

XED INSTITUTE OF MANAGEMENT PTE. LTD.

(Incorporated in the Republic of Singapore)
(Registration No. 201816665G)

Annual Report

For the financial period from 01 May 2022 to 31 March 2023

XED INSTITUTE OF MANAGEMENT PTE. LTD.

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For the financial period from 01 May 2022 to 31 March 2023

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XED INSTITUTE OF MANAGEMENT PTE. LTD.

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DIRECTORS' STATEMENT

The directors present their statement to the member together with the financial statements of XED Institute of Management Pte. Ltd. (the "Company") for the financial period from 01 May 2022 to 31 March 2023.

In the opinion of the directors,

- (a) the accompanying financial statements are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2023 and the financial performance, changes in equity and cash flows of the Company for the financial period from 01 May 2022 to 31 March 2023; and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1. DIRECTORS

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

JOHN KALLELIL JOHN
CHUA HOCK KEE

2. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

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

3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

None of the directors of the Company holding office at the end of the financial period had any interests in the shares or debentures of the Company or any related corporations.

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DIRECTORS' STATEMENT - continued

4. SHARE OPTIONS

There were no share options granted during the financial period to subscribe for unissued shares of the Company.

There were no shares issued during the financial period by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial period.

Board of Directors



(JOHN KALLELIL JOHN)
Director



(CHUA HOCK KEE)
Director

03 AUG 2023

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STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2023

	<u>NOTE</u>	<u>31 MAR 23</u> S\$	<u>30 APR 22</u> S\$
ASSETS			
NON-CURRENT ASSETS			
Plant and equipment	(4)	<u>162</u>	<u>956</u>
Total non-current assets		<u>162</u>	<u>956</u>
CURRENT ASSETS			
Trade receivables	(5)	<u>352,734</u>	<u>155,693</u>
Deferred expenses	(6)	<u>689,854</u>	<u>-</u>
Other receivables	(7)	<u>17,416</u>	<u>6,000</u>
Due from related party	(12)	<u>40,938</u>	<u>-</u>
Cash and cash equivalents	(8)	<u>535,403</u>	<u>370,898</u>
Total current assets		<u>1,636,345</u>	<u>532,591</u>
TOTAL ASSETS		<u>1,636,507</u>	<u>533,547</u>
EQUITY AND LIABILITIES			
EQUITY ATTRIBUTABLE TO THE OWNERS OF THE COMPANY			
Share capital	(9)	<u>100</u>	<u>100</u>
(Accumulated losses)/Retained earnings		<u>(478,415)</u>	<u>60,375</u>
(Net capital deficiency)/Total equity		<u>(478,315)</u>	<u>60,475</u>
CURRENT LIABILITIES			
Trade payables	(10)	<u>841,254</u>	<u>359,707</u>
Contract liabilities	(11)	<u>1,168,863</u>	<u>-</u>
Accruals and other payables		<u>44,971</u>	<u>53,507</u>
Due to director	(12)	<u>59,734</u>	<u>53,814</u>
Current income tax liabilities		<u>-</u>	<u>6,044</u>
Total current liabilities		<u>2,114,822</u>	<u>473,072</u>
Total liabilities		<u>2,114,822</u>	<u>473,072</u>
LIABILITIES NET OF CAPITAL DEFICIENCY / TOTAL EQUITY AND LIABILITIES		<u>1,636,507</u>	<u>533,547</u>

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

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STATEMENT OF COMPREHENSIVE INCOME**FOR THE FINANCIAL PERIOD FROM 01 MAY 2022 TO 31 MARCH 2023**

	<u>NOTE</u>	<u>01 MAY 22 TO 31 MAR 23 S\$</u>	<u>01 MAY 21 TO 30 APR 22 S\$</u>
<u>Continuing operations</u>			
Revenue	(13)	921,803	1,563,215
Cost of services	(13)	(844,900)	(1,273,016)
Gross profit		76,903	290,199
Other income	(13)	920	132
Administrative expenses	(13)	(616,199)	(213,414)
(Loss)/Profit before tax		(538,376)	76,917
Income tax expense	(14)	(414)	(6,183)
(Loss)/Profit for the financial year		(538,790)	70,734
Other comprehensive income		-	-
Total comprehensive income for the financial year		(538,790)	70,734

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

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STATEMENT OF CHANGES IN EQUITY**FOR THE FINANCIAL PERIOD FROM 01 MAY 2022 TO 31 MARCH 2023**

