



**Kingsland Global Ltd  
And Subsidiaries Companies**

**Results for Announcement To The  
Market (ASX Appendix 4E)  
&  
Annual Financial Statement  
For The Financial Year  
Ended 31 March 2019**

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**KINGSLAND GLOBAL LTD AND SUBSIDIARIES COMPANIES****RESULTS FOR ANNOUNCEMENT TO THE MARKET (APPENDIX 4E)***For the financial year from 1 April 2018 to 31 March 2019*

<b>Group</b>	<b>S\$</b>	<b>Up/Down</b>	<b>% Movement</b>
Revenue from ordinary activities	34,627,271	Up	3798%
Profit from ordinary activities after tax attributable to shareholders	5,545,416	Up	384%
Net Profit attributable to shareholders	5,545,416	Up	384%
Total comprehensive income attributable to shareholders	5,611,805	Up	385%

**DIVIDEND INFORMATION**

	<b>Amount per share (Singapore cent)</b>	<b>Franked amount per share (Singapore cent)</b>	<b>Tax rate for franking credit</b>
Final FY2019 dividend per share	NIL	NIL	NIL

It is not proposed to pay dividends for the financial year ended 31 March 2019.

**NET TANGIBLE ASSETS PER ORDINARY SHARES**

	<b>31 March 2019</b>	<b>31 March 2018</b>
Net tangible assets	\$29,801,322	\$23,534,843
Total number of issued and fully paid ordinary shares	405,000,000	405,000,000
Net tangible assets per ordinary share	\$0.074	\$0.058

**OTHER INFORMATION**

This information should be read in conjunction with the FY2018 Annual Financial Report of Kingsland Global Ltd and its subsidiaries and any public announcements made in the period by Kingsland Global Ltd in accordance with the continuous disclosure requirements of the Companies Act (Chapter 50) and Listing Rules.

Additional Appendix 4E disclosure requirements can be found in the Directors' Statement and the consolidated financial statements for the financial year ended 31 March 2019.

This report is based on the consolidated financial statements which have been audited by Kong, Lim & Partners LLP.

# KINGSLAND GLOBAL LTD AND SUBSIDIARIES COMPANIES GROUP PERFORMANCE REVIEW

Kingsland Global Ltd (ASX:KLO) ("Kingsland" or "the Company") is pleased to provide an update on progress of the Company's projects in Cambodia.

## **Overview**

It has been a challenging but rewarding year Kingsland Global. The Company's projects in the Cambodian market have seen good results and returns the past few years. As the team continue to fulfill all our projects in the Kingdom, we are humbled by the recent recognition of awards given to the team. At the annual PropertyGuru Cambodia Property Awards, the most respected and most sought-after real estate industry honours, the Kingsland team swept the field and won the following awards:

- Best Serviced Apartment
- Best Serviced Apartment Interior Design Award
- Best Data Center Development
- Best Data Center Architectural Design
- Best Serviced Apartment Architectural Design
- Special Recognition for Design and Construction
- Best Boutique Developer

The event is part of the regional PropertyGuru Asia Property Awards programme established since 2005. With a professionally run judging system supervised by BDO, one of the world's largest auditing and accountancy firms, the Asia Property Awards is the gold standard in real estate.

With the recognition given by industry practitioners, we look forward to the completion of our on-going projects with excitement. We shall continue to show resilience and professionalism by going the extra mile to ensure that every development phase is completed on time, while at the same time ensuring that the safety protocols are adhered to at the highest standards. Kingsland Global aims to continue its track record of profitable growth. With our governance, balanced strategy and active monitoring for development projects, we will continue to manage risks on a conservative level to ensure the best results for all stakeholders.

## **Current Projects**

### **One18 Residences**

As announced on 29 March 2019, Kingsland Cambodia has entered into an agreement to dispose of its interest in One18 Residences for US\$29.17 million. Profit on the sale of the project is estimated at approximately U\$8m. Subject to the Company obtaining the requisite shareholder approval, the sale of One18 Residences is expected to be completed in July 2019 and Max Credit will acquire all Kingsland Cambodia's obligations subsequently.

The team have come a long way with the meticulously planning and construction of this iconic serviced residence that sits opposite the Cambodia Ministry of Defence. Construction is on schedule and we are currently at the final touch up phase, putting our finishing touches to the construction and the installation of furniture and fittings.



**One18 Residences**

### **IT Media Hub**

Kingsland Global is committed to present the very first integrated I.T Media Hub to compliment the I.T landscape development in Cambodia.

The construction of Kingsland's iconic Global ITMH Data Center is taking shape. This construction further showcases the expertise of the team in delivering a highly technical and niche development in the Data Center.

The construction is approximately 90% complete and is in the mechanical and electrical work phase. Façade for the building is being fitted and finishing touches are being applied. The project is scheduled to be completed in the second quarter of 2019 and Kingsland is poised to look for potential buyers.



**IT Media Hub Façade (Day)**



**IT Media Hub Façade (Night)**

## Phnom Penh City Center Project

This wholesome planned development will provide multifaceted facilities and functions comprising office towers, restaurants, banking services, medical centres, a hotel, a convention centre, and an IT and media hub. It will also serve as a connecting point for businesses to enjoy enhanced communication while harnessing opportunities and improving productivity.

This mixed use development will take place over 10,000 square meters of prime real estate in the Central Business District of Phnom Penh, Cambodia. As a wholesome planned development, office towers, retail outlets, hotel and convention centre will be constructed to form lively and vibrant symbiotic relationships.

Development of the Phnom Penh City Center is well under way. With the data center taking shape and poised for completion in second quarter 2019, piling work is already completed for both Tower 1 and Tower 2. Concurrently with the development on-going, Kingsland will be reaching out to potential reputable tenants that are widely known locally and internationally.



Phnom Penh City Center (*Artist impression*)



Fig 61: Tower 3 Top View

Location: FPCC Project Mixed-Used



Fig 62: Tower 1 Top View

Location: FPCC Project Mixed-Used



Fig 63: Podium Top View

Location: FPCC Project Mixed-Used



Fig 64: Tower 2 Top View

Location: FPCC Project Mixed-Used

The Group's strategy remains focused on actively seeking new geographical markets and identifying growing market gaps for higher-end products which local developers cannot fulfill; while maintaining a foothold on markets that we have successfully penetrated. Moving forward, we will continue to invest in talent; strengthen operations; to manage a substantially larger business and drive growth whilst maintaining investment excellence.

## **ENDS**

Further information:

Singapore:

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Managing Director

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## **ABOUT KINGSLAND GLOBAL LTD**

Kingsland Global is a property development company that aims to expand its property development expertise and offerings through the development of:

- ) residential and commercial projects, including but not limited to, boutique hotels and serviced apartments; <sup>{1}</sup><sub>{SEP}</sub>
- ) retail projects such as shopping malls; <sup>{1}</sup><sub>{SEP}</sub>
- ) aged care facilities; and <sup>{1}</sup><sub>{SEP}</sub>
- ) industrial parks and office spaces



**Kingsland Global Ltd. and its subsidiaries**  
Company Registration Number: 201523877H  
ARBN 607 085 790

**Directors' Statement and Financial Statements**  
**Financial Year Ended 31 March 2019**

**Kingsland Global Ltd. and its subsidiaries**  
**General Information**  
**As at 31 March 2019**

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<b>Directors</b>	Mr Sok Hang Chaw (Executive Chairman) Mr Jeremiah Lee Kok Heng (Managing Director) Ms Sok Aixuan (Non-Executive Director) Mr Zane Robert Lewis (Non-Executive Director)
<b>Company secretary (Singapore)</b>	Ms Thum Sook Fun
<b>Company secretary (Australia)</b>	Mr Zane Robert Lewis
<b>Registered office (Singapore)</b>	15 Kwong Min Road Singapore 628718
<b>Registered office (Australia)</b>	SmallCap Corporate Pty Ltd Unit 6, 295 Rokeby Road Subiaco WA 6008 Australia
<b>Principal place of business</b>	15 Kwong Min Road Singapore 628718
<b>Share registrar</b>	Link Market Services Limited Level 12 QV1 Building 250 St Georges Terrace Perth WA 6000
<b>Auditor</b>	Kong, Lim & Partners LLP Public Accountants and Chartered Accountants 13A MacKenzie Road Singapore 228676 Partner in charge: Rochelle Santiago
<b>Principal bankers</b>	United Overseas Bank Limited CIMB Bank Berhad Australia and New Zealand Banking Group Limited
<b>Stock exchange listing</b>	Kingsland Global Ltd.'s shares are listed on the Australian Securities Exchange (ASX code: KLO)
<b>Website</b>	<a href="http://www.kingslandglobal.sg">www.kingslandglobal.sg</a>

**Kingsland Global Ltd. and its subsidiaries**  
**Directors' Statement**  
**For the financial year ended 31 March 2019**

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The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Kingsland Global Ltd. (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2019.

**1. Opinion of the directors**

In the opinion of the directors,

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2019 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year then ended; 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.

**2. Directors**

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

Lee Kok Heng Jeremiah  
Sok Hang Chaw  
Sok Aixuan  
Zane Robert Lewis

**3. Arrangements to enable directors to acquire shares or debentures**

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

**Kingsland Global Ltd. and its subsidiaries**  
**Directors' Statement**  
**For the financial year ended 31 March 2019**

**4. Directors' interests in shares or debentures**

According to the register of directors' shareholdings kept by the Company under section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), the directors of the Company who held office at the end of the financial year had no interests in the shares or debentures of the Company and its related corporations except as stated below:

<b>Name of directors</b>	<b>Direct Interest</b>		<b>Deemed Interest</b>	
	<b>At the beginning of financial year</b>	<b>At the end of financial year</b>	<b>At the beginning of financial year</b>	<b>At the end of financial year</b>
<i>The Company</i>				
Lee Kok Heng Jeremiah	70,189,499	70,189,499	-	-
Sok Hang Chaw	15,750,000	15,750,000	206,990,000	206,990,000
Sok Aixuan	-	-	206,990,000	206,990,000
Zane Robert Lewis	40,000	40,000	-	-
<i>The Holding Company</i>				
Kingsland Development Pte. Ltd.				
Sok Hang Chaw	2,550,000	2,550,000	-	-
Sok Aixuan	1,000,000	1,000,000	-	-

There was no change in any of the above-mentioned interests in the Company between the end of the financial year ended and 30 May 2019.

