

S.E.A. PETROLEUM EXPLORATION SOCIETY
(Registered under the Societies Act)
(Registration No.: S73SS0042H)

AUDITED FINANCIAL STATEMENTS
For the financial year ended 30 September 2017

CONTENTS

	<u>Page</u>
Statement by Council	1
Independent Auditor's Report	2 - 3
Statement of Financial Position	4
Statement of Financial Activities	5
Statement of Changes in Funds	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 21

S.E.A. PETROLEUM EXPLORATION SOCIETY
(Registered under the Societies Act)
(Registration No.: S73SS0042H)

STATEMENT BY COUNCIL
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

The Council is pleased to submit this statement to the members together with the audited financial statements of S.E.A. Petroleum Exploration Society (the "Society") for the financial year ended 30 September 2017.

COUNCIL & AUDITOR

The office bearers of the Council at the date of this report are as follows:

Ian Cross	President
Andy Butler	1 st Vice President
Simon Crellin	2 nd Vice President
Bill Lafferrandre	Treasurer
Jean-Yves Beninger	Secretary
Chester Chua Ling Chuan	Councilor
Chris Howells	Councilor
Eileen Khoo	Councilor
Jo McArdle	Councilor
Mark Lewis	Councilor
Nick Comrie-Smith	Councilor
Patrick Ravaut	Councilor
Shankar Krishnan	Councilor

The honorary auditor at the date of this report is Vijay Krishnan.

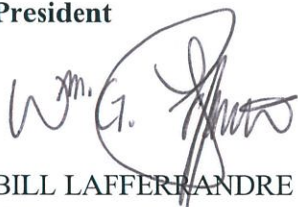
OPINION OF THE COUNCIL

In the opinion of the Council, the accompanying financial statements of the Society are drawn up so as to give a true and fair view of the financial position of the Society as at 30 September 2017 and the financial performance, changes in funds and cash flows of the Society for the financial year ended 30 September 2017.

On behalf of the Council



IAN CROSS
President



BILL LAFFERRANDRE
Treasurer

Singapore

31 MAR 2018

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of S.E.A. PETROLEUM EXPLORATION SOCIETY (the "Society"), which comprise the statement of financial position as at 30 September 2017, the statement of financial activities, statement of changes in funds and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Societies Act, Chapter 311 (the "Act") and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the financial position of the Society as at 30 September 2017 and of the financial performance, changes in funds and cash flows of the Society for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Statement by Council, as set out on page 1.

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.

Management's Responsibilities 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 Society'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 Society or to cease operations, or has no realistic alternative but to do so.

The Management's responsibilities include overseeing the Society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the effectiveness 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 Society'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 Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Society have been properly kept in accordance with the provisions of the Act.



STONE RAY & ASSOCIATES
Public Accountants and Chartered Accountants
Singapore

31 MAR 2018

S.E.A. PETROLEUM EXPLORATION SOCIETY
(Registered under the Societies Act)
(Registration No.: S73SS0042H)

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2017

	Note	2017 S\$	2016 S\$
ASSETS			
NON-CURRENT ASSETS			
Equipment	4	<u>2,719</u>	<u>6,604</u>
CURRENT ASSETS			
Trade and other receivables	5	148,830	134,253
Cash and cash equivalents	6	<u>588,940</u>	<u>674,543</u>
		<u>737,770</u>	<u>808,796</u>
TOTAL ASSETS		<u><u>740,489</u></u>	<u><u>815,400</u></u>
FUNDS AND LIABILITIES			
FUNDS			
Accumulated funds		<u>686,993</u>	<u>721,667</u>
TOTAL ACCUMULATED FUNDS		<u>686,993</u>	<u>721,667</u>
CURRENT LIABILITIES			
Trade and other payables	7	18,076	21,888
Deferred income	8	<u>35,420</u>	<u>71,845</u>
		<u>53,496</u>	<u>93,733</u>
TOTAL LIABILITIES		<u>53,496</u>	<u>93,733</u>
TOTAL FUNDS AND LIABILITIES		<u><u>740,489</u></u>	<u><u>815,400</u></u>

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

S.E.A. PETROLEUM EXPLORATION SOCIETY
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STATEMENT OF FINANCIAL ACTIVITIES
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

