

S.E.A. PETROLEUM EXPLORATION SOCIETY
(Incorporated in the Republic of Singapore)

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2009

S.E.A. PETROLEUM EXPLORATION SOCIETY
(Incorporated in the Republic of Singapore)

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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF S.E.A. PETROLEUM EXPLORATION SOCIETY**

We have audited the accompanying balance sheet as at 30 September 2009, the income and expenditure statement and the notes to the financial statements for the year then ended.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements. This responsibility includes:

- (a) selecting and applying appropriate accounting policies; and
- (b) making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements are properly drawn up in accordance with the Society's accounting policies.

SINGAPORE ASSURANCE PAC
Public Accountant and
Certified Public Accountants

Singapore

26 MAR 2010

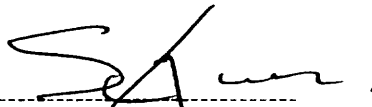


S.E.A. PETROLEUM EXPLORATION SOCIETY
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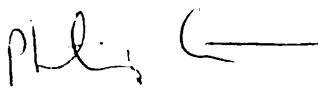
OFFICIAL'S STATEMENT

Our opinion :

- 1 the income and expenditure account of the Society is drawn up so as to give a true and fair view of the results of the operations of the Society for the year ended 30 September 2009; and
- 2 the balance sheet of the Society is drawn up so as to give a true and fair view of the state of affairs of the Society as at 30 September 2009.



PRESIDENT



HONORARY TREASURER

Singapore

26 MAR 2010

S.E.A. PETROLEUM EXPLORATION SOCIETY
(Incorporated in the Republic of Singapore)

BALANCE SHEET
AS AT 30 SEPTEMBER 2009

	<u>Note</u>	<u>2009</u>	<u>2008</u>
		S\$	S\$
ASSETS			
Non-current asset			
Plant and equipment	(2)	1,407	2,813
 CURRENT ASSETS			
Fixed deposits		200,126	80,367
Cash at bank	(3)	<u>537,634</u>	<u>546,913</u>
		<u>737,760</u>	<u>627,280</u>
 LESS: CURRENT LIABILITIES			
Other payables		1,700	1,979
Provision for taxation		<u>6,860</u>	<u>14,105</u>
		<u>8,560</u>	<u>16,084</u>
 NET CURRENT ASSETS		 <u>729,200</u>	 <u>611,196</u>
 NET ASSETS		 <u>730,607</u>	 <u>614,009</u>
 REPRESENTED BY:			
 FUND BALANCES			
Members' funds		<u>730,607</u>	<u>614,009</u>
		<u>730,607</u>	<u>614,009</u>

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

S.E.A. PETROLEUM EXPLORATION SOCIETY
(Incorporated in the Republic of Singapore)

**INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 30 SEPTEMBER 2009**

	<u>Note</u>	2009 S\$	2008 S\$
INCOME			
Memberships		40,421	45,701
Event		809,932	306,752
Seapex course fee		37,000	42,000
		887,353	394,453
OTHER OPERATING INCOME			
Corporate sponsorship		153,557	143,500
Fixed deposit interest		281	751
Forum and talks		4,464	37,140
Job credit		900	-
Miscellaneous		11,942	22,544
Scout check sponsorships		-	2,049
Seapex golf		1,440	13,470
Seapex press advertisement		80,380	10,132
Worldpay		8,490	-
		261,454	229,586
EXPENDITURE			
Additional meetings		533	-
Annual dinner		7,801	-
Audit fee		1,700	1,700
Bank and finance charges		32,755	9,107
Cleaning services		3,360	60
Conference		7,330	-
Courier		4,392	1,153
CPF contribution		7,377	5,220
Database management		3,656	3,263
Depreciation		1,407	1,408
Donation		75,000	-
Entertainment		9,554	-
Event expenses		587,241	7,275
Forum and talk		24,066	53,578
Furnitures and fittings		8,554	-
GST charges		211	2,127
Insurance		1,080	440
IT support		881	1,555
Medical		550	44
Miscellaneous		9,105	30,602
Office rental		24,000	32,446
Postages		3	306
Press advertisement		73,335	54,206
Printing & stationery		2,184	5,043
Professional fees		4,149	3,533
Renovation fees		-	1,073