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

**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.

**Kingsland Global Ltd. and its subsidiaries**  
**Directors' Statement**  
**For the financial year ended 31 March 2019**

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**6. Auditor**

Kong, Lim & Partners LLP has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors



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**Sok Hang Chaw**  
Director

Singapore, 30 May 2019



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**Lee Kok Heng Jeremiah**  
Director

## **Independent Auditor's Report to the members of Kingsland Global Ltd.**

### **Report on the Audit of the Financial Statements**

#### *Opinion*

We have audited the financial statements of Kingsland Global Ltd. (the "Company") and its subsidiaries (the "Group") which comprise the statements of financial position of the Group and the Company as at 31 March 2019, the statements of changes in equity of the Group and the Company and the consolidated statement of comprehensive income, and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position and statement of changes in equity of the Company 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 consolidated financial position of the Group and the financial position of the Company as at 31 March 2019 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity 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 Group 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.

#### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

### **Revenue recognition for development properties**

The Group entered into contracts with customers to sell residential units which are under development based on the terms and specifications as set out in the contracts. The analysis of whether the contracts comprises one or more performance obligations, determination of whether the performance obligations are satisfied over time and the method used to measure progress for revenue recognition for these development properties requires estimate by management.

The stage of completion is measured based on the costs incurred to date as a proportion of total costs expected to be incurred up to the completion of the development properties as approved by management. Significant judgements are required to determine the total construction costs which include estimation for variation works and any other claims from contractors. Any changes to the estimated total construction costs will impact the percentage of completion and subsequently the revenue recognised.

## **Independent Auditor's Report to the members of Kingsland Global Ltd. (continued)**

### *Key Audit Matters (continued)*

#### **Revenue recognition of development properties (continued)**

For the financial year ended 31 March 2019, the Group recognised S\$34,627,271 of revenue from sales of development properties recognised on the percentage of completion (POC) basis.

As part of our audit procedures, we:

- assessed the appropriateness of key assumptions such as construction costs, professional fees and other costs used by management in their estimation of the total cost to complete and obtained supporting documentation on the major inputs;
- evaluated the processes and controls in place over the contract costs incurred and assessed the reasonableness of the estimated total contract costs to completion;
- discussed the progress of the projects with management for any potential disputes, variation order claims, known technical issues or significant events to determine if there are any changes such as delays, penalties, overruns where it is probable that total contract costs will exceed total contract revenue and require the recognition of foreseeable losses on such contracts;
- checked and reperformed calculations of the revenue and profit recognised based on the POC method;
- checked arithmetic accuracy of the revenue and profit recognised based on the POC method; and
- assessed the adequacy of disclosure for development properties under construction and the related disclosure in Note 20.

#### **Valuation of development properties**

The Group has development properties held for sale amounting to S\$1,643,640 which are mainly located in Malaysia. These development properties are stated at the lower of cost and net realisable values. The determination of the estimated net realisable value of these development properties is dependent upon the Group's expectations of future selling prices. There is a risk that the estimates of net realisable values may exceed future selling prices, resulting in losses when properties are sold.

In addressing this area of focus, we assessed the reasonableness of the properties' value estimated by management to latest transacted price or price of similar properties located in the vicinity.

The related disclosure for development properties is disclosed in Note 9 to the financial statements.

#### **Transactions with related parties**

The Group, via one of its wholly-owned subsidiaries – Kingsland (KH) Development Co. Ltd, has undertaken a joint arrangement with Max Credit Pawn Pte Ltd ("Max Credit"), a private limited company incorporated in Cambodia to jointly develop a residential apartment complex at Cambodia.

On 29 March 2019, the Group has entered into a contract with Max Credit to sell and convey all the rights, title, interest and benefits together with all the obligations, responsibilities and duties under the joint arrangement (collectively known as "interest") to Max Credit for a consideration of US\$29,174,700 or equivalent to S\$39,613,408.

## **Independent Auditor's Report to the members of Kingsland Global Ltd. (continued)**

### *Key Audit Matters (continued)*

#### **Transactions with related parties (continued)**

We considered the related party transactions to be significant to the audit as the risk that if these transactions are not conducted at arm's length, and/or the accounting treatment of the rights and obligations of these transactions are not correct, it could influence the results of the Group.

As part of the audit, we:

- obtained an understanding of the process for identifying related party transactions, performed a walkthrough and evaluated the design of controls related to the fraud risk identified;
- verified the transactions are approved in accordance with internal procedures including involvement of key personnel at the appropriate level;
- evaluated the business rationale of the transactions;
- evaluated the rights and obligations per the terms and conditions of the agreements and assessed whether the transactions were recorded appropriately; and
- determined whether the directors have disclosed relationships and transactions in accordance with FRS 24 Related Party Disclosures (Refer to Note 27 to the financial statements)

#### **Transaction with non-controlling interest**

On 15 March 2018, the Group has entered into a Share Subscription Agreement with a third party of which the third party will subscribe for ordinary shares in the Group's wholly owned subsidiary, Kingsland Ventures (GTEX) Pte. Ltd. ("GTEX"), for an aggregate sum of US\$5,000,000 or equivalent of S\$6,617,005. The share subscription had resulted to the decrease in the Group's ownership interest in the subsidiary from 100% to 88.89% in the financial year of 2018.

On 17 April 2018, the Group has further allotted additional ordinary shares in ("GTEX") to the same third party for an aggregate sum of US\$4,000,000 or an equivalent of S\$5,421,840. The issuance of shares had resulted to the change in the Group's ownership interest in the subsidiary from 88.89% to 80% during the financial year.

The Group measured non-controlling interest arising in a business combination that are present ownership interests and entitle their holders to a proportionate share of net assets of the subsidiary in the event of liquidation based on the non-controlling interest's proportionate interest in the acquiree's identifiable net assets.

In addressing this area of focus, we examined the terms and conditions stipulated in the share sales agreement signed between the Group and the non-controlling interest and verified that the transaction have been properly accounted for in the correct period. Refer to Note 5 for the financial statement.

#### *Other matter*

As at 31 March 2019, the Group had value added tax receivables arising from the subsidiaries in Cambodia amounting to S\$3,145,058 (2018: S\$1,774,477) (Note 7). The recoverability of the indirect taxes are subject to the agreement by the tax authorities.

## **Independent Auditor's Report to the members of Kingsland Global Ltd. (continued)**

### *Other Information*

Management is responsible for the other information. The other information comprises the Directors' Statement set out on pages 1 to 3.

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 Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group'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 of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

## **Independent Auditor's Report to the members of Kingsland Global Ltd. (continued)**

### *Auditor's Responsibilities for the Audit of the Financial Statements (continued)*

- 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 Group'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 Group'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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Independent Auditor's Report to the members of Kingsland Global Ltd. (continued)**

**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 and by the subsidiaries company incorporated in Singapore of which we are the auditor have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Rochelle Santiago.

*Kong, Lim & Partners LLP*

**KONG, LIM & PARTNERS LLP**  
Public Accountants and  
Chartered Accountants

Singapore, 30 May 2019

**Kingsland Global Ltd. and its subsidiaries**  
**Statements of Financial Position**  
**As at 31 March 2019**

	Note	Group		Company	
		2019	2018	2019	2018
		S\$	S\$	S\$	S\$
<b>Assets</b>					
<b>Non-current assets</b>					
Property, plant and equipment	4	50,451	62,845	1,512	618
Investment in subsidiaries	5	-	-	1,694,646	1,944,646
Interest in joint ventures	6	26,781,728	-	-	-
Trade and other receivables	7	-	9,778,404	-	-
Amount due from related party	8	-	1,859,054	-	-
		<u>26,832,179</u>	<u>11,700,303</u>	<u>1,696,158</u>	<u>1,945,264</u>
<b>Current assets</b>					
Development properties	9	1,643,640	5,511,318	-	-
Contract assets	10	28,338,935	5,092,684	-	-
Amount due from subsidiaries	11	-	-	28,206,296	7,416,968
Trade and other receivables	7	9,160,291	2,335,901	35,370	54,208
Prepayments		64,481	1,409,528	-	17,817
Tax recoverable		429,509	457,283	-	-
Cash and cash equivalents	12	911,066	930,289	80,448	630,783
		<u>40,547,922</u>	<u>15,737,003</u>	<u>28,322,114</u>	<u>8,119,776</u>
<b>Total assets</b>		<u>67,380,101</u>	<u>27,437,306</u>	<u>30,018,272</u>	<u>10,065,040</u>
<b>Equity and liabilities</b>					
Share capital	13	12,554,207	12,554,207	12,554,207	12,554,207
Share application monies	14	-	4,458,144	-	-
Retained earnings/(Accumulated losses)		5,911,944	366,528	(4,144,006)	(2,555,517)
Other reserve	5	9,132,228	5,593,871	-	-
Foreign currency translation reserve	15	(70,673)	(137,062)	-	-
		<u>27,527,706</u>	<u>22,835,688</u>	<u>8,410,201</u>	<u>9,998,690</u>
Non-controlling interest		<u>2,273,616</u>	<u>699,155</u>	<u>-</u>	<u>-</u>
<b>Total equity</b>		<u>29,801,322</u>	<u>23,534,843</u>	<u>8,410,201</u>	<u>9,998,690</u>
<b>Non-current liabilities</b>					
Trade and other payables	16	15,940,210	-	15,940,210	-
Amount due to holding company	17	5,555,196	-	5,555,196	-
		<u>21,495,406</u>	<u>-</u>	<u>21,495,406</u>	<u>-</u>
<b>Current liabilities</b>					
Trade and other payables	16	9,923,210	874,837	72,674	23,297
Amount due to holding company	17	39,991	43,053	39,991	43,053
Retention payable	18	1,316,950	681,950	-	-
Amount due to director	19	2,588,252	655	-	-
Contract liabilities	10	-	1,455,308	-	-
Provision for taxation		2,214,970	846,660	-	-
		<u>16,083,373</u>	<u>3,902,463</u>	<u>112,665</u>	<u>66,350</u>
<b>Total liabilities</b>		<u>37,578,779</u>	<u>3,902,463</u>	<u>21,608,071</u>	<u>66,350</u>
<b>Total equity and liabilities</b>		<u>67,380,101</u>	<u>27,437,306</u>	<u>30,018,272</u>	<u>10,065,040</u>

