

ASSOCIATION OF CERTIFIED SECURITY AGENCIES
(Registered in the Republic of Singapore under the Societies Act, Cap.311)
UEN: S97SS0019B

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2015

J Corporate Accountants
Public Accountants and Chartered Accountants
18 Lorong Abu Talib
Singapore 456855

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the Republic of Singapore under the Societies Act, Cap.311)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2015

Executive Committee

President Mr Robert Wiener
Vice President Mr Weers Terry Nicholas

Hon. Secretary Mr Dennis Krishnan
Hon. Asst. Secretary Mr Garry Haris

Hon. Treasurer Mr Khairul Annuar
Hon. Asst. Treasurer Mr Vijayah Sigamani

Committee Members Ms Morrine
Mr Appukuttan S Nair
Mr V W Nathan
Mr Sampath PP
Mr A R Ismail
Mr Willam Seak

Auditor

J Corporate Accountants
Public Accountants and
Chartered Accountants, Singapore
18 Lorong Abu Talib
Singapore 456855

Registered Office address

33 Sam Leong Road
Singapore 207923

Contents

| | <u>Pages</u> |
|--|--------------|
| Statement by Management Committee | 1 |
| Independent Auditors' Report | 2 |
| Balance sheet | 3 |
| Statement of Comprehensive Income | 4 |
| Statement of Changes in accumulated fund | 5 |
| Statement of Cash Flow | 6 |
| Notes to the financial statement | 7 – 13 |

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

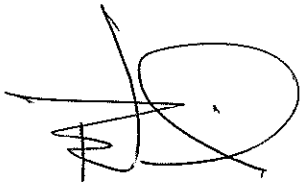
(Registered in the Republic of Singapore under the Societies Act, Cap.311)

Statement by the Management Committee for the Financial Year Ended 31 March 2015

We, the undersigned being the officers primarily responsible for the financial management of ASSOCIATION OF CERTIFIED SECURITY AGENCIES, do hereby confirm that the financial statements together with the notes thereon are drawn up in accordance with the provisions of the Societies Act, Cap.311 and the Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Association as at 31 March 2015 and of its results, changes in fund and cash flows of the Association for the year then ended. At the date of this statement there are reasonable grounds to believe that the Association will be able to pay its debts as and when due.

The management committee authorised these financial statements for issue on 28 JUL 2015

ON THE BEHALF OF THE MANAGEMENT COMMITTEE:



Mr. Robert Wiener
President



Mr. Dennis Krishnan
Honorary Secretary



Mr. Khairul Annuar
Honorary Treasurer

Singapore

Date 28 JUL 2015

J

J Corporate Accountants
Public Accountants and
Chartered Accountants
18 Lorong Abu Talib
Singapore 456855
Tel: 64437824, Fax: 64437824
Email: ramanvalla@hotmail.com

**INDEPENDENT AUDITORS' REPORT TO MEMBERS OF THE
ASSOCIATION OF CERTIFIED SECURITY AGENCIES**

(Registered in the Republic of Singapore under the Societies Act, Cap.311)

Report on the Financial Statements

We have audited the accompanying financial statements of Association of Certified Security Agencies ("the Association"), which comprise the balance sheet as at 31 March 2015, the statement of comprehensive income, statement of changes in accumulated fund and statement of cash flow for year ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The Association's Management Committee is responsible for the preparation and fair presentation of financial statements in accordance with the provision of the Societies Act Cap.311 and Singapore Financial Reporting Standards, and for such internal control as management committee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 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 reasonableness of the 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 Association are properly drawn in accordance with the Societies Act and Singapore Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Association as at 31 March 2015 and the results, changes in fund and cash flows of the Association for the financial year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the regulation enacted under the Societies Act to be kept by the Association have been properly kept in accordance with those regulations.