S.E.A. PETROLEUM EXPLORATION SOCIETY
(Incorporated in the Republic of Singapore)

INCOME AND EXPENDITURE STATEMENT (CONT'D)
FOR THE YEAR ENDED 30 SEPTEMBER 2009

	<u>Note</u>	2009 S\$	2008 S\$
EXPENDITURE (CONT'D)			
Seapex council meetings		3,207	2,681
Seapex course fees		59,721	42,048
Seapex golf		9,355	8,270
Seapex T-shirt expenses		11,503	-
Secretarial fees		-	700
Staff payroll		47,425	47,650
Tax fees/stamp duty		5,487	24,577
Telecoms		5,192	453
Transport		1,205	1,351
Travelling expenses		10,171	9,442
Utilities		515	-
Website maintenance		6,697	335
Website management		4,363	6,125
Worldpay charges		10,077	-
		<u>1,065,142</u>	<u>357,770</u>
Surplus before taxation		83,665	266,268
Add/(less): Taxation	(4)	<u>32,932</u>	<u>(6,700)</u>
Surplus after taxation		116,597	259,568
Accumulated funds carried forward		<u>614,009</u>	<u>354,441</u>
Accumulated funds brought forward		<u><u>730,607</u></u>	<u><u>614,009</u></u>

S.E.A. PETROLEUM EXPLORATION SOCIETY
(Incorporated in the Republic of Singapore)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)
30 SEPTEMBER 2009

2. PLANT AND EQUIPMENT

	Furniture & fitting S\$	Total S\$
<u>Cost</u>		
As at 1/20/1007	-	-
Additions	4,220	4,220
As at 30/9/2008	4,220	4,220
Additions	-	-
As at 30/9/2009	<u>4,220</u>	<u>4,220</u>
<u>Accumulated Depreciation</u>		
As at 1/20/1007	-	-
Charge for the year	1,407	1,407
As at 30/9/2008	1,407	1,407
Charge for the year	1,406	1,406
As at 30/9/2009	<u>2,813</u>	<u>2,813</u>
<u>Net Book Value</u>		
As at 30/9/2009	<u>1,407</u>	<u>2,814</u>
As at 30/9/2008	<u>2,813</u>	<u>2,813</u>

3. CASH AT BANK

Cash at bank are denominated in the following currencies:

	<u>2009</u> S\$	<u>2008</u> S\$
Singapore dollar	510,149	519,428
United States dollar	27,485	27,485
	<u>537,634</u>	<u>546,913</u>

4. TAXATION

	<u>2009</u> S\$	<u>2008</u> S\$
Current year's provision	-	6,700
Prior years - overprovision	(33,092)	-
	<u>(33,092)</u>	<u>6,700</u>

2010

FORM P1

S73SS004.11

Date 01/03/2010

THE SECRETARY
SOUTHEAST ASIA PETROLEUM EXPLORATION
SOCIETY
20 UPPER CIRCULAR ROAD
THE RIVER WALK
#01-06
SINGAPORE 058416



337-1

Please give us details of all income of the body of persons in this form and send it to us by 15 April 2010. This form must be submitted together with the original certified/audited accounts.

Thank You.

MOSES LEE
Comptroller of Income Tax

This form may take you 10 minutes to fill in. Please get ready the following information to fill in the form:-

- a) Statement of Account
b) Other Income Statements / Tax Computation



CHANGE IN PARTICULARS OF BODY OF PERSONS (You only need to provide the details if there is a change.)

New Name

Empty box for New Name.