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

**Kingsland Global Ltd. and its subsidiaries**  
**Consolidated Statement of Comprehensive Income**  
**For the financial year ended 31 March 2019**

	<b>Note</b>	<b>Group</b>	
		<b>2019</b>	<b>2018</b>
		<b>S\$</b>	<b>S\$</b>
<b>Revenue</b>	20	34,627,271	888,417
<b>Other income</b>	21	135,721	120,093
<b>Items of expense</b>			
Development costs		(23,830,452)	(508,710)
Depreciation of property, plant and equipment	4	(12,442)	(13,985)
Employee benefits expense	22	(907,029)	(1,022,583)
Finance costs		(133,693)	-
Other operating expenses	23	(1,818,834)	(1,406,955)
Share of result of joint ventures		(394,321)	-
		<u>(27,096,771)</u>	<u>(2,952,233)</u>
<b>Profit/(Loss) before income tax</b>		7,666,221	(1,943,723)
Income tax expense	24	<u>(2,130,246)</u>	<u>(12,167)</u>
<b>Profit/(Loss) for the year</b>		<u>5,535,975</u>	<u>(1,955,890)</u>
<b>Other comprehensive income/(loss):</b>			
Foreign currency translation		66,389	(9,704)
Other comprehensive income/(loss) for the financial year, net of tax		<u>66,389</u>	<u>(9,704)</u>
<b>Total comprehensive income/(loss) for the year</b>		<u>5,602,364</u>	<u>(1,965,594)</u>
<b>Profit/(Loss) for the year attributable to:</b>			
Owner of the company		5,545,416	(1,955,890)
Non-controlling interest		<u>(9,441)</u>	<u>-</u>
		<u>5,535,975</u>	<u>(1,955,890)</u>
<b>Other comprehensive income/(loss) attributable to:</b>			
Owner of the company		66,389	(9,704)
Non-controlling interest		<u>-</u>	<u>-</u>
		<u>66,389</u>	<u>(9,704)</u>
<b>Earnings/(Loss) per share (cents per share)</b>			
Basic	25	<u>0.01</u>	<u>(0.48)</u>
Diluted	25	<u>0.01</u>	<u>(0.48)</u>

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

**Kingsland Global Ltd. and its subsidiaries**  
**Statements of Changes in Equity**  
**For the financial year ended 31 March 2019**

	Share capital	Share application monies	Retained earnings	Other reserve	Foreign currency translation reserve	Attributable to owners of the Company	Non-controlling interest	Total equity
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
<b>Group</b>								
<b>Balance as at 1 April 2017</b>	12,554,207	-	2,322,418	-	(127,358)	14,749,267	-	14,749,267
Share issuance	-	-	-	5,593,871	-	5,593,871	699,155	6,293,026
Share application monies pending allotment of shares	-	4,458,144	-	-	-	4,458,144	-	4,458,144
Loss for the year	-	-	(1,955,890)	-	-	(1,955,890)	-	(1,955,890)
Other comprehensive loss for the year:								
Foreign currency translation reserve	-	-	-	-	(9,704)	(9,704)	-	(9,704)
Total comprehensive loss for the financial year	-	-	(1,955,890)	-	(9,704)	(1,965,594)	-	(1,965,594)
<b>Balance at 31 March 2018</b>	12,554,207	4,458,144	366,528	5,593,871	(137,062)	22,835,688	699,155	23,534,843
Share issuance (Note 5)	-	-	-	3,538,357	-	3,538,357	1,583,902	5,122,259
Reversal of share application monies	-	(4,458,144)	-	-	-	(4,458,144)	-	(4,458,144)
Profit/(Loss) for the year	-	-	5,545,416	-	-	5,545,416	(9,441)	5,535,975
Other comprehensive income for the year:								
Foreign currency translation reserve	-	-	-	-	66,389	-	-	66,389
Total comprehensive income/(loss) for the financial year	-	-	5,545,416	-	66,389	5,611,805	(9,441)	5,602,364
<b>Balance at 31 March 2019</b>	12,554,207	-	5,911,944	9,132,228	(70,673)	27,527,706	2,273,616	29,801,322

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

**Kingsland Global Ltd. and its subsidiaries**  
**Statements of Changes in Equity**  
**For the financial year ended 31 March 2019**

	<b>Share capital</b>	<b>Accumulated losses</b>	<b>Total equity</b>
<b><u>Company</u></b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Balance as at 1 April 2017</b>	12,554,207	(746,838)	11,807,369
Total comprehensive loss for the financial year	-	(1,808,679)	(1,808,679)
<b>Balance as at 31 March 2018</b>	12,554,207	(2,555,517)	9,998,690
Total comprehensive loss for the financial year	-	(1,588,489)	(1,588,489)
<b>Balance as at 31 March 2019</b>	<u>12,554,207</u>	<u>(4,144,006)</u>	<u>8,410,201</u>

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

**Kingsland Global Ltd. and its subsidiaries**  
**Consolidated Statement of Cash Flows**  
**For the financial year ended 31 March 2019**

	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
<b>Cash flows from operating activities</b>		
Profit/(Loss) before income tax	7,666,221	(1,943,723)
Adjustments for:		
Depreciation of property, plant and equipment	12,442	13,985
Interest expense	133,693	-
Unrealised currency translation differences	(549,673)	726,620
Interest income	(964)	(947)
Share of result of joint ventures	394,321	-
Provision for en bloc purchase	1,569,941	-
<b>Operating cash flow before working capital changes</b>	<b>9,225,981</b>	<b>(1,204,065)</b>
<u>Changes in working capital:</u>		
Development property	3,969,539	(1,788,329)
Contract assets	-	393,084
Other receivables	3,271,373	(9,935,490)
Prepayments	1,393,223	(1,530,164)
Trade and other payables	23,407,739	433,847
Contract liabilities	(24,619,946)	-
Retention payable	612,800	703,250
Cash generated from/(used in) operating activities	17,260,709	(12,927,867)
Tax paid	(788,497)	(3,004)
<b>Net cash generated from/(used in) operating activities</b>	<b>16,472,212</b>	<b>(12,930,871)</b>
<b>Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(1,099)	(509)
Interest paid	(133,693)	-
Interest received	964	947
<b>Net cash (used in)/generated from investing activities</b>	<b>(133,828)</b>	<b>438</b>
<b>Cash flows from financing activities</b>		
Issuance of shares	5,122,259	6,293,026
Share application monies (paid)/received	(4,458,144)	4,458,144
Amount due to a director	2,592,719	-
Amount due to holding company	5,552,134	33,251
Amount due from related party	2,035,253	(1,917,120)
Amount due from joint ventures	(27,202,324)	-
<b>Net cash (used in)/generated from financing activities</b>	<b>(16,358,103)</b>	<b>8,867,301</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(19,719)</b>	<b>(4,063,132)</b>
Cash and cash equivalents at the beginning of financial year	930,289	4,991,133
Effects of currency translation on cash and cash equivalents	496	2,288
<b>Cash and cash equivalents at the end of financial year</b>		
<b>(Note 12)</b>	<b>911,066</b>	<b>930,289</b>

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

**Kingsland Global Ltd. and its subsidiaries**  
**Notes to the Financial Statements**  
**For the financial year ended 31 March 2019**

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

**1. General**

Kingsland Global Ltd. (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Australian Securities Exchange (ASX). The registered office and principal place of business of the Company is located at 15 Kwong Min Road Singapore 628718.

The principal activity of the Company is investment holding.

The immediate and ultimate holding company is Kingsland Development Pte. Ltd., which is incorporated in Singapore.

The principal activities of the subsidiaries are disclosed in Note 5 to the financial statements.

**2. Summary of significant accounting policies**

**2.1 Basis of preparation**

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been drawn up in accordance with Singapore Financial Reporting Standards ("FRS"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar (\$S or "SGD").

**2.2 Adoption of new and amended standards and interpretations**

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 January 2018. Except for the adoption of FRS 109 Financial Instruments and FRS 115 Revenue from Contracts with Customers described below, the adoption of these standards did not have any material effect on the financial performance or position of the Group.

*FRS 109 Financial Instruments*

FRS 109 replaces FRS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Group applied FRS 109 retrospectively, with an initial application date of 1 January 2018. The Group has not restated comparative information which continues to be reported under FRS 39 and the disclosure requirements of FRS 107 Financial Instruments: Disclosures relating to items within the scope of FRS 39. The impact arising from FRS 109 adoption was included in the opening retained earnings and other components of equity at the date of initial application.

**(a) Classification and measurement**

Under FRS 109, debt instruments are subsequently measured either at fair value through profit or loss (FVPL), amortised cost or fair value through other comprehensive income (FVOCI). The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

**2. Summary of significant accounting policies (continued)**

**2.2 Adoption of new and amended standards and interpretations (continued)**

*FRS 109 Financial Instruments (continued)*

**(a) Classification and measurement (continued)**

The assessment of the Group's business model was made as of the date of initial application, 1 April 2018. The assessment of whether contractual cash flows on debt instruments solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of FRS 109 did not have a significant impact to the Group. The Group continued measuring at fair value all financial assets previously held at fair value under FRS 39.

