Sundaram Asset Management Singapore Pte. Ltd.
Registration Number: 201111900M

Annual Report
Year ended 31 March 2019

The symbol "$", wherever appearing, denotes Singapore Dollars unless otherwise specified

Contents

Directors Report

Directors' statement

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

In our opinion:

(a) the financial statements 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:

Sunil Subramaniam

Vijayendiran Ranganatha Rao

Anish Mathew

Directors' interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the Act), particulars of interests of director who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants or share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Ordinary shares		
Sunil Subramaniam		
Sundaram Finance Ltd		
- interests held	2,000	2,750
Sundaram Finance Holdings Ltd		
- interests held	2,000	2,750

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Ordinary shares		
Vijayendiran Ranganatha Rao		
Sundaram Finance Ltd		
- interests held	1,400	1,400
Sundaram Finance Holdings Ltd		
- interests held	1,400	1,400
Options to subscribe to ordinary shares		
Sunil Subramaniam		
Sundaram Finance Ltd		
- INR 10 per share	750	750

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the year 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 in or debentures of 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 as auditors.

On behalf of the Board of Directors

Anish Mathew	**Vijayendiran Ranganatha Rao**
Chief Executive Officer	Director

3 May 2019

KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Telephone +65 6213 3388
Fax +65 6225 0984
Internet www.kpmg.com.sg

Independent auditors' report

Member of the Company
Sundaram Asset Management Singapore Pte. Ltd.

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Sundaram Asset Management Singapore Pte. Ltd. ('the Company'), which comprise the statement of financial position as at 31 March 2019, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the 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
3 May 2019

Statement of financial position

As at 31 March 2019

	Note	2019 $	2018 $
Non-current assets			
Plant and equipment	4	18,849	35,211
Contract costs	5	1,285,925	1,362,797
Trade and other receivables	6	17,171	–
		1,321,945	1,398,008
Current assets			
Trade and other receivables	6	346,128	401,628
Cash and cash equivalents	7	1,993,373	1,262,896
		2,339,501	1,664,524
Total assets		3,661,446	3,062,532
Equity			
Share capital	8	5,855,001	5,855,001
Accumulated losses		(2,970,007)	(3,666,686)
Total equity		2,884,994	2,188,315
Non-current liability			
Redeemable preference shares	9	260,000	–
Current liabilities			
Dividend payable on redeemable preference shares	9	260	–
Other payables	10	516,192	874,217
		516,452	874,217
Total liabilities		776,452	874,217
Total equity and liabilities		3,661,446	3,062,532

Statement of comprehensive income

Year ended 31 March 2019

	Note	2019 $	2018 $
Revenue	11	3,547,703	3,375,434
Other income		352,024	65,774
		3,899,727	3,441,208
Staff costs		(929,646)	(888,830)
Depreciation expense	4	(17,060)	(15,165)
Operating lease expense		(66,042)	(66,042)
Investor introduction expenses	12	(1,088,738)	(657,453)
Other distribution expenses		(596,697)	(505,448)
Other operating expenses		(299,680)	(367,352)
Finance cost	9	(260)	–
Profit before tax		901,604	940,918
Tax expense	14	–	–
Profit for the year	13	901,604	940,918
Other comprehensive income for the year		–	–
Total comprehensive income for the year		901,604	940,918

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

Statement of changes in equity

Year ended 31 March 2019

	Share Capital $	Accumulated Losses $	Total $
At 1 April 2017	5,855,001	(4,607,604)	1,247,397
Profit for the year	–	940,918	940,918
Total comprehensive income for the year	–	940,918	940,918
At 31 March 2018	5,855,001	(3,666,686)	2,188,315
At 1 April 2018	5,855,001	(3,666,686)	2,188,315
Profit for the year	–	901,604	901,604
Total comprehensive income for the year	–	901,604	901,604
Transactions with owner, recognised directly in equity			
Distributions to owner			
Dividend paid	–	(204,925)	(204,925)
Total transactions with owners	–	(204,925)	(204,925)
At 31 March 2019	5,855,001	(2,970,007)	2,884,994

