ACCORDIA GOLF TRUST MANAGEMENT PTE. LTD.
Registration Number: 201407957D

Financial Statements
Year ended 31 March 2019

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DIRECTORS' STATEMENT

We are pleased to present this annual report to the members of the Company together with the audited financial statements for the financial year ended 31 March 2019.

In our opinion:

(a) the financial statements set out on pages FS1 to FS26 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2019 and the financial performance, changes in equity and cash flows of the Company for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards; and

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

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

DIRECTORS

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

Yoshihiko Machida
Toyo Nakanishi (Appointed on 1 August 2018)
Khoo Kee Cheok @ Kee Chor
Chong Teck Sin
Hitoshi Kumagai

DIRECTORS' INTERESTS

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

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

SHARE OPTIONS

During the financial year, there were:

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

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

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

AUDITORS

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

On behalf of the Board of Directors

Yoshihiko Machida
Director

Toyo Nakanishi
Director

26 June 2019

INDEPENDENT AUDITORS' REPORT
MEMBERS OF THE COMPANY
Accordia Golf Trust Management Pte. Ltd.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Accordia Golf Trust Management Pte. Ltd. ('the Company'), which comprise the statement of financial position as at 31 March 2019, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages FS1 to FS26.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ('the Act') and Financial Reporting Standards in Singapore ('FRSs') so as to give a true and fair view of the financial position of the Company as at 31 March 2019 and of the financial performance, changes in equity and cash flows of the Company 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 '*Auditors' responsibilities for the audit of the financial statements'* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority *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.

Other information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and Directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The Directors' responsibilities include overseeing the Company's financial reporting process.

Auditors' 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 auditors' 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 controls.

- Obtain an understanding of internal controls 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 Company's internal controls.

- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Company 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 the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
26 June 2019

STATEMENT OF FINANCIAL POSITION
As at 31 March 2019

	Note	2019 $	2018 $
Assets			
Plant and equipment	4	46,054	61,872
Deferred tax assets	9	3,464	–
Non-current assets		49,518	61,872
Financial derivatives	5	–	36,439
Trade and other receivables	6	1,260,588	1,321,229
Prepayments		88,378	107,179
Cash and cash equivalents	7	4,119,348	3,945,337
Current assets		5,468,314	5,410,184
Total asset		5,517,832	5,472,056
Equity			
Share capital	8	625,000	625,000
Accumulated profits		4,660,896	4,514,094
Hedging reserve	8	–	(31,587)
Total equity		5,285,896	5,107,507
Liabilities			
Deferred tax liabilities	9	–	4,236
Non-current liability		–	4,236
Trade and other payables	10	209,762	326,452
Current tax liabilities		22,174	33,861
Current liabilities		231,936	360,313
Total liabilities		231,936	364,549
Total equity and liabilities		5,517,832	5,472,056

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
Year ended 31 March 2019

	Note	2019 $	2018 $
Revenue	11	2,895,919	3,011,325
Other income		345	464
Staff costs		(2,056,972)	(1,942,369)
Professional fees		(241,763)	(179,752)
Investor relation expenses		(20,324)	(23,191)
Operating lease expenses		(140,535)	(152,940)
Travelling expenses		(96,398)	(109,455)
Other expenses		(194,644)	(253,541)
Results from operating activities		145,628	350,541
Finance income	12	15,688	37,378
Profit before tax	13	161,316	387,919
Tax expense	14	(14,514)	(25,725)
Profit for the year		146,802	362,194
Other comprehensive income/ (loss) that may be reclassified subsequently to profit or loss			
Changes in fair value of financial hedges		31,587	(20,343)
Other comprehensive income/ (loss) for the year, net of tax		31,587	(20,343)
Total comprehensive income for the year		178,389	341,851