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

	<b>FRS 39 classification</b>	<b>FRS 109 classification</b>	<b>Original carrying amount S\$</b>	<b>New carrying amount S\$</b>
Other receivables	Loans and receivables	Amortised cost	12,114,305	12,114,305
Cash and cash equivalents	Loans and receivables	Amortised cost	930,289	930,289

The Group has not designated any financial liabilities at FVPL. There are no changes in classification and measurement for the Group's financial liabilities.

**(b) Impairment**

The adoption of FRS 109 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing FRS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. FRS 109 requires the Group to recognise an allowance for ECLs for all debt instruments not held at FVPL.

*FRS 115 Revenue from Contracts with Customers*

FRS 115 supersedes FRS 11 Construction Contracts, FRS 18 Revenue and related interpretations and it applies, with limited exceptions, to all revenue arising from contracts with customers. FRS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflect the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

FRS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

**2. Summary of significant accounting policies (continued)**

**2.2 Adoption of new and amended standards and interpretations (continued)**

*FRS 115 Revenue from Contracts with Customers (continued)*

The Group adopted FRS 115 using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the standard can be applied either to all contracts at the date of initial application or only to contracts that are not completed at this date. The Group elected to apply the standard only to contracts that are not completed as at 1 April 2018.

The adoption of FRS115 has resulted to gross amount due from customers for contract work of S\$5,092,684 and gross amount due to customers for contract work of S\$1,455,308 as at 31 March 2018 were reclassified to contract assets and contract liabilities.

**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 April 2018, and have not been applied in preparing these financial statements. The Group does not plan to early adopt these standards.

The following standards that have been issued but not yet effective are as follows:

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
FRS 116 Leases	1 January 2019
Amendments to FRS 28 Investment in Associates and Joint Venture: Long term interest in Associates and Joint Venture	1 January 2019
Amendments to FRSs (March 2018)	1 January 2019
Amendments to FRS 110 and FRS 28 Investment in Associates and Joint Venture: Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The nature of the impending changes in accounting policy on adoption of FRS 116 are described below.

*FRS 116 Leases*

FRS 116 requires lessees to recognise most leases on balance sheets to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemptions for lessees – leases of 'low value' assets and short-term leases. The new leases standard is effective for annual periods beginning on or after 1 April 2018.

The Group has performed a preliminary impact assessment and expects to recognise right-of-use assets of approximately S\$215,420 and corresponding lease liabilities of the same amount for its leases previously classified as operating leases on adoption of FRS 116.

The Group plans to adopt the new standard on the required effective date by applying FRS 116 retrospectively with the cumulative effect of initial application as an adjustment to the opening balance of retained earnings as at 1 April 2018.

## **2. Summary of significant accounting policies (continued)**

### **2.4 Basis of consolidation and business combinations**

#### **(a) Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- de-recognises the carrying amount of any non-controlling interest;
- de-recognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss;
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

#### **(b) Business combinations**

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability, will be recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

**2. Summary of significant accounting policies (continued)**

**2.5 Transactions with non-controlling interests**

Non-controlling interest represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are represented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

**2.6 Foreign currency**

The financial statements are presented in Singapore Dollar, which is also the Company's functional currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

**(a) Transaction and balances**

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

**(b) Consolidated financial statements**

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income and accumulated in the foreign currency translation reserve. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

**2.7 Property, plant and equipment**

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

## **2. Summary of significant accounting policies (continued)**

### **2.7 Property, plant and equipment (continued)**

Depreciation is calculated using the straight-line method to allocate depreciable amounts over their estimated useful lives. The estimated useful lives are as follows:

	<b>Useful life</b>
Office equipment	10 years
Renovation	10 years
Electrical installation	10 years
Furniture and fittings	10 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in profit or loss in the year the asset is derecognised.

### **2.8 Subsidiaries**

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

### **2.9 Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed 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. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

### **2.10 Joint arrangements**

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

## **2. Summary of significant accounting policies (continued)**

### **2.10 Joint arrangements (continued)**

A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

#### **(a) Joint operations**

The Group recognises in relation to its interest in a joint operation:

- (i) its assets, including its shares of any assets held jointly;
- (ii) its liabilities, including its share of any liabilities incurred jointly;
- (iii) its revenue from the sale of its share of the output arising from the joint operation;
- (iv) its share of the revenue from the sale of the output by the joint operation; and
- (v) its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting policies applicable to the particular assets, liabilities, revenues and expenses.

#### **(b) Joint ventures**

The Group recognises its interest in joint venture as an investment and accounts for the investment using the equity method from the date on which it becomes a joint venture.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities represents goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the joint venture's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in joint venture is carried in the statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the joint venture. The profit or loss reflects the share of results of the operations of the joint venture. Distributions received from the joint venture reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the joint venture, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the joint venture are eliminated to the extent of the interest in the joint venture.

When the Group's share of losses in the joint venture equals or exceeds its interest in the joint venture, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in joint venture. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognises the amount in profit or loss.

The financial statements of the joint venture are prepared as the same reporting date as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

## **2. Summary of significant accounting policies (continued)**

### **2.11 Development properties**

Development properties comprise properties in the course of development and completed properties held for sale in the ordinary course of business.

Completed properties held for sale are stated at the lower of cost and estimated net realisable value. Cost is determined by apportionment of the total land cost and development costs capitalised attributable to properties. Net realisable value takes into account the estimated selling price, less cost to be incurred in marketing and selling, and the expected costs to completion, where appropriate.

Cost of development properties comprises costs that relate directly to the development, such as cost of land, construction cost and borrowing costs that are attributable to development activities and can be allocated to the development project. When completed, the units held for sales are classified as completed properties held for sales.

When losses are expected, full allowance are recognised as expenses immediately based on best estimates of net realisable value and estimated costs to completion.

The Group's policy for revenue recognition in relation to development properties is described under "Revenue recognition" Note 2.15.

### **2.12 Financial instruments**

These accounting policies are applied on and after the initial application date of FRS 109, 1 April 2018:

#### **(a) Financial assets**

##### **Initial recognition and measurement**

Financial assets are recognised when, and only when the entity becomes a party to the contractual provisions of the financial instrument.

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

Trade receivables are measured at the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

##### **Subsequent measurement**

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

**2. Summary of significant accounting policies (continued)**

**2.12 Financial instruments (continued)**

**(a) Financial assets (continued)**

**Derecognition**

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

**(b) Financial liabilities**

**Initial recognition and measurement**

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group 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 FVPL, directly attributable transaction costs.

**Subsequent measurement**

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

**Derecognition**

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

These accounting policies are applied before the initial application date of FRS 109, 1 April 2018:

**(a) Financial assets**

**Initial recognition and measurement**

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

When financial assets are recognised initially, they are measured at fair value, plus, directly attributable transaction costs.

**2. Summary of significant accounting policies (continued)**

**2.12 Financial instruments (continued)**

**(a) Financial assets (continued)**

**Subsequent measurement**

*Loans and receivables*

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit and loss when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

Loans and receivables comprise amount due from subsidiaries, other receivables and cash and cash equivalents.

Cash and cash equivalents comprise cash at banks and on hand.

**Derecognition**

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised in other comprehensive income is recognised in profit or loss.

**(b) Financial liabilities**

**Initial recognition and measurement**

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

All financial liabilities are recognised initially at fair value plus directly attributable transaction costs.

**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 method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Such financial liabilities comprise trade and other payables, amount due to director, amount due to holding company and retention payables.

**Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

## **2. Summary of significant accounting policies (continued)**

### **2.13 Impairment of financial assets**

These accounting policies are applied on and after the initial application date of FRS 109, 1 April 2018:

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

The Company considers a financial asset in default when contractual payments are 60 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

These accounting policies are applied before the initial application date of FRS 109, 1 April 2018:

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

#### **Financial assets carried at amortised cost**

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying amount of the financial asset.

## **2. Summary of significant accounting policies (continued)**

### **2.13 Impairment of financial assets (continued)**

#### **Financial assets carried at amortised cost (continued)**

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

### **2.14 Cash and cash equivalents**

Cash and cash equivalents comprise cash at banks and on hand and are subject to an insignificant risk of changes in value.

### **2.15 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.

#### **Sale of development property held for sale**

The Group develops and sells residential and commercial properties before completion of construction of the properties.

Revenue is recognised when control over the property has been transferred to the customer, either over time or at a point in time, depending on the contractual terms and the practices in the legal jurisdictions.

For development properties whereby the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred.

For development properties whereby the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised when the customer obtains control of the asset.

In determining the transaction price, the Group adjusts the promised consideration for the effects of the time value of money for contracts with customers that include a significant financing component. In adjusting for the significant financing component, the Group uses a discount rate that would be reflected in a separate financing transaction between the Group and its customer at contract inception, such that it reflects the credit characteristics of the party receiving financing in the contract. The Group has elected to apply the practical expedient not to adjust the transaction price for the existence of significant financing component when the period between the transfer of control of goods or services to a customer and the payment date is one year or less.

## **2. Summary of significant accounting policies (continued)**

### **2.15 Revenue recognition (continued)**

#### **Sale of development property held for sale (continued)**

Progress billings to the customers are based on a payment schedule in the contract and are typically triggered upon achievement of specified construction milestones. A contract asset is recognised when the Group has performed under the contract but has not yet billed the customer. Conversely, a contract liability is recognised when the Group has not yet performed under the contract but has received advance payments from the customer. Contract assets are transferred to receivables when the rights to consideration become unconditional. Contract liabilities are recognised as revenue as the Group performs under the contract.

Incremental costs of obtaining a contract are capitalised if these costs are recoverable. Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Other contract costs are expensed as incurred.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which the contract costs relates less the costs that relate directly to providing the goods and that have not been recognised as expenses.

#### **Interest income**

Interest income is recognised using the effective interest method.

#### **Rental income**

Revenue income arising from properties held for sale is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

### **2.16 Employee benefits**

#### **Defined contribution plans**

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

### **2.17 Leases**

#### **(a) As lessee**

Finance leases which transfer to the Group 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. Summary of significant accounting policies (continued)**

### **2.17 Leases (continued)**

#### **(a) As lessee (continued)**

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 Group 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.