Statement of cash flows

Year ended 31 March 2019

	Note	2019 $	2018 $
Cash flows from operating activities			
Profit for the year		901,604	940,918
Adjustments for:			
Depreciation	4	17,060	15,165
Amortisation	5	809,464	731,060
Unrealised foreign exchange (gain)/loss		18,157	39,054
Interest income		(5,291)	(1,577)
		1,740,994	1,724,620
Changes in working capital:			
Trade and other receivables	6	38,329	(128,738)
Contract costs	5	(732,592)	(1,262,261)
Dividend payable on preference shares	9	260	–
Other payables	10	(358,025)	267,340
Net cash generated from operating activities		688,966	600,961
Cash flows from investing activities			
Interest received		5,291	1,577
Purchase of plant and equipment	4	(698)	(11,244)
Net cash generated from/(used in) investing activities		4,593	(9,667)
Cash flow from financing activities			
Dividend paid		(204,925)	–
Proceeds from issue of redeemable preference shares	9	260,000	–
Net cash generated from financing activities		55,075	–
Net increase in cash and cash equivalents		748,634	591,294
Cash and cash equivalents at beginning of year		1,262,896	713,970
Effect of exchange rate fluctuations on cash held		(18,157)	(42,368)
Cash and cash equivalents at end of year	7	1,993,373	1,262,896

Notes to the Financial Statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 3 May 2019.

1 Domicile and activities

Sundaram Asset Management Singapore Pte. Ltd. (the "Company") is a company incorporated in Singapore. The address of the Company's registered office is 50 Armenian Street, #02-02 Wilmer Place, Singapore 179938.

The immediate and ultimate holding companies are Sundaram Asset Management Company Limited and Sundaram Finance Limited respectively, both of which incorporated in the Republic of India.

The principal activities of the Company are those relating to the provision of fund management and related services, for which the Company holds a Capital Markets Services Licence granted by the Monetary Authority of Singapore ("MAS").

The Company continues to manage its funds, Sundaram India Midcap Fund and Sundaram Global Brand Fund. Both funds are USD denominated, daily dealing funds domiciled in Singapore.

The investment objective of Sundaram India Midcap Fund and Sundaram Global Brand Fund are to invest in India listed midcap equity stocks and invest in the equities of 30 global brands across the world respectively.

The Company is also the company advisor to Sundaram Alternative Opportunities Fund Mauritius Limited, a close-ended fund which invest in Sundaram Alternative Opportunities Series – High Yield Secured Debt Fund.

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 109 Financial Instruments have been applied. Changes to significant accounting policies are described in note 2.5.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis, except as otherwise described in the notes below.

2.3 Functional and presentation currency

The financial statements are presented in Singapore dollars, which is the Company's functional currency.

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 estimates are revised and in any future periods affected.

2.5 Changes in accounting policies

The Company has applied FRS 109 Financial Instruments for the first time for the annual period beginning on 1 April 2018.

FRS 109 sets out requirements for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. It also introduces a new ECL model and a new general hedge accounting model.

Additionally, the Company has adopted consequential amendments to FRS 107 Financial Instruments: Disclosures that are applied to disclosures about 2019 but have not been generally applied to comparative information.

Changes in accounting policies resulting from the adoption of FRS 109 have been applied by the Company retrospectively, except as described below.

- The Company has used an exemption not to restate comparative information for prior periods with respect to classification and measurement (including impairment) requirements. Accordingly, the information presented for 2018 does not generally reflect the requirements of FRS 109, but rather those of FRS 39.

(i) Classification and measurement of financial assets

FRS 109 contains three principal classification categories for financial assets: measured at amortised cost, FVOCI and FVTPL. The classification of financial assets under FRS 109 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. FRS 109 eliminates the previous FRS 39 categories of held to maturity, loans and receivables and available for sale.