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

STATEMENT OF CHANGES IN EQUITY
Year ended 31 March 2019

	Share capital $	Accumulated profits $	Hedging reserve $	Total equity $
At 1 April 2017	625,000	4,151,900	(11,244)	4,765,656
Total comprehensive income for the year				
Profit for the year	–	362,194	–	362,194
Other comprehensive income				
Effective portion of changes in fair value of financial hedges	–	–	(20,343)	(20,343)
Total other comprehensive income	–	–	(20,343)	(20,343)
Total comprehensive income for the year	–	362,194	(20,343)	341,851
At 31 March 2018	625,000	4,514,094	(31,587)	5,107,507
At 1 April 2018	625,000	4,514,094	(31,587)	5,107,507
Total comprehensive income for the year				
Profit for the year	–	146,802	–	146,802
Other comprehensive income				
Effective portion of changes in fair value of financial hedges	–	–	31,587	31,587
Total other comprehensive income	–	–	31,587	31,587
Total comprehensive income for the year	–	146,802	31,587	178,389
At 31 March 2019	625,000	4,660,896	–	5,285,896

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

STATEMENT OF CASH FLOWS
Year ended 31 March 2019

	Note	2019	2018
		$	**$**
Cash flows from operating activities			
Profit before tax		161,316	387,919
Adjustments for:			
Depreciation of plant and equipment		15,818	20,895
Plant and equipment written-off		–	14,532
Interest income		(63,893)	(34,242)
		113,241	389,104
Changes in:			
– trade and other receivables		86,800	25,379
– prepayments		18,801	(25,844)
– trade and other payables		(116,690)	63,840
– financial derivatives		68,026	(2,412)
Cash generated from operations		170,178	450,067
Tax paid		(33,901)	(15,909)
Net cash flows from operating activities		136,277	434,158
Cash flows from investing activities			
Interest received		37,734	45,237
Purchase of plant and equipment		–	(55,312)
Fixed deposit pledged with a financial institution		(500,000)	–
Net cash used in investing activities		(462,266)	(10,075)
Net (decrease)/increase in cash and cash equivalents		(325,989)	424,083
Cash and cash equivalent at 1 April		3,445,337	3,021,254
Cash and cash equivalents at 31 March	7	3,119,348	3,445,337

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

NOTES TO FINANCIAL STATEMENTS
For the year ended 31 March 2019

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 26 June 2019.

1 DOMICILE AND ACTIVITIES

Accordia Golf Trust Management Pte. Ltd. (the "Company") is a company incorporated in Singapore. The address of the Company's registered office is at 80 Robinson Road, #22-03A, Singapore 068898.

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

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

This is the first set of the Company's annual financial statements in which FRS 115 *Revenue from Contracts with Customers*, Clarifications to FRS 115 *Revenue from Contracts with Customers* (Amendments to FRS 115) and FRS 109 *Financial Instruments* have been applied.

The adoption of these FRSs, amendments to standards and interpretations did not have a material effect on the Company's financial statements.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

These financial statements are presented in is Singapore dollars, which is the Company's functional currency. All financial information presented in Singapore dollars, unless otherwise stated.

2.4 Use of estimates and judgements

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

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

2.4 Use of estimates and judgements (continued)

There are no significant areas of critical judgements in the application of accounting policies that have significant effect on the amount recognised in the financial statements or assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarch based on the inputs used in the valuations techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: Inputs for the asset or liability that are not based on observable and market data (unobservable market data).

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Company recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 17 – Valuation of financial instruments

3 SIGNIFICANT ACCOUNTING POLICIES

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

3.1 Foreign currency

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

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

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value to profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets – Policy applicable from 1 April 2018

On initial recognition, a financial asset is classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.2 Financial instruments (continued)

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest – Policy applicable from 1 April 2018

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
  terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial assets – Policy applicable before 1 April 2018

Non-derivative financial assets

The Company recognises non-derivative financial assets into the loans and receivables category.

Loans and receivables

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

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

Cash and cash equivalents

Cash and cash equivalents comprise cash and bank balances.

