



# HOW TO READ FINANCIAL STATEMENTS IN SINGAPORE

## **SME TECHNOLOGIES PTE LTD (Incorporated in Singapore)**

### **REPORT OF THE DIRECTORS**

The directors are pleased to present their report to the members together with the financial statements of SME TECHNOLOGIES PTE LTD (“the Company”) for reporting period from 1 January 2014 to 31 December 2014.

#### **1 DIRECTORS**

The directors in office at the date of this report are:

Director A  
Director B

#### **2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES**

Neither at the end of nor at any time during the reporting period 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.

#### **3 DIRECTORS’ INTEREST IN SHARES OR DEBENTURES**

The directors holding office at the end of the reporting period and their interests in the share capital of the Company as recorded in the register of directors’ shareholdings kept by the Company under Section 164 of the Companies Act were as follows:

	<b>At beginning of reporting period</b>	<b>At end of reporting period</b>
	(No. of ordinary shares)	
Director A	126,000	150,000
Director B	126,000	150,000



**4 DIRECTORS' CONTRACTUAL BENEFITS**

Since the end of the previous reporting period, no director has received or has become entitled to receive a benefit (other than a benefit or any fixed salary of a full-time employee of the Company included in the aggregate amount of emoluments or shown in the financial statements) by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

On behalf of the directors,

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Director A  
Director

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Director B  
Director



**SME TECHNOLOGIES PTE LTD  
(Incorporated in Singapore)**

**STATEMENT BY DIRECTORS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the “Act”) and Singapore Financial Reporting Standards for Small Entities. This responsibility includes devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheet and to maintain accountability of assets; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

We, the directors of the above mentioned Company, hereby declare on behalf of the Directors,

- (a) the financial statements of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act, Cap. 50 (the “Act”) and Singapore Financial Reporting Standards for Small Entities so as to give a true and fair view of the state of affairs as at 31 December 2011 and the results, cash flows for the reporting period then ended;
- (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;
- (c) as at the end of the reporting period, the Company is exempt from audit requirements as its revenue in the reporting period does not exceed the prescribed amount namely S\$5 million since the end of the previous reporting period ;
- (d) no notice has been received from any member under Section 205B (6) requiring the Company to obtain an audit of its financial statements in relation to the reporting period; and
- (e) the accounting and other records required to be kept by the Company in accordance with Section 199 of the Companies Act have been so kept.

On behalf of the directors,

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Director A  
Director

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Director B  
Director



**SME TECHNOLOGIES PTE LTD**  
*(Incorporated in Singapore)*

**STATEMENT OF FINANCIAL POSITION**

**REPORTING PERIOD FROM 1 JANUARY 2014 TO 31 DECEMBER 2014**

**(Expressed in Singapore dollars)**

	<u>NOTE</u>	<u>2014</u> \$	<u>2013</u> \$
<b>Non-current assets</b>			
Property, plant and equipment	4	21,701	31,477
<b>Current assets</b>			
Inventories	5	39,245	-
Prepayment	6	3,036	3,433
Trade and other receivables	7	234,148	304,696
Cash and bank balances	8	343,437	348,351
		619,866	656,480
Less :			
<b>Current liabilities</b>			
Trade and other payables	9	158,787	193,973
Tax payable		4,843	12,493
		163,630	206,466
<b>Net current assets</b>		456,236	450,014
		477,937	481,491
<b>Capital employed</b>			
Share capital	10	300,000	252,000
Revenue reserve		177,937	229,491
		477,937	481,491

*The accompanying notes are an integral part of the financial statements*



**SME TECHNOLOGIES PTE LTD  
(Incorporated in Singapore)**

**STATEMENT OF COMPREHENSIVE INCOME AND RETAINED EARNINGS**

**REPORTING PERIOD FROM 1 JANUARY 2014 TO 31 DECEMBER 2014**

**(Expressed in Singapore dollars)**

	<u>NOTE</u>	<u>2014</u> \$	<u>2013</u> \$
Revenue	11	1,637,779	1,640,933
Other operating income	12	5,489	6,419
Changes in inventories		39,245	-
Materials and consumables used		(646,080)	(534,099)
Depreciation expenses		(10,413)	(10,560)
Employee expenses	13	(866,025)	(881,347)
Bad and doubtful debts, trade		(2,219)	(813)
Finance costs		(5,062)	(5,635)
Other operating expenses		<u>(115,252)</u>	<u>(104,609)</u>
Profit before income tax	14	37,462	110,289
Income tax	15	<u>(816)</u>	<u>(9,500)</u>
Profit for the reporting period		36,646	100,789
Retained earnings at beginning of reporting period		<u>229,491</u>	<u>128,702</u>