#### **(b) As lessor**

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same bases as rental income.

Rental income arising from operating leases on the Group's properties is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis. Contingent rents are recognised as revenue in the period in which they are earned.

### **2.18 Taxes**

#### **(a) Current income tax**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. The tax rate and tax law used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### **(b) Deferred tax**

Deferred tax is provided using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. There is no deferred tax at reporting date.

#### **(c) Goods and Services Tax (GST)**

Revenue, expenses and assets are recognised net of the amount of GST except:

- Where the GST incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

**2. Summary of significant accounting policies (continued)**

**2.19 Segment reporting**

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 32, including the factors used to identify the reportable segments and the measurement basis of segment information.

**2.20 Share capital and share issuance expenses**

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

**3. Significant accounting judgments and estimates**

The preparation of the Group's consolidated financial statements requires management to make judgments, 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. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

**3.1 Judgments made in applying accounting policies**

In the process of applying the Group's consolidated financial statements requires management to following the judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

**(a) Income taxes**

The Group has exposure to income taxes in various jurisdictions. Significant judgement is involved in determining the Group-wide 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 Group recognises liabilities for expected tax issued 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. The carrying amount of the Group's tax payables at 31 March 2019 and 31 March 2018 was S\$2,214,970 and S\$846,660 respectively.

**(b) Determination of functional currency**

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices. Management has assessed that prices are mainly denominated and settled in the respective local currency. Therefore, management concluded that the functional currency of the entities of the Group is their respective local currency.

**3. Significant accounting judgments and estimates (continued)**

**3.1 Judgments made in applying accounting policies (continued)**

**(c) Sale of development properties**

For the sale of development properties, the Group is required to assess each of its contracts with customers to determine whether performance obligations are satisfied over time or at a point in time in order to determine the appropriate method for recognising revenue. In making the assessment, the Group considered the terms of the contracts entered into with customers and the provisions of relevant laws and regulations applicable to the contracts. The assessment of whether the Group has an enforceable right to payment for performance completed to date involves judgement made in determining the enforceability of the right to payment under legal environment of the jurisdictions where the contracts are subject to.

**3.2 Key sources of estimation of uncertainty**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**(a) Percentage of completion for revenue recognition**

The Group recognises contract revenue in Note 20 based on the stage of completion for the sale of development properties where the Group has enforceable rights to payment for performance completed to date. The stage of completion is measured by reference to total cost incurred to date as compared to the estimated total construction costs of the development projects as approved by management.

Significant judgements are required to estimate the total construction costs which include estimation for variation works and any other claims from contractors. In making the judgements, the Group relies on past experience and knowledge of the project engineers. The valuation of development properties and provisions for foreseeable losses, if any, are therefore subject to uncertainty in respect of variation works and estimation of future costs. The Group adopts a prudent approach in evaluating these uncertainties.

**(b) Estimation of net realisable value of completed properties for sale and development property**

Completed properties for sale and development properties are stated at the lower of cost and net realisable value. Net realisable value of completed properties for sale and development properties is the estimated selling price in the ordinary course of the business, based on market prices at the end of reporting period and discounted for the time value of money if material, less the estimated costs of completion and the estimated cost necessary to make the sale.

The carrying amount of the Group's development properties and completed properties for sale as at 31 March 2019 and 31 March 2018 was S\$1,643,640 and S\$5,511,318 respectively.

**3. Significant accounting judgments and estimates (continued)**

**3.2 Key sources of estimation of uncertainty (continued)**

**(c) Impairment of financial assets**

The Group assesses at the end of each reporting period whether there is any expected credit loss of financial assets based on assumptions about risk of default and expected loss rates. The Group considers factors such as past collection history, existing market conditions as well as forward looking estimates at each reporting period.

The assessment of the correlation between historical observed default, economic conditions and expected credit loss is a significant estimate. Notwithstanding the above, the Group evaluates the expected credit loss on customers in financial difficulties separately.

**(d) Provision for expected credit losses of trade receivables**

The Group uses a provision matrix to calculate ECLs for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The carrying amount of the Group's trade receivables as at 31 March 2019 was S\$5,511,346 (2018: S\$Nil).

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**4. Property, plant and equipment**

<u>Group</u>	<u>Office</u>	<u>Renovation</u>	<u>Electrical</u>	<u>Furniture and</u>	<u>Total</u>
<u>Cost</u>	<u>equipment</u>	<u>S\$</u>	<u>installation</u>	<u>fittings</u>	<u>S\$</u>
At 1 April 2017	20,784	13,767	10,078	46,522	91,151
Additions	509	-	-	-	509
Exchange differences	361	35	286	1,319	2,001
At 31 March 2018	21,654	13,802	10,364	47,841	93,661
Additions	1,099	-	-	-	1,099
Exchange differences	(315)	(25)	(219)	(1,016)	(1,575)
At 31 March 2019	22,438	13,777	10,145	46,825	93,185
<b>Accumulated Depreciation</b>					
At 1 April 2017	3,383	1,510	2,087	8,960	15,940
Depreciation charge for the year	4,365	2,667	1,314	5,639	13,985
Exchange differences	183	15	131	562	891
At 31 March 2018	7,931	4,192	3,532	15,161	30,816
Depreciation charge for the year	2,682	2,670	1,340	5,750	12,442
Exchange differences	(107)	(8)	(77)	(332)	(524)
At 31 March 2019	10,506	6,854	4,795	20,579	42,734
<b>Net Book Value</b>					
At 31 March 2018	13,723	9,610	6,832	32,680	62,845
At 31 March 2019	11,932	6,923	5,350	26,246	50,451

**Kingsland Global Ltd. and its subsidiaries**  
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**4. Property, plant and equipment (continued)**

	<b>Office equipment S\$</b>
<b><u>Company</u></b>	
<b>Cost</b>	
At 1 April 2017	843
Additions	-
At 31 March 2018	843
Additions	1,099
At 31 March 2019	1,942
<b>Accumulated Depreciation</b>	
At 1 April 2017	56
Depreciation charge for the year	169
At 31 March 2018	225
Depreciation charge for the year	205
At 31 March 2019	430
<b>Net Book Value</b>	
At 31 March 2018	618
At 31 March 2019	1,512

**5. Investment in subsidiaries**

	<b>Company</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
Shares, at cost		
Balance at 1 April	1,944,646	1,934,646
Additions	-	10,000
Less: Impairment	(250,000)	-
Balance at 31 March	1,694,646	1,944,646

In 2019, the Company had provided an impairment loss of S\$250,000 which was to write down the carrying value of a subsidiary to its recoverable amount as the investment no longer represented by net assets of the investee.

**Kingsland Global Ltd. and its subsidiaries**  
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**5. Investment in subsidiaries (continued)**

**a) Composition of the Group**

The Group has the following investments in subsidiaries.

Name of subsidiary	Principal activities/ (country of incorporation)	Proportion of ownership interest	
		2019 %	2018 %
Kingsland Development Sdn Bhd (1)	Property development/ Malaysia	100	100
Kingsland (KH) Development Co., Ltd. (2)	Property development/ Cambodia	100	100
Global Investment Partners Pte. Ltd. (3)	Business and management consultancy services/ Singapore	100	100
Kingsland (AU) Development Pty Ltd (3)	Property development/ Australia	100	100
Kingsland Venture (GTEX) Pte. Ltd. (4)	Business and management consultancy services/ Singapore	80	88.89
<i>Held through Kingsland (KH) Development Co., Ltd.</i>			
Kingsland Venture Co., Ltd. (2)	Property development/ Cambodia	-	100
<i>Held through Kingsland Venture (GTEX) Pte. Ltd.</i>			
Kingsland Venture Co., Ltd. (2)	Property development/ Cambodia	100	-

(1) Audited by another firm of auditors, Reanda LLKG International, Malaysia

(2) Not required to be audited at the country of incorporation

(3) Dormant as at 31 March 2019

(4) Audited by Kong, Lim & Partners LLP, Singapore

On 28 September 2017, a wholly-owned subsidiary of the Company, Kingsland Venture (GTEX) Pte. Ltd. was incorporated in Singapore. The principal activities of the subsidiary are business and management consultancy services. The initial share capital of the subsidiary amounted to S\$10,000 comprising of 10,000 number of ordinary shares of S\$1.00 each.

On 16 March 2018, the subsidiary allotted 1,250 number of shares to non-controlling interest (NCI) at cash consideration of S\$6,293,026. As a result, the Company's equity interest on the subsidiary was reduced from 100% to 88.89% in the financial year of 2018.

On 17 April 2018, the subsidiary further allotted 1,250 number of shares to non-controlling interest (NCI) at cash consideration of S\$5,122,259. As a result, the Company's equity interest on the subsidiary was reduced from 88.89% to 80% at the end of the reporting period.