	<u>Share capital</u> S\$	<u>Accumulated losses</u> S\$	<u>Total</u> S\$
<u>31 MAR 23</u>			
Beginning of financial year	100	60,375	60,475
Total comprehensive income for the financial year	-	(538,790)	(538,790)
End of financial year	100	(478,415)	(478,315)
	<u>Share capital</u> S\$	<u>Retained earnings</u> S\$	<u>Total</u> S\$
<u>30 APR 22</u>			
Beginning of financial year	100	(10,359)	(10,259)
Total comprehensive income for the financial year	-	70,734	70,734
End of financial year	100	60,375	60,475

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

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STATEMENT OF CASH FLOWS

FOR THE FINANCIAL PERIOD FROM 01 MAY 2022 TO 31 MARCH 2023

	<u>NOTE</u>	01 MAY 22 TO 31 MAR 23 S\$	01 MAY 21 TO 30 APR 22 S\$
Cash flows from operating activities			
(Loss)/Profit before tax		(538,376)	76,917
Adjustment for:			
Depreciation		1,776	-
Operating cash flows before changes in working capital		(536,600)	76,917
<u>Changes in working capital:</u>			
Trade and other receivables		(208,457)	(155,693)
Deferred expenses		(689,854)	-
Trade payables		481,547	140,854
Contract liabilities		1,168,863	-
Accruals and other payables		(8,536)	48,007
Cash generated from operating activities		206,963	110,085
Income tax paid		(6,458)	(325)
Net cash generated from operating activities		200,505	109,760
Cash flows from investing activity			
Acquisition of plant and equipment		(982)	(956)
Net cash used in investing activity		(982)	(956)
Cash flows from financing activities			
Due to director		5,920	-
Due from related party		(40,938)	-
Net cash used in financing activities		(35,018)	-
Net increase in cash and cash equivalents		164,505	108,804
Cash and cash equivalents at beginning of financial year		370,898	262,094
Cash and cash equivalents at end of financial year	(8)	535,403	370,898

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

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NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2023

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

1. GENERAL INFORMATION

XED INSTITUTE OF MANAGEMENT PTE. LTD. (the Company) is incorporated and domiciled in Singapore. The address of its registered office is:

80 Robinson Road
#15-02
Singapore 068898

The principal activities of the Company are to provide business and consultancy services N.E.C..

The Company's immediate and ultimate holding company is XED Executive Development Private Limited, incorporated in India.

The financial statements of the Company for the financial period from 01 May 2022 to 31 March 2023 were authorised for issue by the Board of Directors on the date of the Directors' Statement.

2. BASIS OF PREPARATION

a) Statement of compliance

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (FRS) and the provisions of the Singapore Companies Act 1967.

b) Basis of measurement

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies notes that follow.

c) Functional and presentation currency

These financial statements are presented in Singapore Dollars (S\$), which is the Company's functional currency.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

2. BASIS OF PREPARATION - continued

d) Use of estimates and judgement

The preparation of the financial statements in conformity with FRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future years affected.

Judgements made in applying accounting policies

In the process of applying the Company's accounting policies, management is of the opinion that there are no critical judgements (other than those involving estimates) that have significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Provision for expected credit losses of trade receivables

The Company uses a provision matrix to calculate expected credit losses ("ECLs") for trade receivables. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust historical credit loss experience with forward-looking information. At every reporting date, historical default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Company's trade receivables is disclosed in Note 15.

The carrying amount of the Company's trade receivables is disclosed in Note 5 of the financial statements.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. BASIS OF PREPARATION - continued

d) Use of estimates and judgement - continued

Key sources of estimation uncertainty - continued

Depreciation

The Company depreciates plant and equipment over their estimated useful lives, after taking into account their estimated residual values, if any, using the straight line method. The estimated useful life reflects the directors' estimate of the periods that the Company intends to derive future economic benefits from the use of the Company's plant and equipment. The residual values reflect the directors' estimated amount that the Company would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the assets were already of the age and in the condition expected at the end of their useful lives.

The carrying value of plant and equipment is disclosed in Note 4 of the financial statements.

e) Changes in accounting policies

Overview

In the current financial period, the Company has adopted all the new and revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the current financial period. The adoption of these new/revised FRS and INT FRS has not resulted in changes to the Company's accounting policies and has also no material effect on the amounts reported for the current period's financial information.