FRS 109 largely retains the existing requirements in FRS 39 for the classification and measurement of financial liabilities. The adoption of FRS109 has not had a significant effect on the Company's accounting policies for the financial liabilities.

The following table below shows the original measurement categories under FRS 39 and the new measurement categories under FRS 109 for each class of the Company's financial assets as at 1 April 2018.

	Original classification under FRS 39	New classification under FRS 109	Original carrying amount under FRS 39 $	New carrying amount under FRS 109 $
Financial assets				
Cash and cash equivalents	Loans and receivables	Amortised cost	1,262,896	1,262,896
Trade and other receivables*	Loans and receivables	Amortised cost	376,747	376,747
			1,639,643	1,639,643

** excluding prepayments*

(ii) Impairment

FRS 109 replaces the current 'incurred loss' model with a forward-looking expected credit loss (ECL) model. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI and intra-group financial guarantee contracts, but not to equity investments. Under FRS 109, credit losses are recognised earlier than under FRS 39.

The Company has determined that the application of FRS 109's impairment requirements at 1 April 2018 had a negligible impact on the allowance for impairment. As such, there are no changes to the carrying amount of financial asset under FRS 109 as at 1 April 2018.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.5, which addresses changes in accounting policies.

3.1 Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates 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 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 retranslation are recognised in profit or loss.

3.2 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued 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 through 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; fair value through other comprehensive income ("FVOCI") – debt investment; FVOCI – equity investment; or FVTPL.

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.

Debt investments at FVOCI

A debt investment is measured at FVOCI 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 achieved by both collecting contractual cash flows and selling financial assets; 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.

Equity investments at FVOCI

On initial recognition of an equity investment that is not held-for-trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment – Policy applicable from 1 April 2018

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.

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.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses – Policy applicable from 1 April 2018

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

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.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

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

The Company's non-derivative financial assets were classified under the loans and receivables category.

Non-derivative financial assets: Subsequent measurement and gains and losses – Policy applicable before 1 April 2018

Loans and receivables

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

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

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. These financial liabilities comprised redeemable preference shares and other payables.

(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 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.

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and fixed deposits with bank that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments.

(vi) Share capital

Ordinary shares

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.

Redeemable preference shares

The Company's redeemable preference shares are classified as financial liabilities, because they bear non-discretionary dividends and are redeemable in cash by the holders. Non-discretionary dividends thereon are recognised as interest expense in profit or loss as accrued.

3.3 Impairment

(i) Non-derivative financial asset

Policy applicable from 1 April 2018

The Company recognises loss allowances for ECLs on financial assets measured at amortised cost and contract assets (as defined in FRS115).

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. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

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 Company considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

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;
- it is probable that the borrower will enter

bankruptcy or other financial reorganisation; or

- the disappearance of an active market for a security because of financial difficulties.

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.

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

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 Company, economic conditions that correlate with defaults or the disappearance of an active market for a security. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment.

Loans and receivables

The Company considers evidence of impairment for loans and receivables at both a specific 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 uses historical trends of the probability of default, the timing of recoveries and the amount of loss incurred, adjusted for management's judgement as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less 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. 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.

(ii) Non-financial assets

The carrying amounts of the Company's non-financial 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 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 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, if no impairment loss had been recognised.

3.4 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 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 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.

Employee leave entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the reporting date.

3.5 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.6 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.

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 calculated as the difference between the net proceeds from disposal and the carrying amount of the item is recognised in profit or loss.

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 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 periods are as follows:

Furniture and fittings	3 years
Office equipment	3 years
Computer equipment	3 years

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

3.7 Revenue recognition

The Company recognises revenue when it renders service to its customer. Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The following is a description of principal activities from which the Company generates its revenue.

(i) Investment management fees

Investment management fees are based on the fee rates that are applied to the value of assets under the respective funds managed by the company. No adjustment is made to transaction prices for time value of money as the contracts do not include significant financing consideration payable to the fund.