J Corporate Accountants
Public Accountants and Chartered Accountants
Singapore

Date: 28 JUL 2015

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the Republic of Singapore under the Societies Act, Cap.311)

BALANCE SHEET AS AT 31 MARCH 2015

| | Note | 2015 \$ | 2014 \$ |
|---|------|---------------|---------------|
| ASSETS | | | |
| NON-CURRENT ASSET | | | |
| Plant and equipment | 4 | - | - |
| CURRENT ASSETS | | | |
| Membership fee in arrears | | 300 | 5,100 |
| Cash and cash equivalents | 5 | 52,347 | 52,337 |
| | | <u>52,647</u> | <u>57,437</u> |
| TOTAL ASSETS | | <u>52,647</u> | <u>57,437</u> |
| LIABILITIES AND ACCUMULATED FUND | | | |
| LIABILITIES | | | |
| Prepaid membership fee | 6 | 3,900 | 300 |
| Accruals | 7 | 3,500 | 2,259 |
| | | <u>7,400</u> | <u>2,559</u> |
| <i>Net current assets</i> | | 45,247 | 54,878 |
| <i>Net assets</i> | | 45,247 | 54,878 |
| ACCUMULATED FUND | | | |
| Accumulated fund | 3 | 45,247 | 54,878 |
| TOTAL LIABILITIES AND ACCUMULATED FUND | | <u>52,647</u> | <u>57,437</u> |

The annexed notes form an integral part of and should be read in conjunction with these financial statements

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the Republic of Singapore under the Societies Act, Cap.311)

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2015

| | Note | 2015 \$ | 2014 \$ |
|--|------|-----------------------|-----------------------|
| Revenue | 10 | 31,899 | 32,323 |
| Operating expenses | 11 | (41,281) | (34,469) |
| Operating deficit | | <u>(9,382)</u> | <u>(2,146)</u> |
| Financing costs | | (50) | (30) |
| Deficit before taxation | | <u>(9,432)</u> | <u>(2,176)</u> |
| Taxation | 8 | (199) | (137) |
| Deficit after taxation | | <u>(9,631)</u> | <u>(2,313)</u> |
| Other comprehensive income | | - | - |
| Total comprehensive deficit for the year | | <u><u>(9,631)</u></u> | <u><u>(2,313)</u></u> |

The annexed notes form an integral part of and should be read in conjunction with these financial statements

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the Republic of Singapore under the Societies Act, Cap.311)

STATEMENT OF CHANGES IN ACCUMULATED FUND FOR THE YEAR ENDED 31 MARCH 2015

| | 2015 \$ | 2014 \$ |
|--|---------------|---------------|
| Balance as at beginning of the year | 54,878 | 57,191 |
| Total comprehensive deficit for the year | (9,631) | (2,313) |
| Balance as at end of the year | <u>45,247</u> | <u>54,878</u> |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the Republic of Singapore under the Societies Act, Cap.311)

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2015

| | 2015 | 2014 |
|---|---------------|---------------|
| | \$ | \$ |
| Cash flow from operating activities | | |
| Deficit before taxation | (9,432) | (2,176) |
| Adjustments for: | | |
| Finance costs | 50 | 30 |
| Operating profit before working capital changes | (9,382) | (2,146) |
| Decrease/(increase) in membership fee | 4,800 | (1,400) |
| Increase in prepaid membership and accruals | 4,841 | (1,641) |
| Cash used in operations | 259 | (5,187) |
| Financing costs | (50) | (30) |
| Income tax paid | (199) | (137) |
| Net cash used in operating activities | 10 | (5,354) |
| | | |
| Net decrease in cash and cash equivalents | 10 | (5,354) |
| | | |
| Cash and cash equivalents at beginning of the year | 52,337 | 57,691 |
| | | |
| Cash and cash equivalents at end of year | <u>52,347</u> | <u>52,337</u> |

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the public of Singapore under the Societies Act, Cap.311)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

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

1 General

The Association of Certified Security Agencies (“Association”), is registered under the Societies Act Cap 311, in Singapore on 18 March 1997, has its registered office at 33 Sam Leong Road, Singapore 207923.