## DOING BUSINESS IN SINGAPORE

		177,937	229,491
Dividends paid	16	<u>(88,200)</u>	<u>-</u>
Retained earnings at end of reporting period		<u>266,137</u>	<u>229,491</u>

*The accompanying notes are an integral part of the financial statements*



**SME TECHNOLOGIES PTE LTD**  
*(Incorporated in Singapore)*

**STATEMENT OF CHANGES IN EQUITY**

**REPORTING PERIOD FROM 1 JANUARY 2014 TO 31 DECEMBER 2014**

**(Expressed in Singapore dollars)**

	Share capital	Revenue reserve	Total
	\$	\$	\$
Balance as at 01.01.2013	252,000	128,702	380,702
Total comprehensive income for the reporting period	-	100,789	100,789
Balance as at 31.12.2013	252,000	229,491	481,491
Total comprehensive income for the reporting period	-	36,646	36,646
Dividend paid (Note 16)	-	(88,200)	(88,200)
Shares issued (Note 10)	48,000	-	48,000
Balance as at 31.12.2014	300,000	177,937	477,937

*The accompanying notes are an integral part of the financial statements*



**SME TECHNOLOGIES PTE LTD  
(Incorporated in Singapore)**

**STATEMENT OF CASH FLOWS**

**REPORTING PERIOD FROM 1 JANUARY 2014 TO 31 DECEMBER 2014**

**(Expressed in Singapore dollars)**

	<u>NOTE</u>	<u>2014</u>	<u>2013</u>
		\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Profit before income tax		37,462	110,289
Adjustments for :			
Bad and doubtful debts, trade		2,219	813
Depreciation expenses		10,413	10,560
Interest expenses		5,062	-
Operating profit before working capital changes		<u>55,156</u>	<u>121,662</u>
Changes in operating assets and liabilities			
Inventories		(39,245)	-
Trade and other receivables		68,329	13,959
Prepayment		397	-
Trade and other payables		(35,186)	29,546
Cash generated from operations		<u>49,451</u>	<u>165,167</u>
Income tax paid		(8,466)	(12,540)
Net cash from operating activities		<u>40,985</u>	<u>152,627</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(637)	-
Net cash used in investing activities		<u>(637)</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Interest paid		(5,062)	-
Shares issued		48,000	-
Dividend paid		(88,200)	-
Net cash used in financing activities		<u>(45,262)</u>	<u>-</u>
Net changes in cash and cash equivalents		(4,914)	152,627





## DOING BUSINESS IN SINGAPORE

Cash and cash equivalents at beginning of reporting period		<u>348,351</u>	<u>195,724</u>
Cash and cash equivalents at end of reporting period	8	<u>343,437</u>	<u>348,351</u>

*The accompanying notes are an integral part of the financial statements*



**SME TECHNOLOGIES PTE LTD**  
*(Incorporated in Singapore)*

**NOTES TO THE FINANCIAL STATEMENTS**

**31 DECEMBER 2014**

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

**1 CORPORATE INFORMATION**

SME TECHNOLOGIES PTE LTD (“the Company”) is a limited exempt private company, which is incorporated in Singapore on 2 October 1993.

The registered office and principal place of business is at:

48 MacTaggart Road #09-04  
Singapore 368088

The principal activity of the Company is to carry on the business of trading, designing and building water, wastewater, water recycling systems.

There has been no significant change in the nature of this activity during the reporting period.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Basis Of Preparation**

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards (“FRS”) for Small Entities as required by the Singapore Companies Act.

The accounting policies have been consistently applied by the Company during the current reporting period and are consistent with those in the previous reporting period. The adoption of the new FRS for Small Entities does not result in changes to the Company’s accounting policies and has no material effect on the amounts reported for the current or prior reporting periods.

The financial statements are presented in Singapore dollars (\$ or SGD), the functional currency of the Company.



The preparation of financial statements in conformity with FRS requires management to exercise its judgment 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 judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.1.

## 2.2 *Functional Currency*

Management has determined the currency of the primary economic environment in which the Company operates i.e. the functional currency, to be SGD. Sales prices and major costs of providing goods and services including major operating expenses are primarily influenced by fluctuations in SGD.