The company recognises fee revenue over time as such services are rendered. The invoices raised for the services are rendered on a monthly basis and the fund is required to pay for the services within 30 days of receipt of such invoice.

(ii) Advisory fee

Advisory fees relate to fees paid in return for the Company's provision of investment research advisory services to its immediate holding company and provision of services and investment advisory to Sundaram Alternative Opportunities Fund Mauritius Limited.

Revenue is recognised over the period of the contract as the services are performed. No adjustment is made to transaction prices for time value of money as the contracts do not include significant financing consideration.

The company recognises fee revenue over time as such services are rendered. The invoices raised for the services are rendered on a quarterly basis and the customers are required to pay for the services within 30 days of receipt of invoice.

(iii) Disaggregation of revenue

The company does not provide bundled services or goods. All services and goods are invoiced separately.

3.8 Investor introduction expenses

Investor introduction fees directly attributable to obtaining a contract is capitalised under contract costs when incurred, if the Company expects to be able to recover these costs. The contract costs are then amortised across a period that is consistent with the pattern of revenue recognised.

The Company recognises an impairment loss in profit or loss to the extent that the carrying amount of the contract assets exceed the remaining amount of consideration that the Company expects to receive in exchange for the services to which the contract assets relates less costs that relate directly to providing such services that have not been recognised as expenses.

3.9 Other distribution expenses

Other distribution expenses pertain to trailer fees paid to intermediaries, and are recognised on an accrual basis when services are received.

3.10 Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

3.11 Finance income and finance costs

The Company's finance income and finance costs include:

- interest income; and
- dividend expense on preference shares issued classified as financial liabilities.

Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise dividend expense on preference shares issued that were classified as financial liabilities, and are recognised in profit or loss 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.

3.12 Tax

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

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 current tax payable or receivables 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 either accounting nor taxable profit or loss.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. 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 income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend 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 Key management personnel

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

3.14 New accounting standards and interpretations not adopted

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning after 1 January 2019 and earlier application is permitted; however, the Company has not early adopted the new or amended standards and interpretations in preparing these financial statements.

These new standards include, among others, FRS 116 Leases which are mandatory for the adoption by the Company on 1 April 2019.

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 January 2019, with early adoption permitted.

The Company plans 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 plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it 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.

The Company as lessee

The Company existing operating lease arrangement comprise of the lease of their office premise.

The Company expects its existing operating lease arrangements to be recognised as ROU assets with corresponding lease liabilities under FRS 116. The Company is likely to apply the practical expedient to recognise amounts of ROU assets equal to their lease liabilities at 1 April 2019.

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

As at 1 April 2019, the Company expects an increase in ROU assets and lease liabilities by an amount that approximates the future minimum lease payments as disclosed under note 15, as its remaining lease term is less than 2 years.

4 Plant and equipment

	Furniture and fittings $	Office equipment $	Computer equipment $	Total $
Cost				
At 1 April 2017	94,020	7,387	13,692	115,099
Additions	9,400	1,844	–	11,244
At 31 March 2018	103,420	9,231	13,692	126,343
Additions	–	698	–	698
At 31 March 2019	103,420	9,929	13,692	127,041
Accumulated depreciation				
At 1 April 2017	58,242	6,650	11,075	75,967
Depreciation for the year	12,711	822	1,632	15,165
At 31 March 2018	70,953	7,472	12,707	91,132
Depreciation for the year	15,400	863	797	17,060
At 31 March 2019	86,353	8,335	13,504	108,192
Carrying amounts				
At 1 April 2017	35,778	737	2,617	39,132
At 31 March 2018	32,467	1,759	985	35,211
At 31 March 2019	17,067	1,594	188	18,849

5 Contract costs

	$
At 1 April 2017	831,596
Additions	1,262,261
Amortisation	(731,060)
Impairment	–
At 31 March 2018	1,362,797
Additions	732,592
Amortisation	(809,464)
Impairment	–
At 31 March 2019	1,285,925

6 Trade and other receivables

	2019 $	2018 $
Non-current		
Security deposits	17,171	–
Current		
Trade receivables	319,589	344,871
Security deposits	–	17,121
Other receivables	6,830	14,755
Loans and receivables	326,419	376,747
Prepayments	19,709	24,881
	346,128	401,628
	363,299	401,628

Trade and other receivables are neither past due nor impaired.