The Company has not early adopted any of the FRS, INT FRS, and amendments to FRS that were issued but not effective at the beginning of the financial period. The directors expect that the adoption of these other standards and interpretations will have no material impact on the financial statements in the financial period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out in the following paragraphs have been applied consistently to both periods presented in these financial statements, and have been applied consistently by the Company, except as explained in Note 2(e), which addresses changes in accounting policies.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

a) Foreign currency transactions and balances

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- i) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- ii) qualifying cash flow hedges to the extent that the hedges are effective.

b) Plant and equipment

Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Depreciation on plant and equipment is calculated using the straight line method to allocate their depreciable amounts over their estimated useful lives using the following basis:

Computers	1 year
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When parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

b) Plant and equipment - continued

Subsequent expenditure relating to plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

The residual values and useful lives of plant and equipment are reviewed and adjusted as appropriate at each reporting date.

Assets acquired during the year are charged with depreciation from the acquisition date. Depreciation is charged till the date of disposal for the period in which an asset is sold.

On disposal of an item of plant and equipment, the difference between the net disposal proceeds and its carrying amount is taken to profit or loss. Any amount in revaluation reserve relating to that asset is transferred to retained earnings.

Fully depreciated plant and equipment are retained in the financial statements until they are no longer in use.

c) Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables and debt investments issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

c) Financial instruments - continued

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income ("FVOCI") - debt investment; FVOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Company only has financial assets measured at amortised cost.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

Financial assets at amortised cost comprise trade receivables, other receivables, due from related party and cash and cash equivalents.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

c) Financial instruments - continued

(ii) Classification and subsequent measurement - continued

Non-derivative financial assets - continued

Financial assets: Business model assessment - continued

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held-for-trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

c) Financial instruments - continued

(ii) Classification and subsequent measurement - continued

Non-derivative financial assets - continued

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

c) Financial instruments - continued

(ii) Classification and subsequent measurement - continued

Non-derivative financial assets - continued

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Other financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

Other financial liabilities comprise trade payables, accruals and other payables and due to director.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire;
or

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

c) Financial instruments - continued

(iii) Derecognition - continued

Financial assets - continued

The Company derecognises a financial asset when: -continued

- it transfers the rights to receive the contractual cash flows in a transaction in which either:
 - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
 - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

c) Financial instruments - continued

(v) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and cash in digital wallet.

d) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

e) Impairment

Non-derivative financial assets

The Company recognises loss allowances for expected credit losses ("ECLs") on:

- financial assets measured at amortised cost.

Loss allowances of the Company are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Simplified approach

The Company applies the simplified approach to provide for ECLs for all trade receivables from third parties. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Company applies the general approach to provide for ECLs on all other financial instruments. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

e) Impairment - continued

Non-derivative financial assets - continued

At each reporting date, the Company assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and includes forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improves such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 60 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are probability-weighted estimates of credit losses. Credit losses are measured at the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

e) Impairment - continued

Non-derivative financial assets – continued

Credit-impaired financial assets

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. 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 includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 60 days past due;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECLs in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of these assets.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

3. SIGNIFICANT ACCOUNTING POLICIES - continued

e) Impairment - continued

Non-financial assets

The carrying amounts of the Company's non-financial assets, other than biological assets, investment property (fair value model), inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The Company's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (groups of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (groups of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

f) Revenue

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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3. SIGNIFICANT ACCOUNTING POLICIES - continued

f) Revenue - continued

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Program fees

Program fees received from students are recognised as they are received over the course of the program for which the fees are earned, regardless of when the fees are received, by the Company or the University partners.

g) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under *FRS 37 Provisions, Contingent Liabilities and Contingent Assets*.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

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3. SIGNIFICANT ACCOUNTING POLICIES - continued

g) Income tax - continued

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event where it is probable that it will result in an outflow of economic benefits that can be estimated reliably. Provisions are measured at the director's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event where it is probable that it will result in an outflow of economic benefits that can be reasonably estimated. Provisions are measured at Management's best estimate of the expenditure required to settle the obligation at the reporting date, and are discounted to present value where the effect is material.

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3. SIGNIFICANT ACCOUNTING POLICIES - continued

i) Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Company or of a parent of the Company.