**Kingsland Global Ltd. and its subsidiaries**  
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**5. Investment in subsidiaries (continued)**

**a) Composition of the Group (continued)**

The effect of changes in the ownership interest of Kingsland Venture (GTEX) Pte. Ltd. without loss of control on the equity attributable to owners of the Company during the year is summarised as follows:

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
Carrying amount of interest in a subsidiary disposed of	(2,283,057)	(699,155)
Consideration received from non-controlling interest	11,415,285	6,293,026
Excess of consideration received recognised in other reserve of parent's equity	<u>9,132,228</u>	<u>5,593,871</u>

**b) Interest in subsidiary with material NCI**

The details of non-wholly owned subsidiary of the Group that have material non-controlling interest is as below:

<b>Name of subsidiary</b>	<b>Principal place of business</b>	<b>Proportion of ownership interest held by NCI</b>	<b>Losses allocated to NCI during the reporting period</b>	<b>Accumulated NCI at the end of reporting period</b>
		<b>%</b>	<b>S\$</b>	<b>S\$</b>
<b>31 March 2019:</b>				
Kingsland Venture (GTEX) Pte. Ltd.	Singapore	20	(9,441)	2,273,616
<b>31 March 2018:</b>				
Kingsland Venture (GTEX) Pte. Ltd.	Singapore	11.11	-	699,155

**c) Summarised financial information about subsidiary with material NCI**

Summarised financial information including consolidation adjustments but before intercompany eliminations of subsidiaries with material non-controlling interests are as follows:

Summarised statements of financial position

	<b>Kingsland Venture (GTEX) Pte. Ltd.</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
<b>Current</b>		
Assets	60,543,823	10,986,390
Liabilities	<u>(37,142,473)</u>	<u>(327,219)</u>
<b>Net current assets</b>	<u>23,401,350</u>	<u>10,659,171</u>

**5. Investment in subsidiaries (continued)**

**c) Summarised financial information about subsidiary with material NCI (continued)**

Summarised statements of comprehensive income

	<b>Kingsland Venture (GTEX) Pte. Ltd.</b>	
	<b>1.4.2018 to 31.3.2019 S\$</b>	<b>28.11.2017 to 31.3.2018 S\$</b>
Other income	440,058	4
Operating expenses	(487,267)	(102,003)
Loss before income tax	(47,209)	(101,999)
Income tax expense	-	-
<b>Loss after income tax and total comprehensive loss for the year/period</b>	<b>(47,209)</b>	<b>(101,999)</b>

Other summarised information

	<b>Kingsland Venture (GTEX) Pte. Ltd.</b>	
	<b>1.4.2018 to 31.3.2019 S\$</b>	<b>28.11.2017 to 31.3.2018 S\$</b>
Net cash flows used in operating activities	(17,587,478)	(3,243)
Net cash flows generated from financing activities	18,090,800	208,143

**6. Interest in joint ventures**

	<b>Group 2019 S\$</b>
Investment in joint ventures	19,925
Share of post-acquisition results	(394,321)
Exchange differences	680
	(373,716)
Loan to joint ventures	27,155,444
Carrying amount	26,781,728

The loan to joint ventures is unsecured, interest-free and has no fixed repayments terms. Such loans are considered by the directors as an extension of the Company's investment in the joint ventures.

**Kingsland Global Ltd. and its subsidiaries**  
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**6. Interest in joint ventures (continued)**

Details of the joint ventures are as follows:

Name of joint ventures	Place of establishment and business	Principal activities	Effective equity held by the Group	
			2019	2018
			%	%
GFC Company Limited*	Cambodia	Property development/ Cambodia	49	-
Urban Data Center Co., Ltd*	Cambodia	Property development/ Cambodia	49	-

\*Not required to be audited at the country of incorporation.

The Group jointly controls the joint venture with another entity under the contractual agreement and requires unanimous consent for all significant decisions over the relevant activities.

Summarised financial information in respect of GFC Company Limited and Urban Data Center Co., Ltd based on its FRS financial statements, and reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

Summarised statements of financial position

	Group 2019 S\$
<b>Assets and liabilities</b>	
Non-current assets	36,340,510
Current assets	2,435,784
Non-current liabilities	(34,565,134)
Current liabilities	(4,743,417)
Net assets	(532,257)
Group's share of joint ventures' net assets	(374,396)
Exchange differences	680
Loan to joint ventures	27,155,444
Carrying amount of the investment as at 31 March	26,781,728
Included in the current assets are:	
Cash and cash equivalents	81,394

Summarised statements of comprehensive income

	Group 2019 S\$
Other income	81
Operating expenses	(417,538)
Loss for the year	(417,457)

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**6. Interest in joint ventures (continued)**

*Joint operations*

As at 31 March 2018, the Group has joint operation with Max Credit Co., Ltd, a related company incorporated in Cambodia in respect of the development of a residential apartment complex of which the Company has 50% proportion on the profits before tax received from the sale of the residential apartment complex, being the sum of the purchase price received less the development costs incurred.

On 29 March 2019, the Group disposed its interest on the joint operations to Max Credit Co., Ltd for a consideration of S\$39,613,408.

**7. Trade and other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Non-current:</b>				
Other receivables	-	9,778,404	-	-
<b>Current:</b>				
Trade receivables:				
- Third parties	5,511,346	-	-	-
Deposits	190,441	163,621	34,742	-
Value added tax receivables	3,145,058	1,774,477	-	-
Other receivables	313,446	397,803	628	54,208
	<u>9,160,291</u>	<u>2,335,901</u>	<u>35,370</u>	<u>54,208</u>
<b>Total trade and other receivables</b>	<u><u>9,160,291</u></u>	<u><u>12,114,305</u></u>	<u><u>35,370</u></u>	<u><u>54,208</u></u>

Trade receivables are unsecured, non-interest bearing and are generally on 30 days (2018: Nil) terms.

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

Other receivables are non-interest bearing, unsecured, and to be settled by cash.

Included in other receivables is an amount of S\$Nil (2018: S\$9,778,404) pursuant to shareholder loans to the jointly-controlled entity for the purposes of funding the development of the project. The shareholder loan is unsecured, interest free, to be settled in cash and are not expected to be repayable within the next 12 months.

The shareholder loans were classified as interest in joint ventures (Note 6) during the financial year subsequent to the investment in joint ventures.

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**7. Trade and other receivables (continued)**

Receivables that are past due but not impaired

The Group had trade receivables amounting to S\$5,157,064 (2018: S\$Nil) that were past due at the reporting date but not impaired. These receivables were unsecured and the analysis of their aging at the reporting date was as follows:

<b>Group</b>	
<b>2019</b>	<b>2018</b>
<b>S\$</b>	<b>S\$</b>

Trade receivables past due but not impaired:

More than 90 days	5,157,064	-
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There were no trade receivables that were past due and impaired.

Trade and other receivables are denominated in the following currencies:

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Malaysian Ringgit	4,390	88,241	-	-
United States Dollar	8,814,578	11,668,545	20	2,661
Singapore Dollar	340,838	355,972	34,865	50,000
Australian Dollar	485	1,547	485	1,547
	<u>9,160,291</u>	<u>12,114,305</u>	<u>35,370</u>	<u>54,208</u>

**8. Amount due from related party**

Amount due from related party represents the joint operators' share of the cost incurred in relation to the development property.

Amount due from related party is non-interest bearing, unsecured, and to be settled by cash.

Amount due from related party is denominated in United States Dollar.

**9. Development properties**

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
Properties under development	-	3,832,017
Completed properties held for sale	1,705,304	1,705,304
Exchange differences	(61,664)	(26,003)
	<u>1,643,640</u>	<u>5,511,318</u>

**9. Development properties (continued)**

Development properties comprise properties in the course of development and completed properties held for sale. These properties have operating cycles longer than one year. Development properties are classified as current assets as they are intended for sale in the Group's normal operating cycle.

Details of the Group's development property is as follows:

Description and location	Tenure	Site area/floor area (square metre)	Stage of development/ expected completion date	Interest held by the Group	
				31.3.2019	31.3.2018
				%	%
Proposed 24 storey apartment, located on Street 118, Sangkat Meattapheab, Khan 7 Makara, Phnom Pehn, Kingdom of Cambodia	Freehold	1,080 sqm	Under construction and expected to complete in 2019	-	50
No 39 Jalan SILC 2/7 Kawasan Perindustrian SILC 79200 Iskandar Puteri, Johor Bahru	Freehold	2,621 sqm	Completed	100	100

**10. Contract assets and contract liabilities**

	Group	
	2019	2018
	S\$	S\$
Contract assets	28,338,935	5,092,684
Contract liabilities	-	1,455,308

**(i) Contract asset**

Contract asset relate primarily to the Group's right to consideration for work completed but not billed at the reporting date in respect of its property development business. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the customers are billed.

**10. Contract assets and contract liabilities (continued)**

**(ii) Contract liabilities**

Contract liabilities relate primarily to advance consideration received from customer and progress billings issued in excess of the Group's rights to the consideration.

Contract liabilities are recognised as revenue when the Group fulfils its performance obligation under the contract with the customer. The significant changes in the contract liabilities during the year are as follows:

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
At beginning of year	1,455,308	1,580,374
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	(1,455,308)	(878,184)
Increase due to cash received, excluding amount recognised as revenue during the year	-	722,815
Exchange difference	-	30,303
At end of year	<u>1,455,308</u>	<u>1,455,308</u>

**11. Amount due from subsidiaries**

Amount due from subsidiaries are unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Amount due from subsidiaries are dominated in the following currencies:

	<b>Company</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
United States Dollar	21,006,445	6,172,990
Singapore Dollar	7,199,851	1,243,978
	<u>28,206,296</u>	<u>7,416,968</u>

**12. Cash and cash equivalents**

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Cash at banks and on hand	<u>911,066</u>	<u>930,289</u>	<u>80,448</u>	<u>630,783</u>

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**12. Cash and cash equivalents (continued)**

Cash and cash equivalents are denominated in the following currencies:

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Australian Dollar	38,762	78,214	38,689	78,144
Malaysian Ringgit	28,712	14,167	-	-
United States Dollar	811,732	642,222	41,759	388,560
Singapore Dollar	31,860	195,686	-	164,079
	<u>911,066</u>	<u>930,289</u>	<u>80,448</u>	<u>630,783</u>

**13. Share capital**

	<b>Group and Company</b>			
	<b>2019</b>		<b>2018</b>	
	<b>Number of shares</b>	<b>S\$</b>	<b>Number of shares</b>	<b>S\$</b>
<b>Issued and fully paid ordinary shares:</b>				
At beginning and end of financial year	<u>405,000,000</u>	<u>12,554,207</u>	<u>405,000,000</u>	<u>12,554,207</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 restrictions. The ordinary shares have no par value.

During the financial year, there was no returns to shareholders including distributions and share buy-backs.

**14. Share application monies**

In 2018, the Group had received share application monies pending allotment of shares to non-controlling interest. The share application monies had been transferred to share capital of subsidiary during the financial year end.