The association is managed by a committee headed by a president.

The principle activities of the association are to promote professionalism, standards and the ethical conduct in the private security industry.

There have no significant changes in the nature of these activities during the financial year.

The financial statements for the year ended 31 March 2015 were authorised for issue by the management committee on **28 JUL 2015**

2 Significant Accounting Policies

a) Basis of Preparation

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (FRS) as required by the Companies Act, Cap. 50.

The financial statements, expressed in Singapore dollars, are prepared in accordance with the historical cost basis, except as disclosed in the accounting policies below.

The accounting policies have been consistently applied by the Association.

In the current financial year, the Association has adopted all new and revised FRS and interpretations of FRS (“INT FRS”) that are relevant to its operations and effective for the current financial year.

The adoption of these new/revised FRSs has no material effect on the financial statements.

b) Financial assets

i) Classification

The Association 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 Association only financial assets are loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except those maturing later than 12 months after the balance sheet date which are classified as non-current assets, loans and receivables including prepayments are presented as “other receivables” and “cash and cash equivalents” on the balance sheet date.

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the public of Singapore under the Societies Act, Cap.311)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

2 Significant Accounting Policies (continued)

b.) Financial assets

ii) Recognition and derecognition

Regular purchase and sales of financial assets are recognized on trade-date – the date on which the Association commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Association has transferred substantially all risks and rewards of ownership. On disposal of a financial assets, the difference between the net sale proceeds and its carrying amount is recognised in profit and loss. Any amount in the fair value reserve if any, relating to that asset is also transferred to profit or loss.

iii) Initial measurement

Financial assets are initially recognized at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value. Transaction cost for financial assets at fair value through profit and loss are recognize as expenses.

iv) Subsequent measurement

Loans and receivables are carried at amortised cost using the effective interest method.

Interest income on financial assets are recognised separately in profit or loss.

v) Impairment

The Association assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

Loans and receivables

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial recognition, and default or delinquency in payments are considered indicators that the receivable is impaired.

The carrying amount of these assets is reduced through the use of an impairment loss recognised in profit or loss. The impairment loss is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Subsequent recoveries of amounts previously written off are recognized against the same line item in profit or loss.

c) Cash and cash equivalents

Cash and cash equivalents comprises cash and bank balances which are subject to insignificant risk of changes in value.

Cash on hand and in bank are classified and accounted for as loans and receivables. The accounting policy is stated in note 2(b)

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the public of Singapore under the Societies Act, Cap.311)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

2 Significant Accounting Policies (continued)

d) Financial liabilities

Financial liabilities include other creditors and accruals. Financial liabilities are recognized on the balance sheet date when, and only when, the association becomes a party to a contractual provision of the financial instrument.

Financial liabilities are initially recognized at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest rate.

Gain and loss are recognized in the income statement when the liabilities are recognized as well as through the amortization process. The liabilities are recognised when the obligation under liability is discharged or cancelled and expired.

e) Income tax

Income tax for the financial year comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

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

Deferred tax is recognized, using the balance sheet method, providing for all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is not recognized for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit.

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

A deferred tax assets is recognized to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilised . Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

f) Provision

Provisions are recognised when the association has a present obligation (Legal or constructive) where, 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 a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation.

g) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the association and can be reliably measured.

Entrance fee and annual subscription are recognized on accrual basis.

Income from other sources is recognised when services are rendered. Interest income is recognised as the interest accrues based on effective interest rate method. Other income is recognized when received.

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the public of Singapore under the Societies Act, Cap.311)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

3 Accumulated fund

The accumulated fund is the Association's operating fund without any restriction on its usage.