	Note	2017 S\$	2016 S\$
INCOME			
Membership		61,987	53,233
Merchandise sales		4,766	47
Corporate sponsorship		77,613	147,500
Press advertisement		13,962	12,352
Golf tournament		-	2,240
Forum and talks		17,111	48,460
SEAPEX Exploration Conference		772,990	(6,188)
Discretionary spending		11,895	2,092
Asia-Pacific Scout Check		7,010	21,028
Miscellaneous		3,119	10,379
Grant from Singapore Tourism Board		-	17,072
Fixed deposits interest		414	2,757
Total income		<u>970,867</u>	<u>310,972</u>
LESS: EXPENDITURE			
Forum and talk expenses		78,720	102,097
SEAPEX Exploration Conference		535,021	8,398
Discretionary spending		29,818	93,340
Introduction course		5,058	5,176
Golf tournament		433	2,341
SEAPEX press costs		30,260	56,732
Asia-Pacific Scout Check		26,481	33,886
Administrative costs	9	<u>299,750</u>	<u>286,174</u>
Total expenditure		<u>1,005,541</u>	<u>588,144</u>
Net deficit before taxation		(34,674)	(277,172)
Taxation		<u>-</u>	<u>-</u>
Net deficit for the year		<u>(34,674)</u>	<u>(277,172)</u>

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

S.E.A. PETROLEUM EXPLORATION SOCIETY
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STATEMENT OF CHANGES IN FUNDS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

	Accumulated Fund S\$
As at 1 October 2015	998,839
Net deficit for the financial year	<u>(277,172)</u>
As at 30 September 2016	721,667
Net deficit for the financial year	<u>(34,674)</u>
As at 30 September 2017	<u><u>686,993</u></u>

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

S.E.A. PETROLEUM EXPLORATION SOCIETY
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STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

	Note	2017 S\$	2016 S\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Net deficit before taxation		(34,674)	(277,172)
Adjustments for:			
Depreciation of equipment		3,885	5,059
Fixed deposits interest		<u>(414)</u>	<u>(2,757)</u>
Operating deficit before working capital changes		(31,203)	(274,870)
Trade and other receivables		(14,577)	8,115
Trade and other payables		(3,812)	(4,265)
Deferred income		<u>(36,425)</u>	<u>50,391</u>
Net cash used in operating activities		<u>(86,017)</u>	<u>(220,629)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		<u>414</u>	<u>2,757</u>
Net cash from investing activities		<u>414</u>	<u>2,757</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
		-	-
Net decrease in cash and cash equivalents		(85,603)	(217,872)
Cash and cash equivalents at beginning of the financial year		<u>674,543</u>	<u>892,415</u>
Cash and cash equivalents at end of the financial year	6	<u><u>588,940</u></u>	<u><u>674,543</u></u>

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

S.E.A. PETROLEUM EXPLORATION SOCIETY
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(Registration No.: S73SS0042H)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

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

1 GENERAL

S.E.A. Petroleum Exploration Society (the “Society”) is a society registered in Singapore under the Societies Act, Cap. 311.

The Society is a non-profit organisation with the following objectives:

- To advance the science of geology and related earth sciences, with particular emphasis on petroleum and natural gas exploration, development and production in Southeast Asia;
- To foster the spirit of scientific research throughout its membership;
- To promote technologies for finding, developing and producing hydrocarbons;
- To disseminate information relating to petroleum geoscience;
- To inspire a high standard of professional conduct on the part of its members; and
- To act as a body to improve the awareness of oil and gas industry issues in the community.

The registered office is located at 20 Upper Circular Road, The River Walk #01-06, Singapore 058416. The Society is situated in Singapore.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF REPARATION

The financial statements have been drawn up in accordance with the Societies Act and Singapore Financial Reporting Standards (“FRS”). The financial statements have been prepared on the historical cost basis.

The functional currency is Singapore Dollar (S\$), as it reflects the primary economic environment in which the entity operates.

2.2 ADOPTION OF NEW AND REVISED STANDARDS

The accounting policies adopted are consistent with those of the previous reporting period except in the current reporting period, the Society has adopted all the new and revised standards which are relevant to the Society and are effective for reporting periods beginning on or after 1 October 2016. The adoption of these standards did not have any material effect on the financial statements.