7 Cash and cash equivalents

	2019 $	2018 $
Cash at bank	1,737,403	1,006,926
Fixed deposits with bank	255,970	255,970
	1,993,373	1,262,896

The effective interest rate relating to fixed deposits at the reporting date is 0.25% (2018: 0.62%) per annum. Interest rates re-price or mature, whichever is earlier, at intervals within one year.

8 Share capital

	2019 Number of shares	2018 Number of shares
Issued and fully paid shares with no par value:		
At 1 April and 31 March	5,855,001	5,855,001

All issued shares are fully paid, with no par value.

Ordinary shares

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

Dividends

The following exempt (one-tier) dividends were declared and paid by the Company:

For the year ended 31 March	2019 $	2018 $
Paid by the Company to owners of the Company		
Interim dividend of 3.5 cents per qualifying ordinary share (2018: nil)	204,925	–

Capital management

The Company defines "capital" to be share capital and accumulated profits. The immediate holding company ensures that the Company has adequate capital in order to meet its obligations and to sustain the operations of the Company. The Company is subject to externally imposed minimum base capital requirements under Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licenses) Regulations.

The Company has complied with the base capital and financial resources requirements.

9 Redeemable preference shares

	2019 $	2018 $
Non-current liability		
Redeemable preference shares	260,000	–
Current liability		
Dividend payable on redeemable preference shares	260	–

During the financial year, 260,000 redeemable preference shares were issued at $1 per share (2018: Nil) to the Company's immediate holding company. All issued shares are fully paid.

The redeemable preference shares are mandatorily redeemable at initial subscription value on 8 June 2022. However, the Company may at any time redeem or the holder of redeemable preference shares may at any time require the Company to redeem, the whole or any of the redeemable preference shares held by giving not less than 7 days' notice in writing.

The holder of the redeemable preference shares is entitled to cumulative preferential dividend of 0.1%, as and when such dividend are declared in respect of the redeemable preference shares, in preference to the holders of ordinary shares.

The redeemable preference shares are non-convertible and do not carry the right to vote.

10 Other payables

	2019 $	2018 $
Accrued expenses	505,833	861,902
Others	10,359	12,315
	516,192	874,217

11 Revenue

	2019 $	2018 $
Investment management fees	3,274,340	3,055,434
Investment research advisory fees from immediate holding company	160,000	320,000
Services and investment advisory fees	152,438	–
Management fee rebate	(39,075)	–
	3,547,703	3,375,434

The investment advisory agreement with the immediate holding company was terminated in the current financial year.

There were no contract liabilities at the beginning or at the end of the reporting period. Consequently, no revenue was recognised during the year in respect of contract liability balances at the beginning of the year.

There was no revenue recognised during the year from performance obligations satisfied, or partially satisfied, in the previous reporting periods.

12 Investor introduction expenses

	Note	2019 $	2018 $
Amortisation of contract costs	5	809,464	731,060
Investor introduction expenses not capitalised		281,914	–
Clawback of investor introduction expense		(2,640)	(73,607)
		1,088,738	657,453

13 Profit for the year

The following items have been included in arriving at profit for the year:

	2019 $	2018 $
Contribution to a defined contribution plans included in staff costs	54,549	52,771
Depreciation expense	17,060	15,165
Legal and professional fees	123,511	169,574
Subscription and licence fees	66,267	73,257
Travelling expenses	30,356	35,149
Foreign exchange (gain)/loss, net	11,651	22,578

14 Tax expense

	2019 $	2018 $
Current tax expense		
Current year	–	–
Reconciliation of effective tax rate		
Profit before tax	901,604	940,918
Income tax using the Singapore tax rate of 17% (2018: 17%)	153,273	159,956
Non-deductible expenses	2,900	2,578
Recognition of tax effect of previously unrecognised tax losses	(156,173)	(162,534)
	–	–

Unutilised tax losses amounting to $1,999,194 (2018: $3,480,437) are available for set off against taxable profits of future periods subject to compliance with the provisions of Section 37 read with Section 14U of the Singapore Income Tax Act, Chapter 134 and agreement with the Inland Revenue Authority of Singapore.