- (b) An entity is related to the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
 - (iii) Both entities are joint ventures of the same third party;
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
 - (vi) The entity is controlled or jointly controlled by a person identified in (a);
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**4. PLANT AND EQUIPMENT**

	<u>Computers</u> S\$	<u>Total</u> S\$
<u>31 MAR 23</u>		
<u>Cost</u>		
Beginning of financial period	956	956
Additions	982	982
End of financial period	1,938	1,938
<u>Accumulated depreciation</u>		
Beginning of financial period	-	-
Charge for the financial period	1,776	1,776
End of financial period	1,776	1,776
<u>Carrying value</u>		
End of financial period	162	162
<u>30 APR 22</u>		
<u>Cost</u>		
Beginning of financial year	-	-
Additions during	956	956
End of financial year	956	956
<u>Accumulated depreciation</u>		
Beginning of financial year	-	-
Charge for the financial year	-	-
End of financial year	-	-
<u>Carrying value</u>		
End of financial year	956	956

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5. TRADE RECEIVABLES

	<u>31 MAR 23</u> S\$	<u>30 APR 22</u> S\$
Third parties	<u>352,734</u>	<u>155,693</u>

The ageing analysis of trade receivables at the reporting date is as follows:

	<u>31 MAR 23</u> S\$	<u>30 APR 22</u> S\$
Not past due	-	8,260
Past due:		
1 - 30 days	115,702	67,175
31 - 60 days	174,348	58,495
Over 60 days	62,684	21,763
	<u>352,734</u>	<u>155,693</u>

The trade receivables are unsecured, non-interest bearing and are generally settled on 0 to 30 (30 April 2022: 0 to 30) days terms subject to normal trade terms.

Expected credit losses ("ECLs")

The expected credit losses as at 31 March 2023 and 30 April 2022 are not significant and are not provided for in these financial statements (see Note 16).

6. DEFERRED EXPENSES

	<u>31 MAR 23</u> S\$	<u>30 APR 22</u> S\$
Third parties	<u>689,854</u>	<u>-</u>

These are costs incurred to fulfil ongoing contracts with customers for which the corresponding revenue are not yet earned and recognised in profit or loss.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**7. OTHER RECEIVABLES**

	<u>31 MAR 23</u> S\$	<u>30 APR 22</u> S\$
Deposits	6,000	6,000
Financial assets at amortised cost	6,000	6,000
Prepayments	11,416	-
	<u>17,416</u>	<u>6,000</u>

8. CASH AND CASH EQUIVALENTS

	<u>31 MAR 23</u> S\$	<u>30 APR 22</u> S\$
Cash at bank	483,252	324,971
Cash in digital wallet - Stripe	52,151	45,927
	<u>535,403</u>	<u>370,898</u>

9. SHARE CAPITAL

	<u>31 MAR 23</u>		<u>30 APR 22</u>	
	<u>No. of ordinary shares</u>	<u>S\$</u>	<u>No. of ordinary shares</u>	<u>S\$</u>
Issued and fully paid-up				
Beginning and end of financial period	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

The ordinary shares have no par value. The holder of ordinary shares is entitled to receive dividends as declared from time to time and entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

10. TRADE PAYABLES

	<u>31 MAR 23</u> S\$	<u>30 APR 22</u> S\$
Third parties	430,766	94,241
Related parties	410,488	265,466
	<u>841,254</u>	<u>359,707</u>

11. CONTRACT LIABILITIES

	<u>31 MAR 23</u> S\$	<u>30 APR 22</u> S\$
Third parties	<u>1,168,863</u>	<u>-</u>

The contract liabilities comprise deferred revenue and relate to the Company's obligation to provide services to customers for advance consideration received from customers for its services. Contract liabilities are recognised as revenue in the period the services are completed.

12. RELATED PARTY TRANSACTIONS AND BALANCES

The amounts due from related party are unsecured, interest-free and without any fixed terms of repayment.

The amounts due to director are unsecured, interest-free and without any fixed terms of repayment.