S.E.A. PETROLEUM EXPLORATION SOCIETY

(Registered under the Societies Act)

(Registration No.: S73SS0042H)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

2.3 EQUIPMENT

All items of equipment are initially recorded at cost. Subsequent to recognition, equipment are measured at cost less accumulated depreciation and any accumulated impairment loss. The cost of 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.

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

	<u>Useful lives</u>
Computer and software	3 years
Office equipment	3 years
Furniture and fittings	3 years
Website	5 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 equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on de-recognition of the asset is included in profit or loss in the year the asset is derecognised.

2.4 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Society assesses at each reporting period 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 Society 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.

S.E.A. PETROLEUM EXPLORATION SOCIETY
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(Registration No.: S73SS0042H)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

2.5 FINANCIAL INSTRUMENTS

i) *Financial Assets*

Initial recognition and measurement

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

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

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 or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

Loans and receivables comprise trade and other receivables and cash and cash equivalents.

De-recognition

A financial asset is derecognised when the contractual right to receive cash flows from the asset has expired. On de-recognition 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.

ii) *Financial Liabilities*

Initial recognition and measurement

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

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.

De-recognition

A financial liability is de-recognised 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.

2.6 IMPAIRMENT OF FINANCIAL ASSETS

The Society assessed at each reporting period 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 Society 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 Society determines that no objective evidence of impairment exists for an 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. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current 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.

S.E.A. PETROLEUM EXPLORATION SOCIETY

(Registered under the Societies Act)

(Registration No.: S73SS0042H)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

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.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Society considers factors such as the profitability 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.

2.7 CASH AND CASH EQUIVALENTS

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

2.8 PROVISIONS

Provisions are recognised when the Society has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.9 GOVERNMENT GRANTS

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Grants in recognition of specific expenses are recognized as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis. Where the grant relates to an asset, the fair value is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalments.

S.E.A. PETROLEUM EXPLORATION SOCIETY
(Registered under the Societies Act)
(Registration No.: S73SS0042H)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

2.10 EMPLOYEE BENEFITS

i) Defined Contribution Plans

The Society makes contribution 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.

ii) Short-Term Employee Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Society has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.11 REVENUE RECOGNITION

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Society and the revenue can be reliably measured, regardless of when the payment is made. Revenue is measured at the fair value of consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty.

i) Members' Subscriptions

Income received from subscriptions is recognized on a straight line basis over the term of the membership.

ii) Sponsorship and events

Revenue from sponsorship is recognized on a receipt basis. Revenue from events and activities is recognized when the event and activities has occurred and completed.

iii) Interest Income

Interest income is recognised on a time proportion basis using the effective interest method.

2.12 OPERATING LEASE COMMITMENT

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.

S.E.A. PETROLEUM EXPLORATION SOCIETY

(Registered under the Societies Act)

(Registration No.: S73SS0042H)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

3 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Society's financial statements requires the Society 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 those assumption and estimates could result in outcomes that require a material adjustment to the carrying amount of asset or liability affected in the future periods.

3.1 KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Society 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 Society. Such changes are reflected in the assumptions when they occur.

i) Useful Lives Of Equipment

The useful life of an item of equipment is estimated at the time the asset is acquired and is based on historical experience with similar assets and takes into account anticipated technological or other changes. If changes occur more rapidly than anticipated or the asset experiences unexpected level of wear and tear, the useful life will be adjusted accordingly. The carrying amount of the Society's equipment is disclosed in Note 4 to the financial statements.

ii) Impairment Of Loans And Receivables

The impairment of trade and other receivables is based on the ageing analysis and the Society's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realisation of these receivables, the Society considers, among other factors, the creditworthiness and the past collection history of each customer. If the financial conditions of these customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required. The carrying amounts of the Society's trade and other receivables is disclosed in Note 5 to the financial statements.

