Audited Financial Statements
And Other Financial Information

KESTONE CL ASIA HUB PTE. LTD.
(Incorporated in Singapore)
(Company Registration No.: 200715067R)

31ST MARCH 2020

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C O N T E N T S

KESTONE CL ASIA HUB PTE. LTD.
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DIRECTORS' STATEMENT

The directors are pleased to present their statement to the members together with the audited financial statements of Kestone CL Asia Hub Pte. Ltd. (formerly known as Kestone Asia Hub Pte. Ltd.) (the "Company") for the financial year ended 31st March 2020.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

(a) the accompanying financial statements of the Company, together with the notes thereto, are drawn up so as to give a true and fair view of balance sheet of the company as at 31st March 2020 and the financial performance, changes in equity and cash flows of the Company for the financial year ended, and

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

2. DIRECTORS

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

Debapriya Dasgupta
Gautam Puri
Nikhil Mahajan

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Neither at the end of nor at any time during the financial year was the company a party to any arrangement whose object is to enable the directors of the company to acquire benefits by means of the acquisitions of shares or debentures of the company or any other body corporate.

4. DIRECTOR'S INTERESTS IN SHARES AND DEBENTURES

The directors holding office at the end of the financial year and his interest in the share capital of the Company as recorded in the register of director's shareholdings were as follows:

Name of director	At beginning of financial year	At end of financial year
	(Ordinary share)	
Debapriya Dasgupta	1	1

5. SHARE OPTIONS

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

On behalf of the board of directors:

Sd/-
NIKHIL MAHAJAN
Director

Sd/-
GAUTAM PURI
Director

New Delhi

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Kestone CL Asia Hub Pte. Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Kestone CL Asia Hub Pte. Ltd. (the "Company"), which comprise the balance sheet as at 31 March 2020, the statement of profit or loss and other 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 balance sheet of the Company as at 31 March 2020 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 Auditor's 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 (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement included in pages 1 and 2 but does not include the financial statements and our auditor's opinion thereon.

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.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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 control that we identify during our audit.

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

STRATEGIC AUDIT ALLIANCE PAC
Public Accountants and Chartered Accountants
Singapore

KESTONE CL ASIA HUB PTE. LTD.
(Incorporated in Singapore)

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

	NOTE	2020 $	2019 $
Revenue	4	2,517,899	1,239,829
Direct costs		(1,818,302)	(707,449)
Gross profit		699,597	532,380
Other operating income		19,246	-
Administrative expenses		(521,497)	(449,614)
Other operating expense	5	(710)	(768)
Profit from operations	6	196,636	81,998
Finance cost	7	(18,248)	(34,622)
Profit from ordinary activities		178,388	47,376
Other comprehensive income: Foreign currency translation		2,809	-
Total comprehensive profit for the year		181,197	47,376

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

KESTONE CL ASIA HUB PTE. LTD.
(Incorporated in Singapore)

BALANCE SHEET AS AT 31ST MARCH 2020

	NOTE	2020 $	2019 $
NON-CURRENT ASSETS			
Property, plant and equipment	9	731	1,441
Intangible asset	10	49,500	-
Investment in a subsidiary	11	1,379	1,379
		51,610	2,820
CURRENT ASSETS			
Trade and other receivables	12	693,748	627,176
Cash and cash equivalents	13	1,099,640	269,675
		1,793,388	896,851
CURRENT LIABILITIES			
Other payables	14	1,058,619	277,182
Borrowings	15	-	449,867
		1,058,619	727,049
NET CURRENT ASSETS		734,769	169,802
NET ASSETS		786,379	172,622
EQUITY			
Share capital	17	946,561	514,001
Translation reserve		2,809	-
Accumulated (losses)		(162,991)	(341,379)
		786,379	172,622

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

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

	Note	Share Capital $	Translation Reserve $	Accumulated (Losses) $	Total $
Balance at 1 April 2018		514,001	-	(388,755)	125,246
Total comprehensive profit for the year		-	-	47,376	47,376
Balance at 31 March 2019		514,001	-	(341,379)	172,622
Balance at 1 April 2019		514,001	-	(341,379)	172,622
Issued of shares	17	432,560	-	-	432,560
Total comprehensive profit for the year		-	2,809	178,388	181,197
Balance at 31 March 2020		946,561	2,809	(162,991)	786,379

