

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

AUDITED FINANCIAL STATEMENTS
For the financial year ended 30 September 2019

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

STATEMENT BY COUNCIL
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

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 2019.

COUNCIL & AUDITORS

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

Ian Cross	President
Chris Howells	1 st Vice President
Jeff Labao	2 nd Vice President
Bill Lafferrandre	Treasurer
Jean-Yves Beninger	Secretary
Chester Chua Ling Chuan	Councilor
David Anderson	Councilor
Mike Reeder	Councilor
Katherine Kho	Councilor
Colin Murray	Councilor
Nick Comrie-Smith	Councilor
Andy Butler	Councilor
Shankar Krishnan	Councilor

The honorary auditors at the date of this report is Vijay Krishnan and Philip Gunn.

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 2019 and the financial performance, changes in funds and cash flows of the Society for the financial year ended 30 September 2019.

On behalf of the Council

For  
IAN CROSS
President


BILL LAFFERRANDRE
Treasurer

Singapore

25 MAR 2020

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 2019, 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 2019 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

25 MAR 2020

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

STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2019

	Note	2019 S\$	2018 S\$
ASSETS			
NON-CURRENT ASSETS			
Equipment	4	<u>3,404</u>	<u>133</u>
CURRENT ASSETS			
Trade and other receivables	5	35,534	155,301
Cash and cash equivalents	6	<u>713,754</u>	<u>607,254</u>
		<u>749,288</u>	<u>762,555</u>
TOTAL ASSETS		<u><u>752,692</u></u>	<u><u>762,688</u></u>
FUNDS AND LIABILITIES			
FUNDS			
Accumulated funds		<u>702,228</u>	<u>562,389</u>
TOTAL ACCUMULATED FUNDS		<u>702,228</u>	<u>562,389</u>
CURRENT LIABILITIES			
Trade and other payables	7	19,054	28,092
Deferred income	8	<u>31,410</u>	<u>172,207</u>
		<u>50,464</u>	<u>200,299</u>
TOTAL LIABILITIES		<u>50,464</u>	<u>200,299</u>
TOTAL FUNDS AND LIABILITIES		<u><u>752,692</u></u>	<u><u>762,688</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 2019

	Note	2019 S\$	2018 S\$
INCOME			
Membership		72,460	61,629
Merchandise sales		336	121
Corporate sponsorship		93,500	107,500
Press advertisement		2,500	6,584
Golf tournament		-	3,065
Forum and talks		21,584	53,727
SEAPEX Exploration Conference		783,625	(1,356)
Discretionary spending		59,986	8,879
Asia-Pacific Scout Check		-	16,519
Miscellaneous		790	1,611
Grant from Singapore Tourism Board		35,424	18,021
Wage Credit Scheme & Employment Credit		-	995
Total income		<u>1,070,205</u>	<u>277,295</u>
LESS: EXPENDITURE			
Forum and talk expenses		68,231	96,637
SEAPEX Exploration Conference		524,978	6,514
Discretionary spending		24,629	8,477
Golf tournament		-	3,227
SEAPEX press costs		18,060	13,500
Asia-Pacific Scout Check		25,791	34,588
Administrative costs	9	<u>268,677</u>	<u>238,956</u>
Total expenditure		<u>930,366</u>	<u>401,899</u>
Net income/ (deficit) before taxation		139,839	(124,604)
Taxation	10	<u>-</u>	<u>-</u>
Net income/ (deficit) for the year		<u>139,839</u>	<u>(124,604)</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 2019

	Accumulated Funds S\$
As at 1 October 2017	686,993
Net deficit for the financial year	<u>(124,604)</u>
As at 30 September 2018	562,389
Net income for the financial year	<u>139,839</u>
As at 30 September 2019	<u><u>702,228</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 2019