S.E.A. PETROLEUM EXPLORATION SOCIETY
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(Registration No.: S73SS0042H)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

4 EQUIPMENT

	Computer & software S\$	Furniture & fittings S\$	Office equipment S\$	Website S\$	Total S\$
<u>Cost</u>					
At 1 October 2016	6,026	8,065	1,550	8,000	23,641
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 30 September 2017	6,026	8,065	1,550	8,000	23,641
<u>Accumulated depreciation</u>					
At 1 October 2016	4,977	5,843	1,550	4,667	17,037
Charge for the year	1,049	1,236	-	1,600	3,885
Disposals	-	-	-	-	-
At 30 September 2017	6,026	7,079	1,550	6,267	20,922
Carrying amounts	-	986	-	1,733	2,719
<u>Cost</u>					
At 1 October 2015	6,026	8,065	1,550	8,000	23,641
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 30 September 2016	6,026	8,065	1,550	8,000	23,641
<u>Accumulated depreciation</u>					
At 1 October 2015	2,969	4,607	1,335	3,067	11,978
Charge for the year	2,008	1,236	215	1,600	5,059
Disposals	-	-	-	-	-
At 30 September 2016	4,977	5,843	1,550	4,667	17,037
Carrying amounts	1,049	2,222	-	3,333	6,604

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

5 TRADE AND OTHER RECEIVABLES

	2017 S\$	2016 S\$
Trade receivables	35,436	34,865
GST receivable	6,292	-
Other receivables	-	555
Deposits paid	96,057	839
Prepayments	11,045	97,994
	<u>148,830</u>	<u>134,253</u>

Trade receivables are non-interest bearing and is generally on 30 day's term.

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

Receivables that are past due but not impaired

The Society had trade receivables amounting to S\$35,436 (2016: S\$34,865) 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:

	2017 S\$	2016 S\$
Trade receivables past due but not impaired:		
Lesser than 30 days	14,815	15,260
31 to 60 days	4,163	-
61 to 90 days	927	2,930
More than 90 days	15,531	16,675
	<u>35,436</u>	<u>34,865</u>

Trade and other receivables are denominated in Singapore Dollar.

S.E.A. PETROLEUM EXPLORATION SOCIETY
(Registered under the Societies Act)
(Registration No.: S73SS0042H)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

6 CASH AND CASH EQUIVALENTS

	2017	2016
	S\$	S\$
Cash at bank	588,940	471,943
Fixed deposits	-	202,600
	<u>588,940</u>	<u>674,543</u>

The interest rates of the fixed deposits with licensed banks at the reporting date is 0.50% per annum.

The fixed deposits have a maturity period of 18 months.

The cash and cash equivalents are denominated in Singapore Dollar.

7 TRADE AND OTHER PAYABLES

	2017	2016
	S\$	S\$
Trade payables	496	-
Other payables	-	6,327
GST payable	-	2,250
Deposits received	2,500	3,500
Accrued expenses	15,080	9,811
	<u>18,076</u>	<u>21,888</u>

Trade and other payables are denominated in Singapore Dollar.

8 DEFERRED INCOME

Deferred income relates to membership fees, income from events and activities received/receivable for the reporting period 2016/17.

S.E.A. PETROLEUM EXPLORATION SOCIETY**(Registered under the Societies Act)**

(Registration No.: S73SS0042H)

NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017****9 ADMINISTRATIVE EXPENSES**

	2017	2016
	S\$	S\$
Audit fee	4,600	4,000
Bad debts written off	13,600	14,000
Bank charges	28,204	6,167
Bookkeeping fee	6,300	5,400
Central Provident Fund	20,148	19,090
Cleaning expenses	3,960	4,160
Council meetings	-	3,682
Courier and postage	5,142	5,949
Course fee	-	350
Database and website management	14,800	19,584
Depreciation of equipment	3,885	5,059
Entertainment and refreshment	-	1,727
Gifts and donations	4,178	-
Insurance	11,225	14,532
IT support	2,423	801
Late fees	-	164
Miscellaneous expenses	555	203
Office rental	27,600	27,600
Printing and stationery	2,806	1,783
Professional fees	-	1,000
Rental of copier	2,544	3,770
Repair and maintenance	326	987
Skill Development Levy	192	192
Staff salaries and bonus	132,090	131,935
Staff welfare	2,922	104
Storage	1,287	1,148
Subscription fee	3,079	132
Tax fee	1,000	1,000
Telecommunication	6,143	6,906
Transportation	141	787
Travelling	-	3,362
Utilities	600	600
	<u>299,750</u>	<u>286,174</u>

