

NOTES TO THE FINANCIAL STATEMENTS

31 December 2015

14 Trade Receivables and Other Current Assets

| | Group | | Company | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 2015 S\$'000 | 2014 S\$'000 | 2015 S\$'000 | 2014 S\$'000 |
| Trade receivables: | | | | |
| Third parties | 10,326 | 10,646 | – | – |
| Less: Allowance for impairment losses | – | (152) | – | – |
| | 10,326 | 10,494 | – | – |
| Other receivables and deposits: | | | | |
| Subsidiaries | – | – | 4,205 | 3,410 |
| Third parties | 1,123 | 914 | 7 | 7 |
| Related party | 298 | 6 | – | – |
| Deposits | 612 | 606 | 308 | 308 |
| Less: Allowance for impairment losses | (308) | – | (308) | – |
| | 1,725 | 1,526 | 4,212 | 3,725 |
| Prepayments | 369 | 830 | 14 | 15 |
| Trade receivables and other current assets | 12,420 | 12,850 | 4,226 | 3,740 |

| | Group | | | |
|--|-----------------|-----------------|-----------------|-----------------|
| | Trade | | Non-trade | |
| | 2015 S\$'000 | 2014 S\$'000 | 2015 S\$'000 | 2014 S\$'000 |
| Movements in the allowance for impairment of trade and other receivables are as follows: | | | | |
| Balance at the beginning of the year | 152 | 126 | – | – |
| (Write back)/allowance during the year | (36) | 33 | 308 | – |
| Effect of foreign exchange | (30) | (7) | – | – |
| Bad debts written off | (86) | – | – | – |
| Balance at the end of the year | – | 152 | 308 | – |

The average credit period generally granted for trade receivables is between 30 to 90 days (2014: 30 to 90 days).

Trade receivables which were impaired as at 31 December 2014 relate to debtors that were in significant financial difficulties and have defaulted in payments. These trade receivables were not secured by any collateral.

The Group's trade receivables due from third parties include outstanding receivables which amounted to approximately S\$6.7 million (2014: S\$7.3 million) from a key customer which accounted for approximately 86% (2014: 84%) of the Group's total revenue for the current financial year. Management have considered these facts and have assessed that the Group's exposure to this key customer would not have an impact on the Group's financial performance and its ability to continue as a going concern in the foreseeable future.

The non-trade receivables from subsidiaries and a related party, which are generally due on 30 to 60 days' terms, are unsecured, interest-free and repayable in cash.