



Summary Financial Statements

For the financial year ended 31 December 2015

Employment And Employability Institute Pte. Ltd.

Directors' statement

IMPORTANT NOTE

The Summary Financial Statement as set out on pages 1 to 13 contains only a summary of the information in the Directors' Report and financial statements of the Company's Annual Report. It does not contain sufficient information to allow for a full understanding of the results of the Company and the state of affairs of the Company.

For further information, the full financial statements, the Independent Auditors' Report and the Directors' Report in the Annual Report should be consulted.

DIRECTORS' STATEMENT

The directors are pleased to present their statement together with the financial statements of Employment And Employability Institute Pte. Ltd. (the Company) for the financial year ended 31 December 2015.

Opinion of the directors

In the opinion of the directors,

- (a) the accompanying statement of comprehensive income and statement of financial position, together with notes thereto are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2015 and of the financial performance of the business for the year ended on that date, 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.

Directors

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

Mr Chan Heng Kee	(Chairman of the Board)
Mr Philip Su Poon Ghee	(Chairman of the Audit and Risk Committee)
Ms Anna Chan Hock Cheng	
Mr Gilbert Tan Chye Hee	
My Kung Teong Wah	
Mr Ng Cher Pong	
Mr Ng San Tiong	
Mr David Poh Tze Keong	
Mr Poon Hong Yuen	

Directors' interests in shares and debentures

No directors who held office at the end of the financial year had, according to the register required to be kept under Section 164 of the Singapore Companies Act, Chapter 50, interest in shares of the Company or of related corporations, either at the beginning of the financial year or at the end of the financial year.

Employment And Employability Institute Pte. Ltd.

Directors' statement

On behalf of the Board of Directors



Chan Heng Kee
Director



Philip Su Poon Ghee
Director

Singapore
11 May 2016

Employment And Employability Institute Pte. Ltd.

**Statement of comprehensive income
For the financial year ended 31 December 2015**

	Note	Year ended 31.12.2015 \$'000	1.4.2014 to 31.12.2014 \$'000
Grants	4	62,176	49,487
Tenancy and lease income		2,862	1,876
		65,038	51,363
Project grants disbursement		(12,291)	(7,789)
Inclusive Growth Programme disbursement		(16,624)	(12,357)
Training allowance and course fees		(12,202)	(14,321)
Tenancy and lease expenses		(3,733)	(2,482)
General and administration expenses		(2,362)	(1,594)
Expenditure on manpower		(13,244)	(9,666)
Outreach and event expenses		(4,485)	(3,351)
		97	(197)
Income tax expense	5	-	-
Profit / (loss) for the financial year / period		97	(197)
Other comprehensive income for the financial year / period, net tax		-	-
Total comprehensive income for the financial year / period		97	(197)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Employment And Employability Institute Pte. Ltd.

**Statement of financial position
As at 31 December 2015**

	Note	2015 \$'000	2014 \$'000
Non-current assets			
Property, plant and equipment	6	219	110
Intangible assets	7	724	593
		<u>943</u>	<u>703</u>
Current assets			
Trade and other receivables	8	3,064	7,504
Prepayments		113	193
Cash and cash equivalents	9	28,167	29,179
		<u>31,344</u>	<u>36,876</u>
Total assets		<u>32,287</u>	<u>37,579</u>
Current liabilities			
Trade and other payables	10	16,287	19,384
Grants received in advance	4	15,653	17,945
Total liabilities		<u>31,940</u>	<u>37,329</u>
Equity			
Share capital	11	4,500	4,500
Accumulated losses		(4,153)	(4,250)
Total equity		<u>347</u>	<u>250</u>
Total equity and liabilities		<u>32,287</u>	<u>37,579</u>

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

IMPORTANT NOTE

The notes to the financial statements (many of which are not published herein) form an integral part of the audited financial statements and a full understanding of the financial statements and the state of affairs of the Company cannot be achieved without reference to the complete set of the Company's Annual Report.

1. Corporate information

Employment And Employability Institute Pte. Ltd. (the "Company") is a private limited company incorporated and domiciled in the Republic of Singapore and has its registered office at 6 Battery Road #10-01, Singapore 049909.