II. New Registered Address

Grid for House/Block, Storey-Unit #, and Postal Code.

III. New Principal Officers

Table with columns: Designation, Current President, Current Secretary, Current Treasurer. Rows include Full Name, Identification (Type and Identification), Date of Appointment, and Contact Number.

(Please tick)

IV. No Activity Carried Out

CODE FOR IDENTIFICATION TYPE

- 01 - Singapore NRIC
02 - FIN
03 - Immigration (IMS)
04 - Work Permit No.
11 - Malaysia NRIC
12 - Foreign Passport
20 - Other Identification

SEX CODE

- 1 - Male
2 - Female

V. New Accounting Month

(Number 01-12)

VI. Date of Registration

(d registered in 2009)

Grid for Date of Registration (dd/mm/yyyy)

VII. Date of De-registration

Grid for Date of De-registration (dd/mm/yyyy)

There are penalties for failing to furnish a tax return or furnishing an incorrect tax return

DECLARATION

I hereby declare that this tax return contains a true and complete account of the whole of the income of the body of persons named above for the year ended 31 Dec 2009.

Table with columns: Name of Person making the tax return, Address of the Person making the tax return, Capacity of the Person making the return, Identification Number, Signature/Date, Telephone Number.

For Office Use

1 2 3 4 5 6 7 8

Updated Name Address Principal Officer (Tick where appropriate)

440 16237637675052

2010

EXPLANATORY NOTES TO FORM P1

1. Who has to sign this return?	President, Hon Treasurer, Secretary or any other member of the Management Committee.
2. SECTION A: Income Declaration	The income to be declared includes all income accruing in or derived from Singapore or received in Singapore in 2009. A nil return is required if there is no income.
3. Trade	Enter the amount of surplus/deficit for the accounting year which ended in 2009. For deficit, please mark "X" in the box provided.
4. Original Certified / Audited Statement of Accounts & Tax Computation	<p>All clubs, associations, societies and management corporations are required to submit original certified/audited statement of accounts.</p> <p>All clubs, associations, societies and management corporations are advised to submit their tax computations to their computer. A basic tax calculator is designed to help a body of persons to calculate its tax liability. For instructions on how to prepare a tax computation, you can visit IRAS website (www.iras.gov.sg) under Clubs, trade associations, MCs & town councils.</p>
5. Carry - Back Of Capital Allowances / Losses	<p>Where the body of persons is deemed to be carrying on a business under Section 11(1) and (2) of the Income Tax Act (Cap 134), the principal officer may elect to carry back the unutilised capital allowances/trade losses, up to \$100,000 for this year of assessment against the assessable income for the year of assessment 2009. A copy of the Election Form is downloadable from IRAS website. This form has to be sent in SEPARATELY from the tax return.</p> <p>For the years of assessment 2009 and 2010, the principal officer may elect to carry back qualifying deductions of up to \$200,000 for a year of assessment of loss to set-off against the assessable income for up to 3 years of assessment immediately preceding the year of assessment of loss. A copy of the new election form is downloadable from IRAS website. This new election form has to be submitted at the time of filing of income tax return.</p>
6. Interest	Include interest received/receivable in 2009 from all bank accounts and deposits including POSB savings accounts with DBS Bank.
7. Dividends	<p>Any dividend derived from any territory outside Singapore shall be exempt from tax in Singapore if:</p> <p>a the income is subject to tax of a similar character to income tax (by whatever name called) under the law of the territory from which the income is received and</p> <p>b at the time the income is received in Singapore by the person resident in Singapore, the highest rate of tax of a similar character to income tax (by whatever name called) levied under the law of the territory from which the income is received on any gains or profits from any trade or business carried on by any company in that territory at that time is not less than 15%.</p> <p>Headline tax rate of a foreign jurisdiction refers to the highest corporate tax rate of the foreign jurisdiction. It need not be the actual rate of tax imposed by the foreign jurisdiction on the specified foreign income. Please refer to IRAS Circulars on "Tax Exemption for Foreign-Sourced Dividend, Foreign Branch Profits and Foreign-Sourced Service Income" for details.</p> <p>As a tax concession, where the foreign income is exempted from tax in the foreign jurisdiction from which it is received as a direct consequence of that foreign jurisdiction granting a tax incentive for carrying out substantive business activities in that jurisdiction, the "subject to tax condition" will be considered as met. This concession applies to foreign income received in Singapore on or after 30 July 2004. To enjoy this concession, relevant documents must be submitted with your return. Please refer to IRAS Supplementary Circulars on "Tax Exemption for Foreign-Sourced Dividend, Foreign Branch Profits and Foreign-Sourced Service Income" for details.</p>
8. Rent, Royalties And Other Income From Property	For each property, state the gross rent (inclusive of rental of furniture and fittings) and expenses incurred such as property tax, mortgage interest, fire insurance, repairs, maintenance, etc.
9. Income received in Singapore from outside Singapore	<p>State the country from which the income is received in 2009, the type of income and the amount. Report your foreign dividends in Section A item 3 of the tax return.</p> <p>Foreign-Sourced incomes such as foreign interest, rental or royalty income, can now qualify for tax exemption under the temporary liberalized Foreign-Sourced Income Exemption Scheme provided the income was earned on or before 21 Jan 2009 and is received in Singapore by a specified resident taxpayer during the period 22.1.2009 to 21.1.2010. To qualify for the tax exemption, please complete the prescribed Declaration Form which is downloadable from IRAS website.</p>
10. Donations to Approved Institutions	Only outright CASH donations to approved institutions of a public character in Singapore or the Singapore Government are tax deductible. For other forms of donations, please refer to our website at http://www.iras.gov.sg .
11. SECTION B: Computation under Section 11 (1) of the Income Tax Act	<p>The computation determines whether the Club, Association or Management Corporation is deemed to be carrying on a business. Voting members refer to persons who are entitled to vote at the general meeting of the body at which effective control is exercised over its affairs.</p> <p>If (iv) is 50% or more - the club, association or management corporation is not deemed to be carrying on a business. This means that only the interest, rent, dividends and other income shall be taxable.</p> <p>If (iv) is less than 50% - the club, association or management corporation is deemed to be carrying on a business. This means that all income shall be taxable.</p>