Significant transactions between the Company and related parties during the financial year at terms agreed among themselves are as follows:

<u>Related party balances and transaction shown in the accounts as</u>	<u>Type of relationship between the Company and the related party</u>	<u>31 MAR 23</u> S\$	<u>30 APR 22</u> S\$
Trade payables	Common director	410,488	265,466
Service support fee	Common director	<u>336,045</u>	<u>636,547</u>

Key management personnel compensation:

The directors are the key management personnel of the Company. There was no remuneration paid to the directors during the period. (30 April 2022: Nil)

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**13. REVENUE, COST OF SERVICES, OTHER INCOME AND ADMINISTRATIVE EXPENSES**

	01 MAY 22 TO 31 MAR 23 S\$	01 MAY 21 TO 30 APR 22 S\$
Revenue:		
Program fees	<u>921,803</u>	<u>1,563,215</u>
Revenue is recognised over time.		
Cost of services includes:		
Program costs	<u>508,855</u>	<u>631,619</u>
Other income:		
Interest income	<u>920</u>	<u>132</u>
Administrative expenses include:		
Advertising and marketing expenses	451,357	104,004
Consulting fees	38,754	-
Depreciation	1,776	-
Exchange loss	28,933	27,784
Stamp duty	120	-
Stripe fees	26,525	43,535
Transport and travelling expenses	<u>3,534</u>	<u>15,788</u>

14. INCOME TAX EXPENSE

	01 MAY 22 TO 31 MAR 23 S\$	01 MAY 21 TO 30 APR 22 S\$
Current tax expense	-	6,369
Foreign tax paid	454	-
Over provision in prior years	<u>(40)</u>	<u>(186)</u>
	<u>414</u>	<u>6,183</u>

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14. INCOME TAX EXPENSE - continued

Reconciliation between tax expense and (loss)/profit before tax multiplied by the applicable tax rate is as follows:

	01 MAY 22 TO 31 MAR 23 S\$	01 MAY 21 TO 30 APR 22 S\$
(Loss)/Profit before tax	(538,376)	76,917
Tax thereon at 17%	(91,524)	13,077
Effects of the following:		
- disallowed expenses	4,730	511
- exempt income	-	(7,219)
- tax benefit not recognised	86,794	-
Foreign tax paid	454	-
Over provision in prior years	(40)	(186)
	414	6,183

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Accounting classifications and fair values

Fair values versus carrying amounts

	Note	Financial assets at amortised cost S\$	Other financial liabilities S\$	Total carrying amount S\$	Fair value* S\$
31 MAR 23					
Trade receivables	(5)	352,734	-	352,734	352,734
Deposit	(7)	6,000	-	6,000	6,000
Due from related party		40,938	-	40,938	40,938
Cash and cash equivalents	(8)	535,403	-	535,403	535,403
		935,075	-	935,075	935,075

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued

Accounting classifications and fair values - continued

Fair values versus carrying amounts - continued

	<u>Note</u>	<u>Financial assets at amortised cost</u> S\$	<u>Other financial liabilities</u> S\$	<u>Total carrying amount</u> S\$	<u>Fair value*</u> S\$
<u>31 MAR 23 - continued</u>					
Trade payables	(10)	-	841,254	841,254	841,254
Accruals and other payables		-	44,971	44,971	44,971
Due to director		-	59,734	59,734	59,734
		-	945,959	945,959	945,959
<u>30 APR 22</u>					
Trade receivables	(5)	155,693	-	155,693	155,693
Deposit	(7)	6,000	-	6,000	6,000
Cash and cash equivalents	(8)	370,898	-	370,898	370,898
		532,591	-	532,591	532,591
Trade payables	(10)	-	359,707	359,707	359,707
Accruals and other payables		-	53,507	53,507	53,507
Due to director		-	53,814	53,814	53,814
		-	467,028	467,028	467,028

* Refer to Note 16 as to how fair values have been determined.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued

Risk management policies

Exposure to credit, liquidity, interest rate and foreign exchange currency risks exchange arises in the normal course of the Company's business. The Company's overall business strategies, its tolerance of risk and its general risk management philosophy are determined by the management in accordance with prevailing economic and operating conditions.

The Company does not hold or issue derivative financial instruments for speculative purposes.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's deposit and cash at bank.

Cash at bank is maintained with fully licensed bank in Singapore. Impairment on cash at bank has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that the cash at bank has low credit risk based on the external credit ratings of the bank. The amount of the allowance on cash at bank is negligible.

The ageing analysis of trade receivables is disclosed in Note 5.