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

STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

	2020 $	2019 $
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	178,388	47,376
Adjustment for:		
Allowance for impairment loss on other receivables	38,763	-
Allowance for impairment loss on trade receivables	2,491	66,014
Currency translation reserve	2,809	-
Depreciation of property, plant and equipment	710	768
Interest expenses	18,248	34,622
	241,409	148,780
Changes in working capital:		
Receivables	(72,890)	35,657
Payables	752,588	-
	679,698	35,657
Net cash provided by operating activities	921,107	184,437
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	-	(1,548)
Purchases of intangible assets	(49,500)	-
Investment in a subsidiary	-	(1,379)
Net cash (used in) investing activities	(49,500)	(2,927)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(18,248)	(34,622)
Receivables	(34,936)	(68,163)
Payables	28,849	32,079
Repayment of borrowings	(449,867)	-
Issuance of shares	432,560	-
Net cash (used in) financing activities	(41,642)	(70,706)
Net increase in cash and cash equivalents	829,965	110,804
Cash and cash equivalents at beginning of financial year	269,675	158,871
Cash and cash equivalents at end of financial year (Note 13)	1,099,640	269,675

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

NOTES TO THE FINANCIAL STATEMENTS

31ST MARCH 2020

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

1. GENERAL CORPORATE INFORMATION

The Company is incorporated and domiciled in Singapore. The address of its registered office is as follows: 10 Anson Road, #27-08 International Plaza, Singapore 079903; and its principal place of business is as follows: 39 Robinson Road, #11-01 Robinson Point, Singapore 068911.

The Immediate Holding Company is Kestone Integrated Marketing Services Private Limited and its Ultimate Holding Company is CL Educate Limited, incorporated in India.

The principal activities of the Company are to provide manpower, event management and business support services.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

These financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to be financial statements are disclosed in Note 3.

The financial statements are presented in Singapore Dollars (SGD), which is the Company's functional currency.

2.2 Adoption of new and revised standards

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 January 2019. The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Standards issued but not yet effective

A number of new standards, amendments to standards and interpretations are issued but effective for annual periods beginning after 1 January 2020, and have not been applied in preparing these financial statements. The Company does not plan to early adopt these standards.

Description	Effective for annual periods beginning on or after
Amendments to References to the Conceptual Framework in FRS Standards	1 January 2020
Amendments to FRS 1 and FRS 8 Definition of Material	1 January 2020
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Date to be determined

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

2.4 Property, Plant and Equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost or valuation less accumulated depreciation and accumulated impairment losses.

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance expenses are recognised in profit or loss when incurred.

Depreciation is calculated on the straight line basis to write off the cost of the property, plant and equipment over their estimated useful lives as follows:

	No. of years
Computers	3
Office equipment	5
Renovation	8

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognised in profit or loss when the changes arise.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Property, Plant and Equipment (Cont'd)

Fully depreciated assets are retained in the financial statements until they are no longer in use and no further charge for depreciation is made in respect of these assets.

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognised in profit or loss. Any amount in revaluation reserve relating to that asset is transferred to revenue reserve directly.

2.5 Group Accounting

(a) Subsidiary

(i) Consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

In preparing the consolidated financial statements, intercompany transactions, balances and unrealised gains on transactions between Group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Group Accounting (Cont'd)

(a) Subsidiary (Cont'd)

(ii) Acquisition

The acquisition method of accounting is used to account for business combinations by the Group.

The consideration transferred for the acquisition of a subsidiary or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary.

Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, within limited exceptions, measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquirer's net identifiable assets.

The excess of (i) the consideration transferred the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the (ii) fair value of the net identifiable assets acquired is recorded as goodwill. Please refer to the paragraph "Intangible assets – Goodwill" for the subsequent accounting policy on goodwill.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Group Accounting (Cont'd)

(a) Subsidiary (Cont'd)

(iii) Disposals

When a change in the Group ownership interest in a subsidiary result in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognised. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to revenue reserve if required by a specific Standard.

Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

Please refer to the paragraph "Investments in subsidiary and associated company" for the accounting policy on investments in subsidiary in the separate financial statements of the company.

(b) Transactions with Non-Controlling Interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control over the subsidiary are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognised within equity attributable to the equity holders of the Company.

2.6 Intangible Assets

Software development costs

These are stated at cost less accumulated amortisation and accumulated impairment losses. These costs are amortised to profit and loss using the straight-line method over 3 years which is the shorter of their estimated useful lives. Software development costs and intellectual property are written off to the profit and loss accounts as and when incurred except for development costs which are demonstrated to have future commercial benefits are deferred.

2.7 Investments in Subsidiary

Investments in subsidiary is carried at cost less accumulated impairment losses in the company's balance sheet. On disposal of investment in a subsidiary, the difference between net disposal proceeds and the carrying amounts of the investments are recognised in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Financial Assets

(a) Classification and measurement

The Company classifies its financial assets in the following measurement categories:

- Amortised cost;
- Fair value through other comprehensive income (FVOCI); and
- Fair value through profit or loss (FVPL).

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

<u>At initial recognition</u>

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Financial Assets (Cont'd)

(a) Classification and measurement (Cont'd)

At subsequent measurement

(i) Debt instruments

Debt instruments mainly comprise of cash and cash equivalents, trade and other receivables, listed and unlisted debt securities.

There are three subsequent measurement categories, depending on the Company's business model for managing the asset and the cash flow characteristics of the asset:

- Amortised cost: Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

- FVOCI: Debt instruments that are held for collection of contractual cash flows and for sale, and where the assets' cash flows represent solely payments of principal and interest, are classified as FVOCI. Movements in fair values are recognised in Other Comprehensive Income (OCI) and accumulated in fair value reserve, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and presented in "other gains and losses". Interest income from these financial assets is recognised using the effective interest rate method and presented in "interest income".

- FVPL: Debt instruments that are held for trading as well as those that do not meet the criteria for classification as amortised cost or FVOCI are classified as FVPL. Movement in fair values and interest income is recognised in profit or loss in the period in which it arises and presented in "other gains and losses".

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Financial Assets (Cont'd)

(a) Classification and measurement (Cont'd)

<u>At subsequent measurement (Cont'd)</u>

(ii) Equity investments

The Company subsequently measures all its equity investments at their fair values. Equity investments are classified as FVPL with movements in their fair values recognised in profit or loss in the period in which the changes arise and presented in "other gains and losses", except for those equity securities which are not held for trading. The Company has elected to recognise changes in fair value of equity securities not held for trading in other comprehensive income as these are strategic investments and the Company considers this to be more relevant. Movements in fair values of investments classified as FVOCI are presented as "fair value gains / losses" in Other Comprehensive Income. Dividends from equity investments are recognised in profit or loss as "dividend income".

(b) Impairment

The company assesses on a forward-looking basis the expected credit loss associated with its debt financial assets carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, lease receivables and contract assets, the company applies the simplified approach permitted by the FRS109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(c) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date – the date on which the company commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the company has transferred substantially all risks and rewards of ownership.

On disposal of a debt instrument, the difference between the carrying amount and the sale proceeds is recognised in profit or loss. Any amount previously recognised in other comprehensive income relating to that asset is reclassified to profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 Financial Assets (Cont'd)

(c) Recognition and derecognition (Cont'd)

On disposal of an equity investment, the difference between the carrying amount and sales proceed is recognised in profit or loss if there was no election made to recognise fair value changes in other comprehensive income. If there was an election made, any difference between the carrying amount and sales proceed amount would be recognised in other comprehensive income and transferred to retained profits along with the amount previously recognised in other comprehensive income relating to that asset.

Trade receivables that are factored out to banks and other financial institutions with recourse to the company are not derecognised until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

2.9 Financial Liabilities

(a) Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

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

(b) Subsequent Measurement

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

(c) Derecognition

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 Impairment of Non-Financial Assets
Property, Plant and Equipment
Intangible Asset
Investments in Subsidiary

Property, plant and equipment, intangible asset and investment in subsidiary are reviewed for impairment whenever there is any indication that these assets may be impaired.

For the purposes of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, the recoverable amount is determined for the cash generating units (CGU) to which the asset belongs.