**S.E.A. PETROLEUM EXPLORATION SOCIETY ("SEAPEX")
SINGAPORE INCOME TAX COMPUTATION
YEAR OF ASSESSMENT 2010
BASIS PERIOD: 1 OCTOBER 2008 TO 30 SEPTEMBER 2009
TAX REF NO: S73SS004211**

Statement A

SEAPEX is not deemed carrying on a business under Section 11(2) of the Singapore Income Tax Act

	\$
Net Loss from non-members	<u>(6,250) - Schedule 1</u>
Chargeable income	<u>NIL</u>
Tax payable	<u>NIL</u>

S.E.A. PETROLEUM EXPLORATION SOCIETY ("SEAPEX")
BASIS PERIOD: 1 OCTOBER 2008 TO 30 SEPTEMBER 2009
PROFIT AND LOSS STATEMENT

Statement B

	\$	\$	
<u>Receipts from members</u>			
- Event	809,932		
- Membership	40,421		
- Seapex course fee	37,000		
	887,353		Note 1/ Not taxable
 <u>Add: Income from non-members</u>			
- Corporate sponsorship	153,557	¥	
- Seapex press advertisement	80,380		
- Miscellaneous	11,942		
- Worldpay	8,490		
- Forum and talks	4,464		Not taxable
- Seapex Golf	¥ 1,440		
- Job credit	× 900		
- Fixed deposit interest	¥ 281		
	261,454		
 <u>Less: Expenditure</u>			
Audit fee	1,700		
Annual dinner (for society)	7,801		
Additional meetings	533		
Bank charges	32,755		
Cleaning services	3,360		
Conference	7,330		
Courier services	4,392		
CPF	7,377		
Database management	3,656		
Depreciation of fixed asset	1,407		Schedule 1
Donations	75,000		Schedule 2
Entertainment	9,554		
Forum and talks	24,066		
Furniture and fittings rental	8,554		
GST charges (incurred on SEAPEX)	211		
Insurance	1,080		
IT Support	881		
Medical	550		Schedule 3
Miscellaneous SEAPEX expenses	9,105		
Office rental	24,000		