The principal activities of the Company are those relating to the provision of education and training and related services. The holding entity is Singapore Labour Foundation, and related companies in these financial statements refer to members of the holding entity's group of companies.

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").

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below. The financial statements are presented in Singapore Dollars (SGD or \$).

2.2 Changes in accounting policies

The accounting policies adopted are consistent with those of the previous financial period except in the current financial year, the Company has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2015. The adoption of these standards did not have any effect on the financial performance or position of the Company.

3. Significant accounting judgments and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Critical judgements made in applying accounting policies

The Management is of the view that there is no critical judgement made in the process of applying the Company's accounting policies that have a significant effect on the amounts recognised in the financial statements.

Employment And Employability Institute Pte. Ltd.

Notes to the financial statements For the financial year ended 31 December 2015

4. Grants received in advance

The Company received the following grants:

	Grants from holding entity \$'000	Institutional Grant \$'000	Inclusive Growth Programme Grant \$'000	Total \$'000
As at 1 April 2014	3	28,617	10,553	39,173
Grants received / receivable during the period	—	25,977	10,185	36,086
Grants payable during the period	—	(270)	(7,633)	(7,827)
Grants income recognised	(2)	(36,380)	(13,105)	(49,487)
As at 31 December 2014 and 1 January 2015	1	17,944	—	17,945
Transfer to grants receivable	—	10	231	241
Transfer from grants receivable	—	—	(5,018)	(5,018)
Grants received during the year	—	42,275	22,386	64,661
Grants income recognised	(1)	(44,576)	(17,599)	(62,176)
As at 31 December 2015	—	15,653	—	15,653

Unutilised grants are required to be returned to respective grantors at the end of the grant period except for the campus operations grant which will be used to offset against future deficits.

Included in the grants above are grants earmarked for property, plant and equipment of \$153,051 (2014: \$115,283), intangible assets of \$724,135 (2014: \$593,216) and future obligation of operating leases for office equipment of \$10,539 (2014: \$54,516).

5. Income tax expense

	Year ended 31.12.2015 \$	1.4.2014 to 31.12.2014 \$
Current tax expense		
Current income taxation	—	—

IMPORTANT NOTE

The notes to the financial statements (many of which are not published herein) form an integral part of the audited financial statements and a full understanding of the financial statements and the state of affairs of the Company cannot be achieved without reference to the complete set of the Company's Annual Report.

Employment And Employability Institute Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 December 2015**

5. Income tax expense (cont'd)

The reconciliation between tax expense and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate is as follows:

	Year ended 31.12.2015	1.4.2014 to 31.12.2014
	\$	\$
Profit/(loss) before taxation	97,388	(197,451)
Tax calculated at a tax rate of 17%	16,556	(33,566)
Adjustments:		
Non-deductible expenses	40,936	29,164
Income not subject to tax	(38,922)	(26,599)
Deferred tax asset not recognised	–	31,001
Utilisation of previously unrecognised tax losses	(18,570)	–
	–	–

6. Property, plant and equipment

	Office furniture and fittings	Office equipment and computers	Renovations	Construction in progress	Total
	\$	\$	\$	\$	\$
Cost:					
At 1 April 2014	17	369	–	–	386
Additions	5	11	–	38	54
At 31 December 2014 and 1 January 2015	22	380	–	38	440
Additions	12	156	41	8	217
Transfer to intangible assets	–	–	–	(46)	(46)
At 31 December 2015	34	536	41	–	611
Accumulated depreciation:					
At 1 April 2014	12	279	–	–	291
Depreciation charge for the period	3	36	–	–	39

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Employment And Employability Institute Pte. Ltd.

Notes to the financial statements
For the financial year ended 31 December 2015

	Office furniture and fittings	Office equipment and computers	Renovations	Construction in progress	Total
At 31 December 2014 and 1 January 2015	15	315	–	–	330
Depreciation charge for the year	14	45	3	–	62
At 31 December 2015	29	360	3	–	392
Carrying amount:					
At 31 December 2014	7	65	–	38	110
At 31 December 2015	5	176	38	–	219

7. Intangible assets

	2015 \$'000	2014 \$'000
Computer software		
Cost:		
At beginning of financial year/period	698	–
Additions	258	698
Transfer from property, plant and equipment	46	–
At end of financial year/period	1,002	698
Accumulated amortisation:		
At beginning of financial year/period	105	–
Amortisation charge for the year/period	173	105
At end of financial year/period	278	105
Net carrying amount:		
At end of financial year/period	724	593

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Employment And Employability Institute Pte. Ltd.