3.2 Financial instruments (continued)

Non-derivative financial liabilities

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

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

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

The Company's non-derivative financial liabilities comprise trade and other payables.

Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method. These financial liabilities comprise trade and other payable and borrowings.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

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

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash balances used by the Company in the management of its short-term commitments.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.3 Derivative financial instruments, including hedge accounting

Derivative financial instruments include forward currency contracts. These are used to manage the Company's exposure to risks associated with foreign currency.

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivative financial instruments are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of forward currency contracts and interest rate derivatives are calculated by reference to current forward exchange rates and interest rates respectively for contracts with similar maturity profiles.

Hedge accounting

The Company applies hedge accounting for certain hedging relationships which qualify for hedge accounting. For the purpose of hedge accounting, hedges are classified as cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

Cash flow hedges

For each cash flow hedge relationship, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income. Amounts recognised as other comprehensive income are transferred to profit or loss when the hedged transaction affects profit or loss. The ineffective part of any gain or loss is recognised immediately in the Consolidated Profit and Loss Accounts at the time hedge effectiveness is tested.

When a cash flow hedge is discontinued, any cumulative gain or loss previously recognised in other comprehensive income will remain in the cash flow hedge reserve until the future cash flows occur. If the hedged future cash flows no longer expected to occur, the net cumulative gain or loss is immediately reclassified to profit or loss.

3.4 Share capital

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

3.5 Plant and equipment

Recognition and measurement

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

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

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

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

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.5 Plant and equipment (continued)

Subsequent costs

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

Depreciation

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

Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment.
Depreciation is recognised from the date that the plant and equipment are installed and are ready for use.

The estimated useful lives for the current and comparative years are as follows:

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

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

3.6 Impairment

(i) Non-derivative financial assets and contract assets

Policy applicable from 1 April 2018

The Company recognises loss allowances for expected credit losses ("ECLs") on financial assets measured at amortised costs.

Loss allowances of the Company are measured on either of the following bases:
- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Company applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Company applies the general approach to provide for ECLs on all other financial instruments and FGCs. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.6 Impairment (continued)

At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.
The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of these assets.

3.6 Impairment (continued)

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Policy applicable before 1 April 2018

Non-derivative financial assets

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

Objective evidence that financial assets are impaired can include default or delinquency by a debtor, restructuring of an amount due to the Company on terms that the Company would not consider otherwise, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers in the group, economic conditions that correlate with defaults or the disappearance of an active market for a security.

Loans and receivables

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

In assessing collective impairment, the Company used historical information on the timing of recoveries and the amount of loss incurred, and made an adjustment if current economic and credit conditions were such that the actual losses were likely to be greater or lesser than suggested by historical trends.

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

3.6 Impairment (continued)

Non-financial assets

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

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

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

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

3.7 Employee benefits

Defined contribution plans

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

Short-term employee benefits

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

3.8 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

3 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3.9 Revenue recognition

Management fee

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

Acquisition, divestment and one-time initial setup fees

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

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

3.10 Finance income

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

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

3.11 Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

3.12 Tax

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

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under FRS 37 *Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of the current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

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

3.12 Tax (continued)

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

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

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

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

3.13 New standards and interpretations not adopted

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning after 1 April 2018 and earlier application is permitted; however, the Company has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The FRS 116 *Leases* is effective for annual periods beginning on or after 1 April 2019.

FRS 116

FRS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use (ROU) asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases. FRS 116 replaces existing lease accounting guidance, including 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 is effective for annual periods beginning on or after 1 April 2019, with early adoption permitted.

The Company plan to apply FRS 116 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting FRS 116 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information. The Company plan to apply the practical expedient to grandfather the definition of a lease on transition. This means that they will apply FRS 116 to all contracts entered into before 1 April 2019 and identified as leases in accordance with FRS 17 and INT FRS 104.

