299,943	1,215,984

The accompanying notes form an integral part of these financial statements

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 2019

	Fair value reserve	Accumulated fund	Total
	S$	S$	S$
At 01 January 2018	71,315	1,098,303	1,169,618
Loss for the year	-	(2,542)	(2,542)
Other comprehensive income:			
Net fair value losses on equity instruments at fair value through other comprehensive income	(33,956)	-	(33,956)
Total comprehensive income for the year	(33,956)	(2,542)	(36,498)
At 31 December 2018	37,359	1,095,761	1,133,120
At 01 January 2019	37,359	1,095,761	1,133,120
Loss for the year	-	(9,890)	(9,890)
Other comprehensive income:			
Net fair value gains on equity instruments at fair value through other comprehensive income	100,325	-	100,325
Total comprehensive income for the year	100,325	(9,890)	90,435
Balance at 31 December 2019	137,684	1,085,871	1,223,555

THE CHARTERED INSTITUTE OF LOGISTICS & TRANSPORT, SINGAPORE

(Incorporated in the Republic of Singapore)

(Unique Entity Number S72SS0011C)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2019

	Notes	2019	2018
		S$	S$
CASH FLOWS FROM OPERATING ACTIVITIES			
Deficit before tax		**(9,890)**	(2,542)
Adjustments for:			
Depreciation of property, plant and equipment		**9,315**	8,506
Interest income		**(1,565)**	(916)
		(2,140)	5,048
Change in working capital:			
Other receivables		**(218)**	2,184
Other payables		**(6,477)**	(13,064)
Cash used in operations		**(8,835)**	(5,832)
Income tax paid		-	-
Net cash used in operating activities		**(8,835)**	(5,832)
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of property, plant and equipment		**(5,968)**	(460)
Interest received		**1,565**	916
Movement in long term fixed deposits		**5,797**	911
Purchase of quoted shares investment		**(21,230)**	(3,024)
Net cash used in investing activities		**(19,836)**	(1,657)
Net decrease in cash and cash equivalents		**(28,671)**	(7,489)
Cash and cash equivalents at 01 January		**97,481**	104,970
Cash and cash equivalents at 31 December	**13**	**68,810**	97,481

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 2019 were authorised for issue by the Executive Director and Responsible Board Members on 25 February 2020.

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 amended standards and interpretations

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 2019. The adoption of these standards, FRS 116 Leases did not have any material effect on the financial statements of the institution.

2. Summary of significant accounting policies (Continued)

2.2 Adoption of new and amended standards and interpretations (Continued)

FRS 116 Leases

FRS 116 supersedes FRS 17 Leases, INT FRS 104 Determining whether an Arrangement contains a Lease, INT FRS 15 Operating Leases-Incentives and INT FRS 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the statement of financial position.

At the date of initial application and 31 December 2019, the Institution has assessed that the adoption of FRS 116 does not have any material impact to the financial statements of the Institution.

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 2019, and have not been applied in preparing these financial statements. The Institution does not plan to early adopt these standards.

The following standards that have been issued but not yet effective are as follows:

Description	Effective for annual periods beginning on or after
▪ Amendments to References to the Conceptual Framework in FRS Standards	1 January 2020
▪ Amendments to FRS 1 and FRS 8 Definition of Material	1 January 2020

The director expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

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.

2. Summary of significant accounting policies (Continued)

2.4 Foreign currency transactions and balances (Continued)

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting period are recognised 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.

An item of property, plant and equipment is derecognised 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 derecognised.

2. Summary of significant accounting policies (Continued)

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 recognised in profit or loss.

A previously recognised 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 recognised. 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 recognised previously. Such reversal is recognised in profit or loss.

2.7 Financial instruments

a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Institution measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Institution expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

2. Summary of significant accounting policies (Continued)

2.7 Financial instruments (Continued)

a) Financial assets (Continued)

Subsequent measurement

Investments in debt instruments
Subsequent measurement of debt instruments depends on the Institution's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income (FVOCI) and FVPL. The Institution only has debt instruments at amortised cost.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Investments in equity instruments
On initial recognition of an investment in equity instrument that is not held for trading, the institution may irrevocably elect to present subsequent changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the institution's right to receive payments is established. For investments in equity instruments which the institution has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

(b) Financial liabilties

Initial recognition and measurement

Financial liabilities are recognised 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.