## 2.3 *Property, Plant And Equipment*

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

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the straight-line method. The following estimated useful lives are used for the depreciation of property, plant and equipment:

Motor vehicles	5-7 years
Office equipment	5-10 years
Others	3-10 years

Others comprise furniture & fitting and leasehold improvement.

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of an asset, the depreciation of that asset is revised prospectively to reflect the new expectations.

## 2.4 *Inventories*

Inventories are stated at the lower of cost and selling price less costs to complete and sell. Cost is calculated using the weighted average method.

## 2.5 *Impairment of Assets*

At each reporting date, property, plant and equipment and inventories are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory with its selling price less costs to complete and sell. If any item of inventory is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognised immediately in profit or loss.



If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

## 2.6 *Trade and Other Receivables*

Most sales are made on the basis of normal credit terms and the receivables do not bear interest. Where credit is extended beyond normal credit terms, receivables are measured at amortised cost using the effective interest method. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

## 2.7 *Cash And Cash Equivalents*

Cash and cash equivalents comprise cash on hand and bank balances. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

## 2.8 *Derecognition of Financial Assets*

The Company derecognise a financial asset when, and only when:

- (a) The contractual rights to the cash flows from the financial asset expires or are settled, or
- (b) The Company transfers substantially all the risks and rewards of ownership of the financial asset, or
- (c) The Company transfers control of the financial asset such that the transferee has the practical ability to sell the asset, and is able to exercise that ability unilaterally.

The transfer of risks and rewards of ownership is evaluated by comparing the Company's exposure, before and after the transfer, with the variability in the amounts and timing of the net cash flows of the transferred asset. Specifically, the Company is deemed to have transferred substantially to the variability in the present value of the future net cash flows from the financial asset changes significantly as a result of the transfer.

## 2.9 *Trade and Other Payables*

Trade payables are obligations on the basis of normal credit terms and do not bear interest. Trade and other payables denominated in a foreign currency are translated into S\$ using the exchange rate at the reporting date. Foreign exchange gains or losses are included in other income or other expenses.

## 2.10 *Employee Benefits*

### (a) **Defined contribution plan**

As required by law, the Company makes contribution to the state pension scheme, the Central Provident Fund ("CPF"). CPF contributions are recognised as compensation expense in the same period as the employment that gives rise to the contribution.



**(b) Employee leave entitlement**

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

**2.11 Equity Instruments**

Equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. The accounting policies adopted for specific equity instruments are set out below.

**(a) Share capital**

Share capital issued by the Company is recorded at the proceeds received, net of direct issue costs.

**2.12 Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

**(a) Sale of goods**

Revenue is recognized upon the transfer of significant risk and rewards of ownership of the goods to the customer, which generally coincides with delivery and acceptance of the goods sold. Revenue is not recognized to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

**(b) Rendering of services**

Revenue from services is recognised in the reporting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of total services to be performed.

**2.13 Income Taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases (known as temporary differences). Deferred tax liabilities are recognised for all temporary differences that are expected to increase taxable profit in the future. Deferred tax assets are recognised for all temporary differences that are expected to reduce taxable profit in the future, any unused tax losses or unused tax credits. Deferred tax assets are measured at the highest amount that, on the basis of current or estimated future taxable profit, is more likely than not to be recovered.



The net carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. Any adjustments are recognised in profit or loss.

Deferred tax is calculate at the tax rates that are expected to apply to the taxable profit (tax loss) of the periods in which it expects the deferred tax asset to be realised or the deferred tax liability to be settled, on the basis of tax rates that have been enacted or substantively enacted by the end of the reporting period.

### **3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS**

Estimates, assumptions concerning the future and judgments are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **3.1 Key sources of estimation uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are discussed below.

##### **(a) Impairment of trade receivables**

The Company's management assesses the collectibility of trade receivables. This estimate is based on the credit history of the Company's customers and the current market condition. Management reassess the impairment loss at the end of the reporting period.

##### **(b) Net realisable value of inventories**

Net realisable value of inventories is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. These estimates are based on the current market condition and the historical experience of selling products of similar nature. It could change significantly as a result of competitor actions in response to severe industry cycles. Management will reassess the estimations at the end of the reporting period.

##### **(c) Income taxes**

The Company has exposure to income taxes in local jurisdiction. Significant judgment is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.