	Note	2019 S\$	2018 S\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income/ (deficit) before taxation		139,839	(124,604)
Adjustments for:			
Depreciation of equipment		<u>558</u>	<u>2,586</u>
Operating income/ (deficit) before working capital changes		140,397	(122,018)
Trade and other receivables		119,767	(6,471)
Trade and other payables		(9,038)	10,016
Deferred income		<u>(140,797)</u>	<u>136,787</u>
Net cash from/(used in) operating activities		<u>110,329</u>	<u>18,314</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of equipment		<u>(3,829)</u>	<u>-</u>
Net cash (used in) investing activities		<u>(3,829)</u>	<u>-</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
		-	-
Net increase in cash and cash equivalents		106,500	18,314
Cash and cash equivalents at beginning of the financial year		<u>607,254</u>	<u>588,940</u>
Cash and cash equivalents at end of the financial year	6	<u><u>713,754</u></u>	<u><u>607,254</u></u>

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

S.E.A. PETROLEUM EXPLORATION SOCIETY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

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 PREPARATION

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 2018. The adoption of these standards did not have any material effect on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

2.5 FINANCIAL INSTRUMENTS

Financial assets and financial liabilities are recognised on the Group's Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Profit or Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit or Loss are recognised immediately in Profit or Loss.

Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debts instruments that meet the following conditions are subsequently measured at amortised cost less impairment loss:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

Impairment of financial assets

The Group applies the simplified approach permitted by FRS 109 for trade receivables. The expected credit losses ("ECL") on these financial assets are estimated based on the Group's

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

historical credit loss experience, adjusted for factors that are specific to the debtors as well as current and forecast general economic conditions at the reporting date. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at the reporting date with the rate of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information, where relevant.

A default on a financial asset is when the counterparty fails to make contractual payments within a specific period after the credit period granted.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired include taking into consideration observable data about the significant financial difficulty of the issuer or the borrower; a breach of contract, such as a default or past due event; it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

Where receivables have been written off, the Group continues to recover the receivables due. Where recoveries are made, these are recognised in Profit or Loss.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset measured at amortised costs, the difference between and asset's carrying amount and the sum of the consideration received and receivable is recognised in Profit or Loss.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in Profit or Loss.

2.6 CASH AND CASH EQUIVALENTS

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

2.7 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.

2.8 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

2.9 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.

2.10 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.

2.11 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

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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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

4 EQUIPMENT

	Computer & software S\$	Furniture & fittings S\$	Office equipment S\$	Website S\$	Total S\$
<u>Cost</u>					
At 1 October 2018	6,026	8,065	1,550	8,000	23,641
Additions	3,829	-	-	-	3,829
Disposals	-	-	-	-	-
At 30 September 2019	9,855	8,065	1,550	8,000	27,470
<u>Accumulated depreciation</u>					
At 1 October 2018	6,026	8,065	1,550	7,867	23,508
Charge for the year	425	-	-	133	558
Disposals	-	-	-	-	-
At 30 September 2019	6,451	8,065	1,550	8,000	24,066
Carrying amounts	3,404	-	-	-	3,404
<u>Cost</u>					
At 1 October 2017	6,026	8,065	1,550	8,000	23,641
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 30 September 2018	6,026	8,065	1,550	8,000	23,641
<u>Accumulated depreciation</u>					
At 1 October 2017	6,026	7,079	1,550	6,267	20,922
Charge for the year	-	986	-	1,600	2,586
Disposals	-	-	-	-	-
At 30 September 2018	6,026	8,065	1,550	7,867	23,508
Carrying amounts	-	-	-	133	133

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

5 TRADE AND OTHER RECEIVABLES

	2019 S\$	2018 S\$
Trade receivables	15,310	30,184
GST receivable	312	-
Other receivables	8,170	14,181
Deposits paid	839	96,057
Prepayments	10,903	14,879
	<u>35,534</u>	<u>155,301</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\$15,310 (2018: S\$30,184) 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:

	2019 S\$	2018 S\$
Trade receivables past due but not impaired:		
Lesser than 30 days	2,945	9,249
31 to 60 days	95	-
61 to 90 days	-	-
More than 90 days	12,270	20,935
	<u>15,310</u>	<u>30,184</u>

Trade and other receivables are denominated in Singapore Dollar.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2019

6 CASH AND CASH EQUIVALENTS

	2019 S\$	2018 S\$
Cash at bank	<u>713,754</u>	<u>607,254</u>

The cash and cash equivalents are denominated in Singapore Dollar.