If the recoverable amount of the asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount.

The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss, unless the asset is carried at revalued amount, in which case, such impairment loss is treated as a revaluation decrease.

An impairment loss for an asset other than goodwill is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of this asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

A reversal of impairment loss for an asset other than goodwill is recognised in profit or loss, unless the asset is carried at revalued amount, in which case, such reversal is treated as a revaluation increase. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense, a reversal of that impairment is also credited to profit or loss.

2.11 Cash and Cash Equivalents

For the purpose of the presentation in the statement of cash flows, cash and cash equivalents which are subject to an insignificant risk of change in value.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 Other Payables

Other payables are initially recognised at fair value, and subsequently carried at amortised cost using the effective interest method.

2.13 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the year of the borrowings using the effective interest method.

2.14 Leases

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

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

As lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. The accounting policy for impairment is disclosed in Note 2.10.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Leases (Cont'd)

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

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

As lessee

Finance leases which transfer to the Company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 Leases (Cont'd)

As lessee (Cont'd)

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

2.15 Income Tax

(a) Current income tax for current and prior periods is recognised at the amount expected to be paid or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

(b) Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Current and deferred income taxes are recognised as income or expense in profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

2.16 Revenue Recognition

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

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

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.16 Revenue Recognition (Cont'd)

Rendering of services

Revenue from rendering of services is recognised upon completion of services rendered to customers.

2.17 Foreign Currency Transaction

(a) Functional and Presentation Currency

Items included in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Singapore Dollar, which is the functional currency of the Company.

(b) Transactions and Balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions. Currency translation differences from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the reporting date are recognised in profit or loss, unless they arise from borrowings in foreign currencies, other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations. Those currency translation differences are recognised in the currency translation reserve in the financial statements and transferred to profit or loss as part of the gain or loss on disposal of the foreign operation.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when fair values are determined.

2.18 Employee Benefits

Defined Contribution Plan

The company's contributions to defined contribution plans are recognised as employee compensation expense when the contributions are due, unless they can be capitalised as an asset.

2.19 Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

2.20 Fair Value Estimation of Financial Assets and Liabilities

The fair values of current financial assets and liabilities carried at amortised cost approximate their carrying amounts.

3. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment of Loans and Receivables
The Company uses a provision matrix to calculate expected credit losses for trade receivables. The provision rates are based on days past due.

The Company will calibrate the matrix to adjust credit loss experience with forward-looking information. Based on the company's historical credit loss experience, trade receivables exhibited significant different loss patterns. The management has determined the expected credit loss by grouping the trade receivables.

Notwithstanding the above, the Company evaluates the expected credit loss on customers in financial difficulties separately. There are no customers in financial difficulties during the financial year except as disclosed in the financial statements.

The Company's credit risk exposure for trade receivables are set out in Note 21.2.

4. REVENUE

	2020 $	2019 $
Revenue from rendering of services	2,517,899	1,239,829
Other operating income:		
Allowance for impairment on trade receivables written back	955	-
Sundry income	1,362	-
Unclaimed credit	16,929	-
Total other operating income	19,246	-
	2,537,145	1,239,829
Timing of revenue recognition		
- At a point in time	2,517,899	1,239,829

5. OTHER OPERATING EXPENSE

	NOTE	2020 $	2019 $
Depreciation of property, plant and equipment	9	710	768

6. PROFIT FROM OPERATIONS

The following items have been included in arriving at profit from operations:

	NOTE	2020 $	2019 $
Allowance for impairment loss on other receivables		38,763	-
Allowance for impairment loss on trade receivables		2,491	66,014
Allowance for impairment loss on trade receivables written back		(955)	-
Consultancy fee		161,465	237,883
Depreciation of property, plant and equipment	9	710	768
Director's fee		-	5,000
Rental of office		42,448	37,832
Staff costs	8	192,683	96,899

7. FINANCE COST

	2020 $	2019 $
Interest expenses	18,248	34,622

8. STAFF COST

	NOTE	2020 $	2019 $
CPF and SDL contribution		12,383	6,778
Salaries and bonuses		180,300	90,121
	6	192,683	96,899