Deferred tax assets have not been recognised in respect of these tax losses because it is not probable that future taxable profits will be available against which the Company can utilise the benefit.

15 Commitments

At the end of the reporting period, the Company has commitments for future minimum lease payments under non-cancellable operating leases in respect of premises as follows:

	2019 $	2018 $
Within 1 year	66,042	60,539
After 1 year but within 5 years	60,539	–
	126,581	60,539

16 Related parties

Transactions with key management personnel

The compensation details of key management personnel are as follows:

	2019 $	2018 $
Director's fees	–	–
Remuneration and short-term employee benefits	588,823	616,087
Contribution to a defined contribution plan	32,118	33,434

Other related party transactions

In addition to those related party information disclosed elsewhere in the financial statements, the following significant transactions took place with related companies during the financial year at terms agreed between the parties:

	2019 $	2018 $
Transaction with immediate holding company		
Investment advisory expenses	20,000	20,000
Investment advisory fee income	(160,000)	(320,000)

17 Financial risk management

Overview of risk management

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks.

The Board of Directors oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

Credit risk

Exposure to 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.

Concentration of credit risk exist when a number of counterparties are engaged in similar activities, or operate in the same geographical areas or industry sectors and have similar economic characteristics so that their ability to meet contractual obligations is similarly affected by changes in economic, political or other conditions.

As at the reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Cash and cash equivalents

The Company ensure that cash are placed with financial institutions of recognised credit standing. 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 equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents is negligible.

Trade and other receivables

The Company's credit risk exposure arising from trade and other receivables pertains largely to the trade receivables from funds where the Company is the fund manager or investment advisor. The counterparties have good history of prompt payments, where none of the receivables have been written off or are credit-impaired at the reporting date. The Company considers that its trade and other receivables have low credit risk, and the amount of the allowance on trade and other receivables is negligible.

The ageing of trade and other receivables, excluding prepayments, at the reporting date was:

	2019		2018	
	Gross	Impairment losses	Gross	Impairment losses
	$	$	$	$
Not past due	343,590	–	376,747	–

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages the liquidity structure of its assets, liabilities and commitments so that cash flows are appropriately balanced and all funding obligations are met when due.

The carrying amounts of the financial liabilities as at 31 March 2019 and 31 March 2018 approximates their contractual cash flows and are repayable on demand or due within 6 months from the end of the reporting period.

Currency risk

As the functional currency of the Company is the Singapore dollar, the Company is exposed to currency risk on asset and liabilities that are denominated in currencies other than Singapore dollars.

The Company's exposure to foreign currency is mainly in United States dollars (US$) as follows:

	2019 $	2018 $
Trade and other receivables	319,590	344,871
Cash and cash equivalents	1,353,139	922,735
Other payables	(262,637)	(528,725)
	1,410,092	738,881

Sensitivity analysis

A 5% strengthening of the Singapore dollar against the US dollar to which the Company has exposure at the reporting date would decrease profit or loss by the amount shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Profit or loss

	2019 $	2018 $
United States dollars	(70,505)	(36,944)

A 5% worsening of the Singapore dollar against the US dollar would have the equal but opposite effect on the basis that all other variables remain constant.

Interest rate risk

The Company is not exposed to interest rate risk as the Company does not have any variable interest rate instruments or borrowings.

Estimation of fair values

Financial assets and liabilities are not measured at fair value as the carrying amounts of financial assets and financial liabilities are assumed to approximate their fair values.