3.13 New standards and interpretations not adopted (continued)

The Company as lessee

The Company expect to measure lease liabilities by applying a single discount rate to their portfolio of warehouse and factory facilities leases. Furthermore, the Company are likely to apply the practical expedient to recognise amounts of ROU assets equal to their lease liabilities at 1 April 2019. For lease contracts that contain the option to renew, the Company is expected to use hindsight in determining the lease term.

The Company has performed a preliminary high-level assessment of the new standard on its existing operating lease arrangements as a lessee (refer to note 15). Based on the preliminary assessment, the Company expects these operating leases to be recognised as ROU assets with corresponding lease liabilities under the new standard. The operating lease commitments on an undiscounted basis amount to approximately 7% of total assets and 159% of total liabilities. Assuming no additional new operating leases in future years until the effective date, the Company expects the amount of ROU asset and lease liability to be lower due to discounting and as the lease terms run down.

The Company expects to recognise ROU assets with corresponding lease liabilities under FRS 116 if the lease arrangement renews more than one year subsequent to the expiry date.

The nature of expenses related to those leases will change as FRS 116 replaces the straight-line operating lease expense with depreciation charge for ROU assets and interest expense on lease liabilities.

4 PLANT AND EQUIPMENT

	Computers $	Office equipment $	Furniture and fittings $	Total $
Cost				
At 1 April 2017	34,828	8,916	56,497	100,241
Additions	–	–	55,312	55,312
Written-off	–	–	(56,497)	(56,497)
At 31 March 2018 and 31 March 2019	34,828	8,916	55,312	99,056
Accumulated depreciation				
At 1 April 2017	23,236	4,353	30,665	58,254
Depreciation charge for the year	7,132	2,463	11,300	20,895
Written-off	–	–	(41,965)	(41,965)
At 31 March 2018	30,368	6,816	–	37,184
Depreciation charge for the year	2,655	2,100	11,063	15,818
At 31 March 2019	33,023	8,916	11,063	53,002
Carrying amounts				
At 1 April 2017	11,592	4,563	25,832	41,987
At 31 March 2018	4,460	2,100	55,312	61,872
At 31 March 2019	1,805	–	44,249	46,054

5 FINANCIAL DERIVATIVES

	2019 $	2018 $
Forward exchange contracts used for hedging	–	36,439

6 TRADE AND OTHER RECEIVABLES

	2019 $	2018 $
Amount due from Accordia Golf Trust		
– Trade	632,805	630,076
– Non trade	12,936	70,481
Accrued revenue from Accordia Golf Trust	516,472	521,317
Deposits	63,582	91,349
Accrued interest income	32,365	6,206
Others	2,428	1,800
	1,260,588	1,321,229

Outstanding balances with Accordia Golf Trust was unsecured, interest-free and repayable in demand. There is no allowance for doubtful debt arising from this outstanding balance.

The Company's exposure to credit risk related for trade and other receivables is disclosed in note 17.

7 CASH AND CASH EQUIVALENTS

	2019 $	2018 $
Cash and bank balances	508,521	1,364,752
Fixed deposits placed with financial institutions	3,610,827	2,580,585
Cash and cash equivalents in the statement of financial position	4,119,348	3,945,337
Fixed deposit pledged with a financial institution	(1,000,000)	(500,000)
Cash and cash equivalents in the statement of cash flows	3,119,348	3,445,337

The fixed deposits placed with financial institutions mature within the next 12 months and bear interest rates of 1.18% to 1.95% (2018: 0.66% to 1.80%) per annum. The fixed deposit of $1,000,000 (2018: $500,000) is pledged with a financial institution for foreign exchange forward facility.

8 SHARE CAPITAL

	2019 No. of shares	2018 No. of shares
Issued and fully paid ordinary shares, with no par value:		
At 1 April and 31 March	625,000	625,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

Capital management

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

There were no changes in the Company's approach to capital management during the year.
The Company is not subject to externally imposed capital requirements.