9. PROPERTY, PLANT AND EQUIPMENT

	Computers $	Office Equipment $	Renovation $	Total $
Cost				
At 1 April 2019	9,988	5,918	35,540	51,446
At 31 March 2020	9,988	5,918	35,540	51,446
Accumulated Depreciation				
At 1 April 2019	8,547	5,918	35,540	50,005
Charge for the year	710	-	-	710
At 31 March 2020	9,257	5,918	35,540	50,715
Net Book Value				
At 31 March 2020	731	-	-	731
Cost				
At 1 April 2018	8,440	5,918	35,540	49,898
Addition	1,548	-	-	1,548
At 31 March 2019	9,988	5,918	35,540	51,446
Accumulated Depreciation				
At 1 April 2018	7,779	5,918	35,540	49,237
Charge for the year	768	-	-	768
At 31 March 2019	8,547	5,918	35,540	50,005
Net Book Value				
At 31 March 2019	1,441	-	-	1,441

10. INTANGIBLE ASSET

	2020	2019
	$	$
Cost		
Addition	49,500	-
End of financial year	49,500	-
Accumulated Amortisation		
Charge for the year	-	-
End of financial year	-	-
Net Book Value	49,500	-

The intangible asset is not available for use and no amortisation is charged during the year.

11. INVESTMENT IN A SUBSIDIARY

	2020	2019
	$	$
Unquoted equity shares, at cost:		
At the beginning of financial year	1,379	-
Additions	-	1,379
At the end of financial year	1,379	1,379

The details of the subsidiaries are as follows:

Name of subsidiary (Country of incorporation)	Principal activities	Cost		Percentage of equity interest	
		2020	2019	2020	2019
		$	$	%	%
* Kestone CL US Limited (Incorporated in United State)	Provide manpower, event management and business support services.	1,379	1,379	100	100

* The results of the subsidiary are based on the unaudited financial statements.

The result of the subsidiary has not been consolidated with the Company's financial statements as the Company itself is a wholly owned subsidiary of Kestone Integrated Marketing Services Private Limited, incorporated in India, which prepares consolidated financial statements.

12. TRADE AND OTHER RECEIVABLES

	2020 $	2019 $
Trade receivables (net)	585,963	515,564
Other receivables:		
- third parties	-	20,000
- subsidiary	75,301	43,830
Deposits	26,653	26,629
Prepaid operating expenses	5,831	4,145
Withholding tax	-	17,008
	693,748	627,176

	2020 $	2019 $
Trade receivables (net)	651,022	581,578
Allowance for impairment loss on trade receivables	(65,059)	(66,014)
Trade receivables (net)	585,963	515,564

Movements in allowances for impairment loss of trade receivables are as follows:

	2020 $	2019 $
At beginning of financial year	66,014	-
Allowance made during the year	-	66,014
Allowance written back during the year	(955)	-
At end of financial year	65,059	66,014

The average credit period on rendering of services is 60 to 90 days (2019: 60 to 90 days). No interest is charged on the trade receivables. Trade receivables more than 90 days past due are provided for based on estimated irrecoverable amounts from rendering of services and determined by reference to past default experience.

The table below is an analysis of trade receivables as at balance sheet date:

	2020 $	2019 $
Not past due and not impaired	562,953	334,174
Past due but not impaired	88,069	247,404
Total	651,022	581,578

12. TRADE AND OTHER RECEIVABLES (CONT'D)

Ageing of trade receivables that are past due but not impaired:

	2020 $	2019 $
More than 90 days	88,069	247,404

The amount owing by a subsidiary is non-trade in nature, unsecured, interest-free and is expected to be repayable within the next twelve months.

13. CASH AND CASH EQUIVALENTS

	2020 $	2019 $
Cash and bank balances	1,099,640	269,675

14. OTHER PAYABLES

	2020 $	2019 $
Trade payable:		
- Immediate Holding Company	752,588	-
Other payables:		
- third parties	42,284	75,616
- Immediate Holding Company	96,113	35,621
Accrued operating expenses	167,634	165,945
	1,058,619	277,182

The amount owing to Immediate Holding Company is non-trade in nature, unsecured, interest-free and is expected to be repayable within the next twelve months.