4 Plant and Equipment

| | 2015 | 2014 |
|--------------------------|-----------------|-----------------|
| | \$ | \$ |
| Website at cost | 16,100 | 16,100 |
| Less: | | |
| Accumulated depreciation | <u>(16,100)</u> | <u>(16,100)</u> |
| Net book value | <u>-</u> | <u>-</u> |

5 Cash and cash equivalent

Cash and cash equivalent at the end of the financial year, included in cash flow statement, comprises the following balance sheet amounts:

| | 2015 | 2014 |
|---------------------------------------|---------------|---------------|
| | \$ | \$ |
| Cash at bank | <u>52,347</u> | <u>52,337</u> |
| Total cash and cash equivalent | <u>52,347</u> | <u>52,337</u> |
| Add: Membership fee in arrears | <u>300</u> | <u>5,100</u> |
| Total Loan and receivables | <u>52,647</u> | <u>57,437</u> |

6 Prepaid membership fee

| | 2015 | 2014 |
|------------------------|--------------|------------|
| | \$ | \$ |
| Prepaid membership fee | <u>3,900</u> | <u>300</u> |

7 Accruals

| | 2015 | 2014 |
|----------|--------------|--------------|
| | \$ | \$ |
| Accruals | <u>3,500</u> | <u>2,259</u> |

Accruals are usually settled within 30 days upon receipt of invoice.

8 Taxation

The reconciliation between the accounting surpluses multiplied by applying corporate tax rate is as follows:

| | 2015 | 2014 |
|--|----------------|----------------|
| | \$ | \$ |
| Deficit for the year before tax | <u>(9,432)</u> | <u>(2,176)</u> |
| Tax@ 17% | <u>(1,603)</u> | <u>(370)</u> |
| Deferred tax asset not recognised | 1,603 | 370 |
| Prior year under provision | <u>199</u> | <u>137</u> |
| Income tax expenses recognized in the income statement | <u>199</u> | <u>137</u> |

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the public of Singapore under the Societies Act, Cap.311)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

9 Related party transactions

The association is basically managed by the members who are not paid except for the followings:

| | 2015 | 2014 |
|-----------------|---------------|--------------|
| | \$ | \$ |
| Secretarial fee | 11,100 | 7,200 |
| Accounting fee | 900 | 1,800 |
| | <u>12,000</u> | <u>9,000</u> |

10 Revenue

| | 2015 | 2014 |
|---------------------|---------------|---------------|
| | \$ | \$ |
| Annual subscription | 29,100 | 30,900 |
| Entrance fee | 2,500 | 500 |
| Sponsorship | 299 | 913 |
| Other income | - | 10 |
| | <u>31,899</u> | <u>32,323</u> |

11 Operating expenses

| | 2015 | 2014 |
|-------------------------|---------------|---------------|
| | \$ | \$ |
| Accounting fee | 2,700 | 1,800 |
| AGM meeting expenses | 2,112 | 2,548 |
| Audit fee | 1,300 | 1,284 |
| Gifts | 1,252 | 1,969 |
| Members night | 13,721 | 14,820 |
| Printing and stationery | 3,648 | 1,516 |
| Secretarial fees | 11,100 | 7,200 |
| Storage | 899 | 899 |
| Others | 4,549 | 2,433 |
| | <u>41,281</u> | <u>34,469</u> |

12 Financial risk management

The main risks arising from the Association's financial management are interest rate risk, credit risk and liquidity risk. The Association reviews and agrees policies for managing each of these risks and they are summarized below:

(i) Interest rate risk

The Association is not exposed interest rate risk.

(ii) Credit risk

The Association's exposure to credit risk arises from the failure of a customer or counterparty to settle its financial and contractual obligations to the Association, as and when they fall due. The Association manages this risk by monitoring credit ratings and limiting the aggregate financial exposure to any individual counterparty.

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the public of Singapore under the Societies Act, Cap.311)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

12 Financial risk management (continued)

(iii) Liquidity risk

The Association monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operation and mitigate the effects of fluctuations in cash flows.