**4 PROPERTY, PLANT AND EQUIPMENT**

	Motor vehicles	Office equipment	Others	Total
	\$	\$	\$	\$
Cost :				
At 01.01.2014	96,443	68,502	23,256	188,201
Additions	-	637	-	637
At 31.12.2014	<u>96,443</u>	<u>69,139</u>	<u>23,256</u>	<u>188,838</u>
Accumulated depreciation :				
At 01.01.2014	81,459	52,920	22,345	156,724
Depreciation	5,416	4,854	143	10,413
At 31.12.2014	<u>86,875</u>	<u>57,774</u>	<u>22,488</u>	<u>167,137</u>
Net book value :				
At 31.12.2014	<u>9,568</u>	<u>11,365</u>	<u>768</u>	<u>21,701</u>
At 31.12.2013	<u>14,984</u>	<u>15,582</u>	<u>911</u>	<u>31,477</u>

Others comprise furniture & fitting and leasehold improvement.

**5 INVENTORIES**

	<u>2014</u>	<u>2013</u>
	\$	\$
Project materials	<u>39,245</u>	<u>-</u>

**6 PREPAYMENT**

These are prepaid expenses that will be recognized in the income statement in the next reporting period.





## DOING BUSINESS IN SINGAPORE

### 7 TRADE AND OTHER RECEIVABLES

	<u>2014</u>	<u>2013</u>
	\$	\$
<u>Trade Receivables</u>		
External parties	225,109	300,533
Less : Allowance for bad debts	-	(3,748)
	<u>225,109</u>	<u>296,785</u>
<u>Other Receivables</u>		
Deposits	8,940	7,812
Others	99	99
	<u>9,039</u>	<u>7,911</u>
Total	<u>234,148</u>	<u>304,696</u>

### 8 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash on hand and balances with banks. Cash and cash equivalents included in the statement of cash flows comprise the following amounts:-

	<u>2014</u>	<u>2013</u>
	\$	\$
Cash and bank balances	<u>343,437</u>	<u>348,351</u>

### 9 TRADE AND OTHER PAYABLES

	<u>2014</u>	<u>2013</u>
	\$	\$
<u>Trade Payables</u>		
External parties	<u>37,094</u>	<u>39,697</u>
<u>Other Payables</u>		
Accruals	30,000	34,946
Others	91,693	119,330
	<u>121,693</u>	<u>154,276</u>
Total	<u>158,787</u>	<u>193,973</u>





**10 SHARE CAPITAL**

	<u>2014</u>	<u>2013</u>
	\$	\$
Issued and fully paid -		
252,000 (2013: 252,000) Ordinary shares	252,000	252,000
48,000 (2013 : NIL) Ordinary shares	<u>48,000</u>	<u>-</u>
300,000 (2013: 252,000) Ordinary shares	<u>300,000</u>	<u>252,000</u>

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. All shares rank equally with regard to the Company's residual assets.

The ordinary shares have no par value.

During the reporting period, the Company issued 48,000 shares at the value of \$48,000 for cash to increase its working capital. The newly issued shares rank pari passu in all respect with the existing issued shares. All issued shares are fully paid.

**11 REVENUE**

Revenue represents invoiced trading sales and rendering of services after allowance for goods returned and trade discounts, excludes Goods and Services Tax.

	<u>2014</u>	<u>2013</u>
	\$	\$
Sale of goods	682,093	647,900
Services rendered	<u>955,686</u>	<u>993,033</u>
	<u>1,637,779</u>	<u>1,640,933</u>

**12 OTHER OPERATING INCOME**

	<u>2014</u>	<u>2013</u>
	\$	\$
SME cash grant	5,000	-
Government grant – job credit	-	6,419
Others	<u>489</u>	<u>-</u>
	<u>5,489</u>	<u>6,419</u>

**13 EMPLOYEE EXPENSES**

Employee expenses are: -



## DOING BUSINESS IN SINGAPORE

	<u>2014</u>	<u>2013</u>
	\$	\$
Directors' emoluments	385,091	391,493
Staff costs		
- salaries, bonus and allowances	321,065	330,259
- Central Provident Fund and related costs	50,349	50,038
- others	86,533	88,893
- commission	22,987	20,664
	<u>866,025</u>	<u>881,347</u>

### 14 PROFIT BEFORE INCOME TAX

In addition to the information disclosed elsewhere in the financial statement, profit before income tax is stated after charging:

	<u>2014</u>	<u>2013</u>
	\$	\$
Interest expenses	5,062	5,635
Bad and doubtful debts, trade	2,219	813
Depreciation expenses	10,413	10,560
Travelling and entertainment	17,145	13,172
	<u>34,839</u>	<u>30,180</u>

### 15 INCOME TAX

Major components of income tax are:

	<u>2014</u>	<u>2013</u>
	\$	\$
Based on profit of the reporting period:		
- Current income tax	1,850	9,500
Adjustment for previous reporting periods :		
- Income tax	(1,034)	-
	<u>816</u>	<u>9,500</u>

Income tax is calculated at 17% (2013 : 17%) of the estimated assessable profit for the reporting period.