15. BORROWINGS

	2020 $	2019 $
Amount owing to Ultimate Holding Company	-	17,307
Amount owing to Immediate Holding Company	-	432,560
	-	449,867

15. BORROWINGS (CONT'D)

The amount owing to Immediate Holding Company is non-trade in nature, unsecured, interest-free and have no fixed terms of repayments. Included in the amount is an amount of $432,560 (2019: $432,560) in which interest is charged at 8% (2019: 8%) per annum. This amount was fully paid as at the balance sheet date.

16. INCOME TAX

No provision for current income tax has been made in the financial statements.

A reconciliation between the income tax expense and the product of accounting profit multiplied by the applicable tax rate for the year ended 31st March were as follows-:

	2020 $	2019 $
Profit before income tax	178,388	47,376
Tax at the statutory tax rate of 17%	30,326	8,054
Tax effect of expenses that are not deductible in determining taxable income	7,071	4,669
Tax effect on utilisation of capital allowances	-	(1,214)
Tax effect on utilisation of unabsorbed losses	(37,397)	(11,509)
	-	-

Unabsorbed tax losses not recognised represents the followings:

	2020 $	2019 $
Temporary difference	(124)	(245)
Unabsorbed tax losses	4,758	42,156
	4,634	41,910

As at 31 March 2020, the Company has unabsorbed tax losses estimated at $27,990 (2019: $247,974) available for offsetting against future taxable income subject to the compliance of certain provisions of Singapore Income Tax Act and agreement with the tax authorities.

17. SHARE CAPITAL

	2020 $	2019 $
946,561 ordinary shares issued and fully paid with no par value (2019: 514,001 ordinary shares)	946,561	514,001

On 11th October 2019, the Company's issued and paid up share capital was increased from $514,001 to $946,561 by the issue of an additional 432,560 ordinary shares for a consideration of $432,560 by the capitalisation of amount owing to Immediate Holding Company to provide additional working capital.

The newly issued shares rank pari passu in all respects with the existing shares already in issue.

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 shareholders' meetings.

18. RELATED PARTY DISCLOSURES

(a) The following transactions took place between the Company and related party during the financial year:

	2020 $	2019 $
Expenses paid on behalf by Immediate Holding Company	813,080	-
Repayment to Ultimate Holding Company	17,307	-
Loan interest charged by Immediate Holding Company	18,248	34,622

Related party comprise mainly companies which are controlled or significantly influenced by the Company's key management personnel.

Outstanding balances at 31st March 2020 are set out in Notes 12 and 14.

18. RELATED PARTY DISCLOSURES (CONT'D)

(b) Key management personnel compensation

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

Key management personnel compensation comprises:

	2020	2019
	$	$
Director's fee	-	5,000

19. LEASES

Company as a lessee

The Company has lease contracts for office.

(a) Amounts recognised in profit or loss

	2020
	$
Rental of office	42,448

(b) Total cash outflow

The Company had total cash outflows for lease of $42,448 in 2020.

20. COMMITMENTS

Operating Lease Commitments - where the Company is a lessee

The Company leases office from non-related party under non-cancellable operating lease agreements. The leases have varying terms.

As at 31 March 2019, the future minimum lease payables under non-cancellable operating leases contracted for but not recognised as liabilities, are as follows:

	2019
	$
Within one year	18,900

Minimum lease payments recognised as an expense in profit or loss for the financial year ended 31 March 2019 amounted to $14,516.

21. FINANCIAL RISK MANAGEMENT

Financial Risk Management Objectives and Policies

The main risks arising from the Company's financial instruments are cash flow and fair value interest rate risk, credit risk, foreign currency risk and liquidity risk. The Company does not use derivatives and other instruments in its risk management activities. The Company does not hold or issue derivatives financial instruments for trading purposes. The management reviews and agrees policies for managing each of these risks and they are summarised below:

21.1 Cash Flow and Fair Value Interest Rate Risk

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market interest rates. As the Company has no significant interest-bearing assets, the Company's income and operating cash flows are substantially independent of changes in market interest rate.