2. Summary of significant accounting policies (Continued)

2.7 Financial instruments (Continued)

(b) Financial liabilties

Initial recognition and measurement

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liabilitiy is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

2.8 Impairment of financial assets

The Institution recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Institution expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Institution applies a simplified approach in calculating ECLs. Therefore, the Institution does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Institution has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

2. Summary of significant accounting policies (Continued)

2.8 Impairment of financial assets (Continued)

The Institution considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Institution may also consider a financial asset to be in default when internal or external information indicates that the Institution is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Institution. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.9 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.

2.10 Cash and cash equivalents

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

2.11 Government grants

Government grants are recognised 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 recognised as deferred capital grant on the statement of financial position and is amortised 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 favourable interest is regarded as additional government grant.

2. Summary of significant accounting policies (Continued)

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 recognised 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 recognised 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.

2.13 Revenue recognition

Revenue is measured based on the consideration to which the Institution expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Institution satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

(a) Membership fees

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 recognised on a time proportion basis using the effective interest method.

(c) Dividend income

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

2. Summary of significant accounting policies (Continued)

2.14 Leases

These accounting policies are applied on and after the initial application date of FRS 116, 1 January 2019:

The Institution assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee
The Institution applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

Leases of low-value assets
The Institution applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on low value assets are recognised as expense on a straight-line basis over the lease term.

These accounting policies are applied before the initial application date of FRS 116, 1 January 2019:

As lessee
Operating lease payments are recognised 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 recognised as a reduction of rental expense over the lease term on a straight-line basis.

3. Significant accounting judgments and estimates

3.1 Judgements made in applying accounting policies

The management is of the opinion that there are no significant judgments made in applying accounting estimates and policies that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

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.

3. Significant accounting judgments and estimates (Continued)

3.2 Key sources of estimation uncertainty (Continued)

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 2019 was $321,005 (2018: $324,352).

4. REVENUE

	2019 S$	2018 S$
Disaggregation of revenue from contracts with customers		
• Activities/courses/seminar fees	**21,290**	32,447
• Members subscription	**18,806**	23,000
• Transfer fee/entrance fee/re-instatement fee	**1,430**	2,760
• PSB Academy - collaboration	**9,160**	-
	50,686	58,207

Revenue are recognised at a point in time.

5. OTHER INCOME

	2019 S$	2018 S$
Interest income		
- Bank interest	**44**	47
- Fixed deposit interest	**1,521**	869
	1,565	916
Government grants		
- Special employment credit	**3,630**	3,453
- Temporary employment credit	**-**	104
	3,630	3,557
Dividends	**29,701**	28,895
Miscellaneous	**1,335**	-
	36,231	33,368

6. WILAT ACTIVITIES

	2019 S$	2018 S$
Income:		
School Transport Safety Conference (STSC)		
- Ticket Sales	**4,276**	-
- Sponsorship	**17,986**	-
	22,262	-
Less: Expenses		
- Catering and rental	**3,719**	-
- Logistic and marketing	**9,352**	-
- Airfare and hotel	**8,847**	-
- Photography	**600**	-
- Bank Charges	**363**	-
	22,881	-
Net deficit from Wilat activities	**(619)**	-

7. EMPLOYEE BENEFITS

	2019	2018
	S$	S$
Salaries and wages	**42,600**	42,510
Employer's CPF contribution for Staff	**3,762**	3,282
Staff medical expenses	-	50
Levies and other costs	**119**	105
	46,481	45,947

8. OTHER EXPENSES

	2019	2018
	S$	S$
Accounting fees	**5,400**	5,400
Audit fee	**1,500**	1,500
AGM & Board expenses	**750**	1,225
Annual fees	**366**	1,347
Bank charges	**304**	341
Course expenses	**5,070**	4,475
Entertainment & refreshment	**1,846**	345
Loss on foreign exchange	**14**	147
Office expenses	**505**	354
Postage & courier charges	-	25
Printing & stationery	**100**	100
Property maintenance	**9,116**	8,752
Property tax	**5,580**	5,580
Repairs & maintenance	-	180
Rental of equipment	**3,197**	3,197
Telephone and internet charges	**2,105**	2,222
Transport & travelling expenses	**560**	324
Upkeep of website	**1,714**	1,154
Utilities	**2,265**	2,996
	40,392	39,664