7 TRADE AND OTHER PAYABLES

	2019 S\$	2018 S\$
Trade payables	-	679
Other payables	5,539	4,803
GST payable	-	5,849
Deposits received	-	6,500
Accrued expenses	<u>13,515</u>	<u>10,261</u>
	<u>19,054</u>	<u>28,092</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 2018/19 (2018: 2017/18).

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9 ADMINISTRATIVE EXPENSES

	2019 S\$	2018 S\$
Audit fee	4,549	4,300
Bank charges/Worldpay charges	27,228	5,649
Bookkeeping fee	6,000	6,200
Central Provident Fund	16,076	16,512
Cleaning expenses	3,960	3,960
Complimentary/condolence	-	391
Computer peripheral	36	547
Courier and postage	2,882	5,081
Database and website management	18,862	19,813
Depreciation of equipment	558	2,586
Entertainment and refreshment	418	1,683
Exchange loss in foreign currency	21	-
Insurance	11,375	7,947
IT support	943	1,585
Medical fee	-	1,296
Office rental	26,400	27,600
Printing and stationery	6,267	6,642
Professional fees	1,448	299
Rental of copier	2,232	2,232
Repair and maintenance	858	406
Skill Development Levy	192	192
Stamp duties	-	324
Staff salaries and bonus	128,967	113,913
Storage	1,287	1,305
Subscription fee	1,281	1,979
Tax fee	1,000	1,000
Telecommunication	4,943	4,825
Transportation	294	89
Utilities	600	600
	<u>268,677</u>	<u>238,956</u>

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10 INCOME TAX

	2019 S\$	2018 S\$
Current income tax expense	<u>-</u>	<u>-</u>

A reconciliation between tax expense and the product of book surplus multiplied by the applicable statutory tax rate for the years ended 30 September 2019 and 2018 were as follows:

	2019 S\$	2018 S\$
Net income/ (deficit) before taxation	<u>139,839</u>	<u>(124,604)</u>
Income tax using the statutory tax rate of 17% (2018: 17%)	23,773	(21,183)
Adjustments:		
Non-taxable income	(12,689)	-
Non-deductible expenses	95	506
Others	11,411	12,940
Deferred tax assets not recognised	<u>(22,590)</u>	<u>7,737</u>
Income tax expense recognised in profit or loss	<u>-</u>	<u>-</u>

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\$71,056 (2018: S\$203,932) and S\$343,100 (2018: 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:

	2019 S\$	2018 S\$
Not later than one year	27,000	27,000
Later than one year but not later than five years	<u>25,800</u>	<u>52,875</u>
	<u>52,800</u>	<u>78,975</u>

Minimum lease payments recognised as an expense in profit or loss for the financial year ended at 30 September 2019 amounted S\$26,400 (2018: S\$27,600).

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12 OTHER COMMITMENTS

	2019	2018
	S\$	S\$
Commitment on food & beverages and venue rental of conference and seminar	<u>-</u>	<u>242,550</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.

NOTES TO THE FINANCIAL STATEMENTS
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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:

	2019	2018
	S\$	S\$
Financial assets measured at amortised cost		
Trade and other receivables	24,631	140,422
Cash and cash equivalents	713,754	607,254
Total financial assets measured at amortised cost	<u>738,385</u>	<u>747,676</u>
 Financial liabilities measured at amortised cost		
Trade and other payables	19,054	28,092
Total financial liabilities measured at amortised cost	<u>19,054</u>	<u>28,092</u>

16 AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 30 September 2019 were authorised for issue by the Council on the date of the Statement by Council.