	Fixed rates			
	Less than 1 years	1 to 5 years	Non-interest bearing	Total
	$	$	$	$
At 31 March 2020				
Assets				
Cash and cash equivalents	-	-	1,099,640	1,099,640
Trade and other receivables	-	-	693,748	693,748
Non financial assets	-	-	51,610	51,610
Total assets	-	-	1,844,998	1,844,998
Liabilities				
Other payables	-	-	1,058,619	1,058,619
Total liabilities	-	-	1,058,619	1,058,619
At 31 March 2019				
Assets				
Cash and cash equivalents	-	-	269,675	269,675
Trade and other receivables	-	-	627,176	627,176
Non financial assets	-	-	2,820	2,820
Total assets	-	-	899,671	899,671
Liabilities				
Other payables	-	-	277,182	277,182
Borrowings	432,560	-	17,307	449,867
Total liabilities	432,560	-	294,489	727,049

21. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

21.2 Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company.

Credit exposure to an individual counterparty is restricted by credit limits that are approved by the management based on ongoing credit evaluation. The counterparty's payment pattern and credit exposure are continuously monitored by the management.

Sales to customers are required to be settled by cheque or via telegraphic transfer. There are no significant concentrations of credit risk, whether through exposure to corporate customers specific industry sectors and/or region.

The Company does not have derivative financial instruments.

(i) Trade receivables

The Company uses a provision matrix to measure the lifetime expected credit loss allowance for trade receivables.

In measuring the expected credit losses, trade receivables are grouped based on credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Company considers historical loss rates for each category of customers and affecting the ability of the customers to settle the receivables.

Trade receivables are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company considers a financial asset as in default if the counterparty fails to make contractual payments within 60 to 90 days when they fall due, and an allowance for impairment of the financial asset is made when a debtor fails to make contractual payments greater than 180 days past due. Where allowances are made, the Company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss and allowance reversed.

21. FINANCIAL INSTRUMENTS (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

21.2 Credit Risk (Cont'd)

(i) Trade receivables (Cont'd)

The Company's credit risk exposure in relation to trade receivables as at 31 March 2020 are set out as follows:

		Past due
	Less than 3 months	**More than 3 months**
	$	$
Expected credit loss	0%	74%
Trade receivables	562,953	88,069
Allowance for impairment loss on trade receivables	-	(65,059)

(ii) Financial assets that are past due and/or impaired

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

21.3 Foreign Currency Risk

Currency risk is the risk that value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company has transactions in United States Dollars ("USD"), Euro Dollar ("EUR"), Emirati Dirham ("AED"), Indian Rupee ("INR") and Great Britain Pound ("GBP") and as a result, the Company is exposed to movements in foreign currencies exchange rates. However, the Company does not use any financial derivatives such as foreign currency forward contracts and foreign currency options for hedging purpose.

The Company is exposed to currencies risks arising primarily from USD, EUR, AED, INR and GBP as significant sales are denominated in SGD.

The Company's currencies exposures based on the information provided to key management is as follows:

21. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

21.3 Foreign Currency Risk (Cont'd)

	USD	EUR	AED	INR	GBP	Total
	$	$	$	$	$	$
At 31 March 2020						
Financial assets						
Trade and other receivables	572,888	-	122,518	2,270	42,960	740,636
	572,888	-	122,518	2,270	42,960	740,636
Financial liabilities						
Other payables	-	-	-	772,877	-	772,877
	-	-	-	772,877	-	772,877
Net currencies exposures	572,888	-	122,518	(770,607)	42,960	(32,241)
At 31 March 2019						
Financial assets						
Trade and other receivables	373,301	5,842	37,208	-	-	416,351
	373,301	5,842	37,208	-	-	416,351
Financial liabilities						
Other payables	10,636	-	-	-	-	10,636
	10,636	-	-	-	-	10,636
Net currencies exposures	362,665	5,842	37,208	-	-	405,715

21. FINANCIAL RISK MANAGEMENT (CONT'D)

Financial Risk Management Objectives and Policies (Cont'd)

21.3 Foreign Currency Risk (Cont'd)

Assuming that the USD, EUR, AED, INR and GBP had strengthened/weakened against the SGD by 1% (2019: 1%) respectively with all other variables including tax rate being held constant, the company's loss after tax for the financial year would have been $300 (2019: $4,100) respectively higher/lower as a result of currency translation gains/losses.