**15. Foreign currency translation reserve**

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

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**16. Trade and other payables**

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Non-current:</b>				
Other payables	15,940,210	-	15,940,210	-
<b>Current:</b>				
Trade payables	1,463,418	771,517	-	-
Accruals	58,091	20,377	52,897	15,898
Other payables	8,401,701	82,943	19,777	7,399
	<u>9,923,210</u>	<u>874,837</u>	<u>72,674</u>	<u>23,297</u>
Total trade and other payables	<u>25,863,420</u>	<u>874,837</u>	<u>16,012,884</u>	<u>23,297</u>

*Trade payables*

Trade payables are non-interest bearing and are normally settled on terms agreed between parties.

*Other payables*

Included in other payables is an amount of S\$15,940,210 (2018: S\$Nil) for an unsecured loan facility from a company that is owned and controlled by one of the directors of the Company. The loan is unsecured, repayable on November 2021 and is interest free.

Trade and other payables are denominated in the following currencies:

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Australian Dollar	15,996	5,032	15,996	5,032
Malaysian Ringgit	52,767	70,705	-	-
United States Dollar	25,729,571	780,038	15,940,211	-
Singapore Dollar	65,086	19,062	56,677	18,265
	<u>25,863,420</u>	<u>874,837</u>	<u>16,012,884</u>	<u>23,297</u>

**17. Amount due to holding company**

Included in amount due to holding company is amount of S\$5,555,196 (2018: S\$Nil) pursuant to shareholder loan which bears interest of 8% per annum (2018: Nil), unsecured, repayable on November 2020 and is to be settled in cash.

Amount due to holding company is denominated in the following currencies:

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
United States Dollar	5,555,196	-	5,555,196	-
Singapore Dollar	39,991	43,053	39,991	43,053
	<u>5,595,187</u>	<u>43,053</u>	<u>5,595,187</u>	<u>43,053</u>

**18. Retention payable**

Retention payable represents the amount retained by the Group from the contractor in relation to the construction work-in-progress under the joint operation. The amount will be settled within one year from the engineer's certification that the work is complete.

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
<b>Current:</b>		
Retention sum on contract payable within 1 year	<u>1,316,950</u>	<u>681,950</u>

**19. Amount due to a director**

Amount due to a director is unsecured, non-interest bearing, repayable on demand and is to be settled in cash.

Amount due to a director is denominated in United States Dollar.

**20. Revenue**

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
Revenue from development properties	<u>34,627,271</u>	<u>888,417</u>

**(a) Disaggregation of revenue from contracts with customers**

The Group's revenue from development properties is recognised based on percentage of completion method. The revenue is generated from related party within Cambodia and the revenue is recognised over time.

**(b) Judgement and methods used in estimating revenue**

Recognition of revenue from development properties over time

For the sale of development properties where the Group satisfies its performance obligations over time, management has determined that a cost-based input method provides a faithful depiction of the Group's performance in transferring control of the properties to the customers, as it reflects the Group's efforts incurred to date relative to the total inputs expected to be incurred for the properties. The measure of progress is based on the costs incurred to date as a proportion of total costs expected to be incurred up to the completion of the development properties.

The estimated total construction and other related costs are based on contracted amounts and, in respect of amounts not contracted for, management relies on past experience and knowledge of the project engineers to make estimates of the amounts to be incurred. In making these estimates, management takes into consideration the historical trends of the amounts incurred in its other similar properties held for sale, analysed by different property types and geographical areas for the past 3 years.

**20. Revenue (continued)**

**(c) Transaction price allocated to remaining performance obligation**

The Group has applied the practical expedient not to disclose information about its remaining performance obligations if:

- The performance obligation is part of a contract that has an original expected duration for one year or less, or
- The Group recognises revenue in the amount to which the Group has a right to invoice customers in amounts that correspond directly with the value to the customer of the Group's performance completed to date.

Variable consideration that is constrained is not included in the transaction price.

The Group has also applied the practical expedient not to disclose the amount of the transaction price allocated to the remaining performance obligations and an explanation of when the Group expects to recognise that amounts as revenue for the previous financial year.

As at 31 March 2019, the aggregate amount of the transaction price allocated to the remaining performance obligation is approximately S\$928,200. The Group expects that 100% may be recognised as revenue in financial year of 2020.

**21. Other income**

The followings items have been included in arriving at other income:

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
Interest income	503	3,987
Rental Income	132,629	90,955

**22. Employee benefits expense**

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
<b>Directors' remuneration</b>		
Directors' salary and bonus	335,000	320,000
Central Provident Fund	37,660	37,289
Directors' fee	35,000	42,500
	<u>407,660</u>	<u>399,789</u>
<b>Staff costs</b>		
Salary and bonus	439,447	567,535
Central Provident Fund	56,327	47,849
Skill development levy	420	428
Others	3,175	6,982
	<u>499,369</u>	<u>622,794</u>
	<u>907,029</u>	<u>1,022,583</u>

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**23. Other operating expenses**

The followings items have been included in arriving at other operating expenses:

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
Commission	71,657	148,080
(Gain)/Loss on foreign exchange	(566,548)	634,571
Insurance	21,936	11,728
Management fees	116,800	87,435
Legal and professional fees	221,010	259,842
Rent expenses	140,613	79,093
Travelling expenses	38,261	39,885
Provision for en bloc purchase	<u>1,569,941</u>	<u>-</u>

**24. Income tax expense**

The major components of income tax expense recognised in profit or loss for the years ended 31 March 2019 and 2018 were:

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
Current income tax		
- Current year	2,127,189	12,167
- Under-provision in respect of prior years	<u>3,057</u>	<u>-</u>
Income tax expense recognised in profit or loss	<u>2,130,246</u>	<u>12,167</u>

**Relationship between tax expense and accounting profit/(loss)**

A reconciliation between tax expense and the product of accounting profit/(loss) multiplied by the applicable corporate tax rate for the financial years ended 31 March 2019 and 2018 were as follows:

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
Profit/(Loss) before tax	<u>7,666,221</u>	<u>(1,943,723)</u>
Tax at the domestic rates applicable to profits/(loss) in the countries where the Group operates	1,563,645	(332,646)
Adjustments:		
Non-deductible expenses	323,649	5,579
Deferred tax assets not recognised in income statement	239,895	339,234
Under-provision in prior years	<u>3,057</u>	<u>-</u>
Income tax expense recognised in profit or loss	<u>2,130,246</u>	<u>12,167</u>

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

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**25. Earnings/(Loss) per share**

The basic and diluted earnings/(loss) per share are calculated by dividing the profit/(loss) for the year by the weighted average number of ordinary shares.

The following tables reflects the profit and share data used in the computation of basic and diluted earnings/(loss) per share for the year ended 31 March:

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
Profit/(Loss) for the year net of tax used in the computation of basic earnings/(loss) per share	<u>5,545,416</u>	<u>(1,955,890)</u>
	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>No. of shares</b>	<b>No. of shares</b>
Weighted average number of ordinary shares for basic earnings/(loss) per share computation	<u>405,000,000</u>	<u>405,000,000</u>

**26. Commitments**

**(a) Capital commitments**

Capital commitment contracted for as at the end of the reporting period but not recognised in the financial statement are as follows:

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
Capital commitment in respect of properties under development	854,325	1,392,768
Share of joint ventures capital commitment	104,641,512	110,933,194
	<u>105,495,837</u>	<u>112,325,962</u>

**(b) Operating lease commitments – as lessee**

The Group and the Company have entered into commercial leases on rental of offices. These leases have an average life of 2 year with no renewal option or escalation clauses included in the contracts. There are no restrictions places upon the Group or the Company by entering into these leases. The Group's and the Company's minimum lease payments recognised in the statement of comprehensive income during the year amounted to S\$140,613 (2018: S\$79,093) and S\$21,816 (2018: S\$12,840) respectively.

**26. Commitments (continued)**

**(b) Operating lease commitments – as lessee (continued)**

Future minimum lease payments payable under non-cancellable operating leases as at 31 March are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Not later than one year	144,873	53,549	120,550	9,630
More than one year	108,364	24,851	108,364	-
	<u>253,237</u>	<u>78,400</u>	<u>228,914</u>	<u>9,630</u>

**(c) Operating lease commitments – as lessor**

The Group leases out its unsold completed development property, which has a period of 1 year, with option to renew the lease after the expiry dates. The future minimum rental receivable under non-cancellable operating leases at the end of the reporting period are as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
Not later than one year	123,448	31,532	-	-
More than one year	30,862	-	-	-
	<u>154,310</u>	<u>31,532</u>	<u>-</u>	<u>-</u>

**27. Related party transactions**

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial year.

	<b>Group</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
Professional fees paid to an affiliated company	(59,170)	(65,908)
Management fee paid to holding company	(116,800)	(87,435)
Rental paid to holding company	(12,840)	(12,840)
Interest expenses paid to holding company	(133,693)	-
Sales of development properties to related party	<u>34,627,271</u>	<u>-</u>

*Key management compensation*

Directors' remuneration is disclosed in Note 22. There are no other key management personnel in the Company other than the directors.

## **28. Financial risk management**

The Group and the Company are exposed to financial risks from its operation and the use of financial instruments. The key financial risks include credit risk, liquidity risk and market risk (including foreign currency risk).

The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the directors. It is, and has been throughout the current financial year and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

### **Credit risk**

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group and the Company. The Group and the Company's exposure to credit risk arises primarily from trade and other receivables and amount due from contract customers. For other financial assets, the Group and the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Group and the Company has adopted a policy of only dealing with creditworthy counterparties. The Group and the Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Group and the Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group and the Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 60 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Group and the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information or the Company's own trading records to rate its major customers and other debtors. The Group and the Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

## **28. Financial risk management (continued)**

### **Credit risk (continued)**

The Group and the Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Group and the Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 120 days past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Group and the Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognising expected credit loss (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >60 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

### Trade receivables (Note 7)

As of 31 March 2019, the Group recorded trade receivables of S\$5,511,346 (2018: S\$Nil). The Group assessed the impairment loss allowance of these amounts on a 12-month ECL basis consequent to their assessment and conclusion that these receivables are of low credit risk. Using 12-month ECL, the Group determined that the ECL is insignificant.

### Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

### Exposure to credit risk

The Company has no significant concentration of credit risk other than those balances with subsidiaries. The Company has credit policies and procedures in place to minimise and mitigate its credit risk exposure.

**28. Financial risk management (continued)**

**Credit risk (continued)**

Other receivables and amount due from subsidiaries

The Group assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Group measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

**Liquidity risk**

Liquidity risk refers to the risk that the Group will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities. The Group's and the Company's operations are financed mainly through equity. The directors are satisfied that funds are available to finance the operations of the Group and the Company.

*Analysis of financial instruments by remaining contractual maturities*

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the reporting date based on contractual undiscounted repayment obligations.

	<b>Carrying amount</b>	<b>Contractual cash flow</b>	<b>One year or less</b>	<b>Two to five years</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Group</b>				
<b>2019</b>				
<b>Financial assets:</b>				
Trade and other receivables	9,160,291	9,160,291	9,160,291	-
Cash and cash equivalents	911,066	911,066	911,066	-
Total undiscounted financial assets	10,071,357	10,071,357	10,071,357	-
<b>Financial liabilities:</b>				
Trade and other payables	25,863,420	25,863,420	9,923,210	15,940,210
Amount due to holding company	5,595,187	5,595,187	39,991	5,555,196
Retention payable	1,316,950	1,316,950	1,316,950	-
Amount due to director	2,588,252	2,588,252	2,588,252	-
Total undiscounted financial liabilities	35,363,809	35,363,809	13,868,403	21,495,406
Total net undiscounted financial liabilities	(25,292,452)	(25,292,452)	(3,797,046)	(21,495,406)

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**28. Financial risk management (continued)**

**Liquidity risk (continued)**

	<b>Carrying amount S\$</b>	<b>Contractual cash flow S\$</b>	<b>One year or less S\$</b>	<b>Two to five years S\$</b>
<b>Group 2018</b>				
<b>Financial assets:</b>				
Amount due from related parties	1,859,054	1,859,054	-	1,859,054
Trade and other receivables	12,114,305	12,114,305	2,335,901	9,778,404
Cash and cash equivalents	930,289	930,289	930,289	-
Total undiscounted financial assets	<u>14,903,648</u>	<u>14,903,648</u>	<u>3,266,190</u>	<u>11,637,458</u>
<b>Financial liabilities:</b>				
Trade and other payables	874,837	874,837	874,837	-
Amount due to holding company	43,053	43,053	43,053	-
Retention payable	681,950	681,950	681,950	-
Amount due to director	655	655	655	-
Total undiscounted financial liabilities	<u>1,600,495</u>	<u>1,600,495</u>	<u>1,600,495</u>	<u>-</u>
Total net undiscounted financial assets	<u>13,303,153</u>	<u>13,303,153</u>	<u>1,665,695</u>	<u>11,637,458</u>
	<b>Carrying amount S\$</b>	<b>Contractual cash flow S\$</b>	<b>One year or less S\$</b>	<b>Two to five years S\$</b>
<b>Company 2019</b>				
<b>Financial assets:</b>				
Amount due from subsidiaries	28,206,296	28,206,296	28,206,296	-
Trade and other receivables	35,370	35,370	35,370	-
Cash and cash equivalents	80,448	80,448	80,448	-
Total undiscounted financial assets	<u>28,322,114</u>	<u>28,322,114</u>	<u>28,322,114</u>	<u>-</u>
<b>Financial liabilities:</b>				
Trade and other payables	16,012,884	16,012,884	72,674	15,940,210
Amount due to holding company	5,595,187	5,595,187	39,991	5,555,196
Total undiscounted financial liabilities	<u>21,608,071</u>	<u>21,608,071</u>	<u>112,665</u>	<u>21,495,406</u>
Total net undiscounted financial assets/(liabilities)	<u>6,714,043</u>	<u>6,714,043</u>	<u>28,209,449</u>	<u>(21,495,406)</u>

**28. Financial risk management (continued)**

**Liquidity risk (continued)**

	<b>Carrying amount</b>	<b>Contractual cash flow</b>	<b>One year or less</b>	<b>Two to five years</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Company</b>				
<b>2018</b>				
<b>Financial assets:</b>				
Amount due from subsidiaries	7,416,968	7,416,968	7,416,968	-
Trade and other receivables	54,208	54,208	54,208	-
Cash and cash equivalents	630,783	630,783	630,783	-
Total undiscounted financial assets	8,101,959	8,101,959	8,101,959	-
<b>Financial liabilities:</b>				
Trade and other payables	23,297	23,297	23,297	-
Amount due to holding company	43,053	43,053	43,053	-
Total undiscounted financial liabilities	66,350	66,350	66,350	-
Total net undiscounted financial assets	8,035,609	8,035,609	8,035,609	-

**Market risk**

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates will affect the Group and the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

*Foreign currency risk*

The Group's foreign exchange risk results mainly from cash flows from transactions denominated in foreign currencies. At present, the Company does not have any formal policy for hedging against currency risk. The Company ensures that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates, where necessary, to address short term imbalances.

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the functional currency of the Group, primarily, Australian Dollar (AUD), Malaysian Ringgit (MYR) and United States Dollar (USD).

**28. Financial risk management (continued)**

**Market risk (continued)**

*Foreign currency risk (continued)*

A 3% strengthening of Singapore Dollar against the foreign currency denominated balances as at the reporting date would increase profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

	<b>Group</b>	
	<b>Profit/(Loss) after tax</b>	
	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>
USD	(91,751)	(237,965)
MYR	(10,033)	(949)
AUD	(698)	(2,247)

A 3% weakening of Singapore Dollar against the above currency would have had equal but opposite effect to the amounts shown above, on the basis that all other variables remain constant.

**29. Fair values**

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction.

The following methods and assumptions are used to estimate the fair value of each class of financial instruments for which it is practicable to estimate that value.

*Cash and cash equivalents, amount due from related companies, other receivables, other payables and amount due to directors*

The carrying amounts of these balances approximate their fair values due to the short-term nature of these balances.

*Trade receivables, trade payables and retention payables*

The carrying amounts of these payables approximate their fair values as they are subject to normal trade credit terms.

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**30. Financial instruments by category**

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities at amortised cost were as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>Financial assets at amortised cost</b>				
Amount due from related party (Note 8)	-	1,859,054	-	-
Amount due from subsidiaries (Note 11)	-	-	28,206,296	7,416,968
Trade and other receivables (Note 7)	9,160,291	12,114,305	35,370	54,208
Cash and cash equivalents (Note 12)	911,066	930,289	80,448	630,783
Total financial assets measured at amortised cost	<u>10,071,357</u>	<u>14,903,648</u>	<u>28,322,114</u>	<u>8,101,959</u>
<b>Financial liabilities at amortised cost</b>				
Trade and other payables (Note 16)	25,863,420	874,837	16,012,884	23,297
Amount due to holding company (Note 17)	5,595,187	43,053	5,595,187	43,053
Retention payable (Note 18)	1,316,950	681,950	-	-
Amounts due to director (Note 19)	2,588,252	655	-	-
Total financial liabilities measured at amortised cost	<u>35,363,809</u>	<u>1,600,495</u>	<u>21,608,071</u>	<u>66,350</u>

**31. Capital management**

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Group comprises issued share capital and retained earnings.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group is not subject to any externally imposed capital requirements. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2019 and 31 March 2018.

The Group's overall strategy remains unchanged from 2018.

**32. Segment information**

For management purpose, the Group is organised into business unit based on their products and services, and has the operating segments as follows:

- (i) Property development: Development of residential, commercial and other properties.
- (ii) Others: Comprises mainly investment holding, management and consultancy services.

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**32. Segment information (continued)**

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit/(loss) before tax, as included in the internal management report that are reviewed by the Board of Directors. Segment profit/(loss) is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

*Information about reportable operating segments*

	<b>Property development</b>	<b>Others</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>	<b>S\$</b>
<b>31 March 2019</b>				
<b><u>Revenue</u></b>				
External customer	<u>34,627,271</u>	<u>-</u>	<u>-</u>	<u>34,627,271</u>
<b><u>Result</u></b>				
Segment profit/(loss)	8,633,109	(1,216,888)	250,000	7,666,221
Income tax expenses	<u>(2,127,189)</u>	<u>(3,057)</u>	<u>-</u>	<u>(2,130,246)</u>
Profit/(Loss) for the year	<u>6,505,920</u>	<u>(1,219,945)</u>	<u>250,000</u>	<u>5,535,975</u>
<b><u>Asset</u></b>				
Segment assets	<u>69,165,286</u>	<u>72,576,635</u>	<u>(74,361,820)</u>	<u>67,380,101</u>
<b><u>Liabilities</u></b>				
Segment liabilities	<u>47,108,192</u>	<u>50,938,339</u>	<u>(60,467,752)</u>	<u>37,578,779</u>
<b>31 March 2018</b>				
<b><u>Revenue</u></b>				
External customers	<u>888,417</u>	<u>-</u>	<u>-</u>	<u>888,417</u>
<b><u>Result</u></b>				
Segment loss	(12,182)	(1,931,541)	-	(1,943,723)
Income tax expenses	<u>(12,167)</u>	<u>-</u>	<u>-</u>	<u>(12,167)</u>
Loss for the year	<u>(24,349)</u>	<u>(1,931,541)</u>	<u>-</u>	<u>(1,955,890)</u>
<b><u>Asset</u></b>				
Segment assets	<u>21,937,281</u>	<u>37,021,892</u>	<u>(31,521,867)</u>	<u>27,437,306</u>
<b><u>Liabilities</u></b>				
Segment liabilities	<u>18,614,976</u>	<u>14,794,719</u>	<u>(29,507,232)</u>	<u>3,902,463</u>

*Geographical information*

The Group's main business are those relating to property development activities mainly in Cambodia and Malaysia.

**33. Authorisation of financial statements for issue**

The financial statements for the financial year ended 31 March 2019 were authorised for issue by the Board of Directors on the date of the Directors' Statement.