Notes to the financial statements
For the financial year ended 31 December 2015

8. Trade and other receivables

	2015	2014
	\$'000	\$'000
Trade receivables	621	1,017
Refundable deposits	117	156
Rent free asset – rent and service fee	430	457
Other receivables	1,896	5,874
Total	3,064	7,504

Trade receivables are interest-free and are generally on 30 day's terms.

Receivables that are past due but not impaired

The Company has trade receivables amounting to \$352K (2014: \$606K) that are past due at the balance sheet date but are not impaired. These receivables are unsecured and the analysis of their aging at the balance sheet date is as follows:

	2015	2014
	\$'000	\$'000
Trade receivables past due:		
Lesser than 30 days	180	224
31 to 60 days	36	58
61 to 90 days	78	122
More than 90 days	58	202
	352	606

9. Cash and cash equivalents

Cash and cash equivalents comprise:

	2015	2014
	\$'000	\$'000
Short-term deposits	17,050	17,020
Cash and bank balances	11,117	12,159
	28,167	29,179

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interests at the respective short-term deposit rates. The weighted average effective interest rate as at 31 December 2015 is 1.1% (2014: 0.4%).

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Employment And Employability Institute Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 December 2015**

10. Trade and other payables

	2015	2014
	\$'000	\$'000
Trade payables	3,091	2,047
Other payables	3,064	10,629
Accrued operating expenses	9,560	6,134
Liabilities at amortised cost	15,715	18,811
Deferred revenue	572	573
	<u>16,287</u>	<u>19,384</u>

11. Share capital

	2015		2014	
	No. of shares	\$'000	No. of shares	\$'000
Issued and fully paid ordinary shares:				
Balance at 1 January/April and 31 December	4,500,000	4,500	4,500,000	4,500

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

12. Related parties

Key management personnel compensation

Compensation payable to key management personnel comprises:

	Year ended 31.12.2015	1.4.2014 to 31.12.2014
	\$'000	\$'000
Short-term employee benefits	<u>1,051</u>	<u>566</u>

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

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Employment And Employability Institute Pte. Ltd.

Notes to the financial statements For the financial year ended 31 December 2015

13. Commitments

As lessee

The Company has entered into commercial leases on its premises, photocopies and computers. During the period ended 31 December 2015, an amount of \$1,455K (2014: \$1,134K) was recognised as an expense in profit or loss in respect of operating leases. The Company had the following non-cancellable operating lease payable commitments as at the end of the year/period:

	Year ended 31.12.2015	1.4.2014 to 31.12.2014
	\$'000	\$'000
Not later than one year	1,462	1,457
Later than one year but not later than five years	5,537	5,528
Later than five years	10,188	11,546
	<u>17,187</u>	<u>18,531</u>

As lessor

The Company subleases its premises held under operating leases. During the period ended 31 December 2015, an amount \$2,177K (2014: \$1,294K) was recognised as service income in profit or loss. The Company had the following non-cancellable operating lease receivable commitments as at the end of the year/period:

	Year ended 31.12.2015	1.4.2014 to 31.12.2014
	\$'000	\$'000
Not later than one year	3,701	2,879
Later than one year but not later than five years	2,224	3,076
	<u>5,925</u>	<u>5,955</u>

14. Capital management

The Company defines "capital" as its share capital and accumulated losses.

The Company manages its capital structure and makes alignment to it, in light of changes in its operational requirements.

The share capital of the Company serves to fund the initial renovation cost of its previously held training premises at 141 Redhill Road.

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

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Employment And Employability Institute Pte. Ltd.

**Notes to the financial statements
For the financial year ended 31 December 2015**

15. Comparative figures

The Company had changed its financial year end from 31 March to 31 December during the last financial period. The comparative figures cover a nine-month period from 1 April 2014 to 31 December 2014.

IMPORTANT NOTE

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