21.4 Liquidity Risk

The Company manages its liquidity risk by maintaining a level of cash and cash equivalents deemed adequate by management to finance the Company's operations. The Company ensures the availability of funding from its Immediate Holding Company.

The table below analyses the maturity profile of the Company's financial liabilities based on contractual undiscounted cash flows.

	2020	2019
	$	$
Less than 1 year		
Other payables	1,058,619	277,182
Borrowings	-	449,867
	1,058,619	727,049

21.5 Fair Values

The carrying amounts of financial assets and liabilities are approximate to their fair values.

22. CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

a) To safeguard the Company's ability to continue as a going concern;

b) To support the Company's stability and growth; and

c) To provide capital for the purpose of strengthening the Company's risk management capability.

The Company actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders returns, taking into consideration the future capital requirements of the Company and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditure and projected strategic investment opportunities.

23. EVENTS OCCURING AFTER BALANCE SHEET DATE

The Coranavirus Disease (COVID-19) outbreak and the measures taken to contain the spread of the pandemic have created a high level of uncertainty to global economic prospects and this has impacted the Company's operations and its financial performance subsequent to the financial year end.

The Company is monitoring the situation closely and to mitigate the financial impact on the Company's businesses. As at the date of these financial statements, the Company is not aware of any material impact on the financial statements arising from the COVID-19 outbreak.

24. NEW ACCOUNTING STANDARDS AND FRS INTERPRETATIONS

Certain new accounting standards, amendments and interpretations to existing standards have been published and they are mandatory for the company's accounting years beginning on or after 1 April 2020 or later years, which the company has not early adopted. The company does not expect that adoption of these accounting standards or interpretations will have a material impact on the company's financial statements

25. AUTHORISATION OF FINANCIAL STATEMENTS

The board of directors has authorised these financial statements for issue on the date of the directors' statement.

KESTONE CL ASIA HUB PTE. LTD.
(Incorporated in Singapore)

DETAILED PROFIT AND LOSS ACCOUNT FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2020

	2020	2019
	$	$
REVENUE	2,517,899	1,239,829
LESS: DIRECT COSTS		
Advertising	9,138	7,124
Agency fee	3,041	-
Bank charges	-	8,565
Casual wages	-	1,926
Consultancy fee	12,965	35,208
Entertainment	4,315	1,470
Event cost	1,342,389	197,740
Foreign exchange differences (net)	10,376	1,102
Freight and handling charges	26,398	995
Gift expense	211,460	125,870
Printing and stationery	7,723	23,971
Professional fee	24,630	69,225
Sponsorship charges	81,672	57,022
Transportation	3,889	12,483
Travelling	78,368	29,534
Website cost	1,938	135,214
	1,818,302	707,449
GROSS PROFIT	699,597	532,380
ADD: OTHER OPERATING INCOME		
Allowance for impairment on trade receivables written back	955	-
Sundry income	1,362	-
Unclaimed credit	16,929	-
	19,246	-
	718,843	532,380
LESS: EXPENDITURE (as per schedule)	540,455	485,004
OPERATING PROFIT FOR THE YEAR	178,388	47,376

This schedule does not form part of the audited statutory financial statements.

KESTONE CL ASIA HUB PTE. LTD.
(Incorporated in Singapore)

	2020	2019
	$	$
EXPENDITURE		
Accountancy fee	3,600	3,600
Allowance for impairment loss on other receivables	38,763	-
Allowance for impairment loss on trade receivables	2,491	66,014
Auditor's remuneration	-	4,100
Bank charges	12,889	-
Consultancy fee	148,500	202,675
CPF and SDL contribution	12,383	6,778
Depreciation of property, plant and equipment	710	768
Director's fee	-	5,000
General expenses	13,253	13,763
Interest expenses	18,248	34,622
Penalty	1,705	-
Professional fee	44,614	10,494
PUB charges	-	122
Rental of office	42,448	37,832
Salaries and bonuses	180,300	90,121
Secretarial fee	480	480
Staff welfare	8,964	4,000
Subscription fee	6,671	-
Telephone charges	4,436	4,635
	540,455	485,004

This schedule does not form part of the audited statutory financial statements.