9. INCOME TAX EXPENSE

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

10. INVESTMENT SECURITIES

Financial assets

	2019	2018
	S$	S$
At fair value through other comprehensive income		
- Equity securities (quoted)	**658,600**	537,045

Movement in equity securities		
Balance at beginning	**537,045**	567,977
Acquisition during the year	**21,230**	3,024
Movement in Fair value	**100,325**	(33,956)
Balance at end	**658,600**	537,045

The fair values of each of the investments in quoted equity securities designated at fair value through other comprehensive income at the end of the reporting period were as follows:

	2019	2018
	S$	S$
At fair value through other comprehensive income		
- Equity securities (quoted)		
ASCENDAS REIT	**96,466**	71,960
CAPITACOM TRUST	**102,095**	90,808
CAPITAMALL TRUST	**81,180**	74,910
KEPPEL REIT	**84,508**	79,736
MAPLETREE COM TR	**112,626**	72,160
MAPLETREE IND TR	**106,285**	74,901
SUNTEC REIT	**75,440**	72,570
	658,600	537,045

The Institution has elected to measure these quoted equity securities at fair value through other comprehensive income due to the Institution's intention to hold these equity securities for long-term appreciation.

11. PROPERTY, PLANT & EQUIPMENT

	Computer	Renovation	Furniture & fittings	Office equipment	Leasehold property	Total
	S$	S$	S$	S$	S$	S$
Cost						
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
At 01 January 2019	**2,478**	**35,263**	**10,057**	**5,986**	**458,091**	**511,875**
Additions	**968**	**-**	**5,000**	**-**	**-**	**5,968**
Disposals	**-**	**-**	**(1,250)**	**-**	**-**	**(1,250)**
At 31 December 2019	**3,446**	**35,263**	**13,807**	**5,986**	**458,091**	**516,593**
Accumulated Depreciation						
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
At 01 January 2018	**2,133**	**35,263**	**9,637**	**5,862**	**134,628**	**187,523**
Depreciation	**395**	**-**	**907**	**124**	**7,889**	**9,315**
Disposals	**-**	**-**	**(1,250)**	**-**	**-**	**(1,250)**
At 31 December 2019	**2,528**	**35,263**	**9,294**	**5,986**	**142,517**	**195,588**
Carrying amount						
At 31 December 2018	345	-	420	124	323,463	324,352
At 31 December 2019	**918**	**-**	**4,513**	**-**	**315,574**	**321,005**

12. CASH AND CASH EQUIVALENTS

	2019 S$	2018 S$
Cash on hand	**300**	300
Cash at banks	**68,510**	97,181
Fixed deposits	**250,708**	256,505
Statement of financial position	**319,518**	353,986
Fixed deposits	**(250,708)**	(256,505)
Statement of cash flows	**68,810**	97,481

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

Included in cash and cash equivalents are bank deposits amounting to $250,708 (2018: $256,505) 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 $5,312 (2018:$4,490) held in trust for Women in Logistics and Transport, Hong Kong.

13. OTHER PAYABLES

	2019 S$	2018 S$
CURRENT		
Non-trade payables		
- Accrued operating expenses	**7,565**	7,282
- Subscription in advance	**8,681**	11,846
	16,246	19,128
NON-CURRENT		
Non-trade payables		
- Amount from Lee Foundation States of Malaya	**46,250**	48,500
- Amount from WILAT, Hong Kong	**5,242**	4,420
- Subscription in advance	**8,650**	10,816
	60,142	63,736
Total other payables	**76,388**	82,864

Included in non-trade payables are S$5,242 (2018 : S$4,420) held in trust for Women in Logistics and Transport, Hong Kong.

14. OTHER RECEIVABLES

	2019	2018
	S$	S$
CURRENT		
Non-trade receivables		
- Deposits	**489**	270
- Prepayments	**331**	331
	820	601

15. 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.

(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.