The table below summarizes the maturity profile of the Company's financial assets and financial liabilities as at 31 March 2015 based on contractual undiscounted payments.

| | Within one (1) year \$ | Between two (2) years and five (5) years \$ | After five (5) years \$ | Total \$ |
|--|------------------------------|--|----------------------------------|-------------|
| 2015 | | | | |
| Financial Assets | | | | |
| Membership fee in arrears | 300 | - | - | 300 |
| Cash and cash equivalents | 52,347 | - | - | 52,047 |
| Total undiscounted financial assets | 52,647 | - | - | 52,347 |
| Financial Liabilities | | | | |
| Prepaid membership fee | 3,900 | - | - | 3,900 |
| Accruals | 3,500 | - | - | 3,200 |
| Total undiscounted financial liabilities | 7,400 | - | - | 7,100 |
| Total net undiscounted financial assets | 45,247 | - | - | 45,247 |
| 2014 | | | | |
| Financial Assets | | | | |
| Membership fee in arrears | 5,100 | - | - | 5,100 |
| Cash and cash equivalents | 52,337 | - | - | 52,337 |
| Total undiscounted financial assets | 57,437 | - | - | 57,437 |
| Financial Liabilities | | | | |
| Prepaid membership fee | 300 | - | - | 300 |
| Accruals | 2,259 | - | - | 2,259 |
| Total undiscounted financial liabilities | 2,559 | - | - | 2,559 |
| Total net undiscounted financial assets | 54,878 | - | - | 54,878 |

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the public of Singapore under the Societies Act, Cap.311)

NOTES TO THE FINANCIAL STATEMENTS – 31 MARCH 2015

12 Financial risk management (continued)

Financial assets that are neither past due nor impaired

Bank deposits that are neither past due nor impaired are mainly deposits with financial institutions with high credit-ratings assigned by international credit-rating agencies. Other receivables that are neither past due nor impaired are substantially companies and individual with a good collection track record with Association.

Financial assets that are past due but not impaired

There are no other class of financial assets that is past due and /or impaired.

13 Fund Management

The Association's objectives when managing its funds are to safeguard its ability to maintain adequate working capital to continue as going concern, to promote its objective of promotion and organise scheme of assistance for the professionalism, standards and the ethical conduct in the private security Industry in Singapore and these objectives remain unchanged from previous financial year.

ASSOCIATION OF CERTIFIED SECURITY AGENCIES

(Registered in the Republic of Singapore under the Societies Act, Cap.311)

DETAILED INCOME STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

| | 2015 | 2014 |
|----------------------------------|---------|---------|
| | \$ | \$ |
| REVENUE | | |
| Annual subscription | 29,100 | 30,900 |
| Entrance fee | 2,500 | 500 |
| Sponsorship | 299 | 913 |
| Other income | - | 10 |
| | 31,899 | 32,323 |
| LESS : OPERATING EXPENSES | | |
| Accounting fee | 2,700 | 1,800 |
| Over provision of accounting fee | - | (700) |
| Advertisement | 1,000 | 835 |
| AGM meeting expenses | 2,112 | 2,548 |
| Audit fee | 1,300 | 1,284 |
| Domain and webhosting | 290 | 740 |
| Gifts | 1,252 | 1,969 |
| General expenses | 100 | - |
| Members night | 13,721 | 14,820 |
| Membership fee impaired | - | 300 |
| Parking fee | - | 9 |
| Postage and stamps | 172 | 256 |
| Printing and stationery | 3,648 | 1,516 |
| Refreshments | 95 | 161 |
| Registration fees | 80 | 115 |
| Repairs and maintenance | - | 310 |
| Secretarial fees | 11,100 | 7,200 |
| Seminar | 2,140 | - |
| Storage | 899 | 899 |
| Tax services | 100 | 100 |
| Telephone | 572 | 307 |
| | 41,281 | 34,469 |
| FINANCE COST | | |
| Bank charges | 50 | 30 |
| DEFICIT BEFORE TAX | (9,432) | (2,176) |