Hedging reserve

Hedging reserve records the portion of the fair value changes on financial derivatives that were designated as hedging instruments which were determined to be effective hedges.

9 DEFERRED TAX ASSETS/ (LIABILITIES)

Movement in deferred tax assets/ (liabilities) of the Company during the year is as follows:

	At 1/4/2017 $	Recognised in profit or loss (note 14) $	At 31/3/2018 $	Recognised in profit or loss (note 14) $	At 31/3/2019 $
Plant and equipment	(7,139)	2,715	(4,424)	(536)	(4,960)
Provisions	918	(730)	188	8,236	8,424
	(6,221)	1,985	(4,236)	7,700	3,464

10 TRADE AND OTHER PAYABLES

	2019 $	2018 $
Trade payables	19,190	97,714
Amount due to related corporations (trade)	–	46,894
Amount due to related corporations (non-trade)	27,385	–
Accrued operating expenses	127,711	153,488
Goods and Services Tax payable	35,476	28,356
	209,762	326,452

The Company's exposure to currency and liquidity risks related to trade and other payables are disclosed in note 17.

11 REVENUE

	2019 $	2018 $
Management fee	2,895,919	3,011,325

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies:

Nature of services	The Company provides trustee-management services to the business trust, which comprises of base and performance fees.
When revenue is recognised	Management fee is recognised over time, calculated based on the value of the total assets of the business trust on a consolidated basis and the adjusted net operating income of the investments of business trust.
Significant payment terms	Invoices are payable within 30 days from the date of invoice.

12 FINANCE INCOME

	2019 $	2018 $
Interest income	63,893	34,242
Net exchange (loss)/gain	(48,205)	3,136
	15,688	37,378

13 PROFIT BEFORE TAX

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

	2019 $	2018 $
Salaries and bonuses	1,885,390	1,810,216
Contributions to defined contribution plans	48,582	48,077
Other personnel expenses	122,999	84,076

14 TAX EXPENSE

	2019 $	2018 $
Current tax expense		
Current year	22,174	33,201
Under/(Over) provision in prior year	40	(5,491)
	22,214	27,710
Deferred tax expense		
Origination and reversal of temporary differences	(7,700)	(1,985)
Total tax expense	14,514	25,725

Reconciliation of effective tax rate

	2019	2018
Profit before tax	161,316	387,919
Tax using the Singapore tax rate of 17% (2018: 17%)	27,424	65,946
Non-deductible expenses	4,494	3,620
Under/(Over) provision in prior year	40	(5,491)
Tax incentive	(20,445)	(29,692)
Tax rebate	–	(8,300)
Others	3,001	(358)
	14,514	25,725

15 OPERATING LEASE

At the reporting date, the Company has commitment for future minimum lease payments under non-cancellable operating leases as follows:

	2019 $	2018 $
Within one year	291,498	197,848
Between one and five years	77,900	204,288
	369,398	402,136

The Company leases its office and apartments for the expatriates under operating lease. The lease runs for a period of 1 to 2 years and the Company has the option to renew the lease by the end of lease term.

16 RELATED PARTIES

Key management personnel compensation

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

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

	2019 $	2018 $
Salaries and other short-term employee benefits	879,399	868,044

Other related party transactions

Other than disclosed elsewhere in the financial statements, the following were the significant transactions between the Company and its related parties which were carried out at terms agreed between the parties during the financial year:

	2019 $	2018 $
Accordia Golf Trust		
Management fee	(2,895,919)	(3,011,325)
Expenses paid on behalf	132,140	9,505
Related corporations		
Human resource and administrative service rendered	158,877	208,940
Expenses paid on behalf	3,015	–
Rental expense	–	148,722

17 FINANCIAL INSTRUMENTS

Overview

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

- credit risk
- liquidity risk
- market risk

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

17 FINANCIAL INSTRUMENTS (CONTINUED)

Risk management framework

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

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

Credit risk

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

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

Impairment losses

Trade receivables that are neither past due nor impaired mainly arise from creditworthy debtors with good payment record with the Company. The Company believes that no impairment allowance is necessary in respect of receivables not past due. As at the reporting date, there are no receivables past due.