S.E.A. PETROLEUM EXPLORATION SOCIETY ("SEAPEX")
BASIS PERIOD: 1 OCTOBER 2008 TO 30 SEPTEMBER 2009
PROFIT AND LOSS STATEMENT

Postages	3		
Printing and stationery	2,184		
Professional fees	4,149		Schedule 1
SEAPEX council meeting expenses	3,207		
SEAPEX course fees	59,721		
SEAPEX golf	9,355		
SEAPEX T-shirt expenses	11,503		
Staff payroll	47,425		
Tax fees/stamp duty	5,487		
Telecoms	5,192		
Transport	1,205		
Travelling expenses	10,171		
Utilities	515		
Website management	4,363		
Website maintenance	6,697		
Online banking service	10,077		
Event expenses	587,241		
Press Advertisement	73,335		
	<hr/>	(1,065,142)	Schedule 1
Surplus before tax		<hr/> <u>83,665</u> <hr/>	

Note:

The "Professional Association" is not deemed to be carrying on a business as not more than 50% of its receipts are from Singapore members who are entitled to claim deductions on the subscription fees under Section 14 of the Singapore Income Tax Act. Therefore, only income received from non-members are taxable.

S.E.A. PETROLEUM EXPLORATION SOCIETY ("SEAPEX")
BASIS PERIOD: 1 OCTOBER 2008 TO 30 SEPTEMBER 2009

Schedule 1

Apportionment of tax deductible administration expenses:

	<u>Amount</u>	<u>Tax Deductible</u>	<u>Net Receipts</u>
	(A)	(B)	(A) - (B)
	\$	\$	\$
Receipts from members (not taxable)	887,353	908,639	(21,286)
Receipts from non-members (Excluded non-taxable receipt)	260,554	266,804	(6,250)
	<u>1,147,907</u>	<u>1,175,443</u>	<u>(27,536)</u>
		Note 1	

Note:

(1) Tax deductible expenses are:

		\$	\$	
Expenses as per accounts			1,065,142	Statement B
Less: <u>Tax disallowable expenses</u>				
Depreciation of fixed assets		(1,407)		Statement B
Medical Expenses		(792)		Schedule 3
Donation		(75,000)	(77,199)	Schedule 2
			987,943	
Add: Approved donation			187,500	Schedule 2
			<u>1,175,443</u>	
Tax Deductible expenses			<u>1,175,443</u>	Schedule 1

S.E.A. PETROLEUM EXPLORATION SOCIETY ("SEAPEX")
BASIS PERIOD: 1 OCTOBER 2008 TO 30 SEPTEMBER 2009

Donation

Schedule 2

	S\$
<u>Approved Donation</u>	
National University of Singapore	187,500 *
	187,500 *

*2.5 times tax deduction

Medical expenses restriction

Schedule 3

Staff Remuneration

Staff Payroll	47,425
CPF Contribution	7,377

Total Remuneration	54,802
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Medical Expenses as per accounts	550
Hospitalisation and Surgical insurance (under Insurance account)	790

Total Medical Expenses	1,340
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Less: Restricted to 1% of the Total Remuneration	(548)
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Excess of 1% of total medical expenses	792	Add Back
	Schedule 1	

Professional Fees - \$4149

Schedule 4

The above expenses are annual recurring tax return preparation fees.