Income tax expense for the reporting period \$1,850 in 2014 (2013 : \$9,500) differs from the amount that would result from applying the tax rate of 17% (both 2013 and 2014) to profit before tax, under the tax laws in Singapore, due to the benefits arising from tax incentives and tax exemption for Small Entities.



**16 DIVIDEND PAID**

	<u>2014</u>	<u>2013</u>
	\$	\$
Paid in respect of the current reporting period:		
- Dividend paid of S\$0.35 (2013: S\$nil) per ordinary share tax exempt under the one-tier system payable out of profit	88,200	-
	<u>88,200</u>	<u>-</u>

**17 SIGNIFICANT RELATED PARTY TRANSACTIONS**

During the reporting period, there are no significant related party transactions which are carried out in the normal course of business on terms agreed between the parties.

The total remuneration of directors and other members of key management in 2014 (including salaries and benefits) is \$385,091 (2013 : \$391,493).

**18 FUTURE LEASE COMMITMENTS**

As at the end of the reporting period, the Company had a non-cancellable future lease commitment for operating lease for premises. The future minimum rental payments under the terms of the operating lease are summarised below:

	<u>2014</u>	<u>2013</u>
	\$	\$
Not later than 1 year	34,445	28,748
Later than 1 year but not later than 5 years	11,164	23,957
Total	<u>45,609</u>	<u>52,705</u>

**19 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE**

The financial statements for the reporting period were authorised for issue in accordance with a resolution of the directors on



**SME TECHNOLOGIES PTE LTD  
(Incorporated in Singapore)**

**PROFIT AND LOSS ACCOUNTS**

**FOR THE REPORTING PERIOD FROM 1 JANUARY TO 31 DECEMBER 2014**

	\$
SALES	1,637,779
COST OF SALES	<u>(606,835)</u>
GROSS PROFIT	1,030,944
OTHER OPERATING INCOME	
SME Cash grants	5,000
Others	<u>489</u>
	1,036,433
OPERATING EXPENSES	<u>(998,971)</u>
PROFIT BEFORE INCOME TAX	37,462
INCOME TAX	<u>(816)</u>
PROFIT AFTER INCOME TAX	<u>36,646</u>



**SME TECHNOLOGIES PTE LTD  
(Incorporated in Singapore)**

**OPERATING EXPENSES**

**FOR THE REPORTING PERIOD FROM 1 JANUARY 2014 TO 31 DECEMBER 2014**

	\$
<b><u>Employee expenses</u></b>	
Directors' remuneration	385,091
Staff salaries and bonus	321,065
CPF and related expenses	50,349
Staff training	1,347
Long service reward	1,500
Commission	22,987
Foreign worker levy	1,528
SDL	1,123
Oversea travel expenses	7,257
Transport allowance	73,778
	<hr/>
	866,025
<b>Depreciation expenses</b>	10,413
<b>Bad &amp; doubtful debts, trade</b>	2,219
<b><u>Finance costs</u></b>	
Interest expenses	5,062
	<hr/>
	5,062
<b><u>Other operating expenses</u></b>	
Accountancy fee	6,000
Bank charges	175
Car expenses	6,363
Delivery charges	82
Entertainment	9,888
Insurance	6,906
Legal & professional fee	2,850
Medical expenses	4,244
Office cleaning	1,800
Office rental	27,394
Parking fee	246
Petro expenses	6,063
Postages & courier	247
Printing & stationery	3,851
Promotion expenses	1,606
Rental of office equipment	3,816
Repair & maintenance	5,667
Secretarial fees	882



## DOING BUSINESS IN SINGAPORE



international@afigec.com

Sundry expense	7,533
Telephone & telex	13,673
Water & electricity	<u>5,966</u>
	<u>115,252</u>
Total	<u>998,971</u>