S.E.A. PETROLEUM EXPLORATION SOCIETY**(Registered under the Societies Act)**

(Registration No.: S73SS0042H)

NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017****10 INCOME TAX**

	2017 S\$	2016 S\$
Current income tax expense	-	-

A reconciliation between tax expense and the product of book surplus multiplied by the applicable statutory tax rate for the years ended 30 September 2017 and 2016 were as follows:

	2017 S\$	2016 S\$
Net deficit before taxation	(34,674)	(277,172)
Income tax using the statutory tax rate of 17% (2016: 17%)	(5,894)	(47,119)
Adjustments:		
Non-taxable income	-	(37,596)
Non-deductible expenses	1,493	83
Others	3,775	-
Deferred tax assets not recognised	626	84,632
Income tax expense recognised in profit or loss	-	-

Deferred income tax assets have not been recognised due to the unpredictability of future surplus stream. The Society has unrecognised tax losses and donations of S\$158,400 (2016: S\$ 154,700) and S\$343,100 (2016: S\$343,100) respectively at the reporting date which can be carried forward and used to offset against future taxable income.

11 OPERATING LEASE COMMITMENTS

The Society leases office under non-cancellable operating lease agreements. These leases have varying terms, escalation clauses and renewal rights.

The future minimum rental payable under non-cancellable operating leases contracted for at the reporting date but not recognised as liabilities, are as follows:

	2017 S\$	2016 S\$
Not later than one year	28,200	28,200
Later than one year but not later than five years	27,025	55,225
	55,225	83,425

Minimum lease payments recognised as an expense in profit or loss for the financial year ended at 30 September 2017 amounted S\$27,600 (2016: S\$27,600).

S.E.A. PETROLEUM EXPLORATION SOCIETY

(Registered under the Societies Act)

(Registration No.: S73SS0042H)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017

12 OTHER COMMITMENTS

	2017	2016
	S\$	S\$
Commitment on food & beverages and venue rental of conference and seminar	<u>-</u>	<u>264,610</u>

13 FINANCIAL RISK MANAGEMENT

The main risks arising from the Society's financial instruments are liquidity risk, credit risk and interest risk. The policies for managing each of these risks are summarized as follows:

13.1 CREDIT RISK

Credit risk arises mainly from the risk on counterparties defaulting on the terms of their agreements. The carrying amounts of trade and other receivables and cash and cash equivalents represent the Society's maximum exposure to credit risk in relation to financial assets.

The Society monitors the exposure to credit risk on an ongoing basis. The credit risk on balances of cash and cash equivalents is low as these balances are placed with a reputable bank.

13.2 LIQUIDITY RISK

Liquidity risk is the risk that the Society will encounter difficulty in meeting financial obligations due to shortage of funds.

The Society manages its operating cash flows and the availability of funding so as to ensure that a sufficient level of cash and cash equivalents is maintained to meet its working capital requirement.

All financial liabilities of the Society are repayable on demand or matured with one year.

13.3 INTEREST RATE RISK

Interest rate risk is the risk that the fair value or future cash flows of the Society's financial instruments will fluctuate because of changes in market interest rates.

The Society does not have any interest-bearing financial liabilities. Its only exposure to changes in interest rates relates to interest-earning bank deposits. The management monitors movement in interest rates to ensure deposits are placed with financial institutions offering optimal rates of return.

The interest rates and terms of maturity of financial assets of the Society are disclosed in Note 6 to the financial statements.

S.E.A. PETROLEUM EXPLORATION SOCIETY**(Registered under the Societies Act)**

(Registration No.: S73SS0042H)

NOTES TO THE FINANCIAL STATEMENTS**FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2017****14 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, trade and other receivables and trade and other payables

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

15 FINANCIAL INSTRUMENTS BY CATEGORY

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

	2017 S\$	2016 S\$
Loans and receivables		
Trade and other receivables	137,785	36,259
Cash and cash equivalents	588,940	674,543
Total loans and receivables	<u>726,725</u>	<u>710,802</u>
Financial liabilities measured at amortised cost		
Trade and other payables	18,076	21,888
Total financial liabilities measured at amortised cost	<u>18,076</u>	<u>21,888</u>

16 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 30 September 2017 were authorised for issue in accordance with Statement by Council on .

31 MAR 2018