Cash and cash equivalents

The Company held cash and cash equivalents of $4,119,348 (2018: $3,945,337) as at 31 March 2019, which represents its maximum credit exposure on these assets. The cash and cash equivalents are held with bank and financial institutions which are regulated. Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalent have low credit risk based on the external rating of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

Liquidity risk

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

In the management of liquidity risks, the Company monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Company's operations and mitigate the effects of fluctuations in cash flow.

17 FINANCIAL INSTRUMENTS (CONTINUED)

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

		Cash flows		
	Carrying amount $	**Contractual cash flows $**	**Within 1 year $**	**Within 1 to 5 years $**
31 March 2019				
Non-derivative financial liabilities				
Trade and other payables	**209,762**	**(209,762)**	**(209,762)**	–
31 March 2018				
Non-derivative financial liabilities				
Trade and other payables	326,452	(326,452)	(326,452)	–
Derivative financial instruments				
Forward exchange contracts used for hedging (gross-settled):	**36,439**			
– Outflow	**–**	**(1,231,276)**	**(1,231,276)**	–
– Inflow	**–**	**1,267,715**	**1,267,715**	–
	36,439	**36,439**	**36,439**	–
	362,891	(290,013)	(290,013)	–

The disclosure shows net cash flow amounts for derivatives that are cash settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement e.g. forward exchange contracts.

Market risk

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

Foreign currency risk

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

The Company uses derivative financial instruments to hedge its currency risk.

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

17 FINANCIAL INSTRUMENTS (CONTINUED)

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

	2019 JPY $	2018 JPY $
Cash and cash equivalents	**97,735**	139,700
Trade and other payables	**(32,588)**	(48,313)
Net exposure	65,147	91,387

Sensitivity analysis

A strengthening of the SGD against the JPY at 31 March 2019 would have increased/(decreased) profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecasted purchases.

	Profit or loss	
	10% strengthening $	**10% weakening $**
31 March 2019		
JPY	**(6,515)**	**6,515**
31 March 2018		
JPY	(9,139)	9,139

Accounting classifications and fair values

The carrying amounts of financial assets and liabilities, which are not measured at fair value as shown in the statement of financial position, are as follows. Information on fair value of financial assets and financial liabilities are not disclosed when their carrying amounts are reasonable approximation of their fair values.

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

17 FINANCIAL INSTRUMENTS (CONTINUED)

The fair value of forward exchange contracts (Level 2 fair values) used for hedging is based on market comparison technique. The fair value are based on broker quotes. Similar contracts are trade in an active market and the quotes reflect the actual transactions in similar instrument.

	Note	Financial assets at amortised cost $	Other financial liabilities $	Total carrying amount $
31 March 2019				
Financial assets not measured at fair value				
Trade and other receivables	6	**1,260,588**	**–**	**1,260,588**
Cash and cash equivalents	7	**4,119,348**	**–**	**4,119,348**
		5,379,936	**–**	**5,379,936**
Financial liabilities not measured at fair value				
Trade and other payables*	10	**–**	**(174,286)**	**(174,286)**

	Note	Loans and receivables $	Other financial liabilities $	Fair value through other comprehensive income $	Total carrying amount $
31 March 2018					
Financial assets not measured at fair value					
Trade and other receivables	6	1,321,229	–	–	1,321,229
Cash and cash equivalents	7	3,945,337	–	–	3,945,337
		5,266,566	–	–	5,266,566
Financial assets measured at fair value					
Forward exchange contracts used for hedging	5	–	–	36,439	36,439
Financial liabilities not measured at fair value					
Trade and other payables*	10	–	(298,056)	–	(298,056)

* Exclude Goods and Service Tax payable

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