At the reporting date, the maximum exposure to credit risk was as follows:

	<u>31 MAR 23</u>	<u>30 APR 22</u>
	S\$	S\$
Trade receivables	352,734	155,693
Deposit	6,000	6,000
Due from related party	40,938	-
Cash at bank	483,252	324,971
Cash in digital wallet - Stripe	52,151	45,927
	<u>935,075</u>	<u>532,591</u>

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued

Risk management policies - continued

Trade receivables

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

	← Days past due →				
	<u>Not past due</u> US\$	<u>1 to 30 days</u> US\$	<u>31 to 60 days</u> US\$	<u>Over 60 days</u> US\$	<u>Total</u> US\$
31 MAR 23					
Trade receivables, gross carrying amounts	-	115,702	174,348	62,684	352,734
Trade receivables subject to ECL	-	115,702	174,348	62,684	352,734
ECL rate	1%	3%	5%	10%	
ECL	-	3,471	8,717	6,268	18,457*
30 APR 22					
Trade receivables, gross carrying amounts	8,260	67,175	58,495	21,763	155,693
Trade receivables subject to ECL	8,260	67,175	58,495	21,763	155,693
ECL rate	1%	3%	5%	10%	
ECL	83	2,015	2,925	2,176	7,199*

* The Company has not provided loss allowance for expected credit losses as the amount is not significant.

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued

Risk management policies - continued

Credit risk - continued

Deposits

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

Liquidity risk

Liquidity risk is the risk of the Company being unable to secure adequate funding to meet current obligations as they fall due. The liquidity risk is considered to be limited for the Company. The Company monitors its liquidity risk and maintains a level of cash and cash equivalents and credit facilities considered adequate by management to finance the Company's operation and to mitigate the effects of fluctuations in cash flows.

The maturity profile of the financial liabilities of the Company is shown below. The amounts disclosed below are the contractual undiscounted cash flows.

	Carrying amount	Contractual cash flows	Due within 1 year	Total
	S\$	S\$	S\$	S\$
<u>31 MAR 23</u>				
Trade payables	841,254	841,254	841,254	841,254
Accruals and other payables	44,971	44,971	44,971	44,971
Due to director	59,734	59,734	59,734	59,734
	<u>945,959</u>	<u>945,959</u>	<u>945,959</u>	<u>945,959</u>
<u>30 APR 22</u>				
Trade payables	359,707	359,707	359,707	359,707
Accruals and other payables	53,507	53,507	53,507	53,507
Due to director	53,814	53,814	53,814	53,814
	<u>467,028</u>	<u>467,028</u>	<u>467,028</u>	<u>467,028</u>

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued

Risk management policies - continued

Liquidity risk - continued

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

Market risk

Market risk is the risk that changes in market prices such as interest rates and foreign currency exchange rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, which is optimising the return of risk.

Interest rate risk

The Company does not have any significant exposure to interest rate risk.

Foreign currency exchange risk

The Company is exposed to fluctuations in foreign currency exchange rates mainly in US Dollars (USD), Indian Rupees (INR) and British Pound (GBP). The exposure to foreign currency exchange risk is monitored on an ongoing basis.

The Company's exposure to foreign currency exchange risk as at reporting date is as follows:

	<u>USD</u> (Converted to S\$)	<u>INR</u> (Converted to S\$)	<u>GBP</u> (Converted to S\$)	<u>S\$</u>	<u>Total</u> S\$
31 MAR 23					
<u>Financial assets</u>					
Cash and cash equivalents	522,862	-	-	12,541	535,403
Trade receivables	352,734	-	-	-	352,734
	875,596	-	-	12,541	888,137
<u>Financial liabilities</u>					
Trade payables	(455,415)	(279,123)	(107,966)	1,250	(841,254)
Net exposure	420,181	(279,123)	(107,966)	N/A	N/A

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued***Risk management policies - continued***Market risk - continued***Foreign currency exchange risk - continued*

	<u>USD</u> (Converted to S\$)	<u>INR</u> (Converted to S\$)	<u>S\$</u>	<u>Total</u> S\$
<u>30 APR 22</u>				
<u>Financial assets</u>				
Cash and cash equivalents	118,211	-	252,687	370,898
Trade receivables	122,524	33,169	-	155,693
	<u>240,735</u>	<u>33,169</u>	<u>252,687</u>	<u>526,591</u>
<u>Financial liabilities</u>				
Trade payables	(266,157)	(94,800)	(1,250)	(359,707)
Net exposure	<u>(25,422)</u>	<u>(61,631)</u>	N/A	N/A

Sensitivity Analysis

A 10% strengthening of the Singapore Dollar (S\$) against the following currencies at the reporting date would increase/(decrease) losses and accumulated losses by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	<u>31 MAR 23</u> S\$	<u>30 APR 22</u> S\$
US Dollar (USD)	42,018	(2,542)
Indian Rupees (INR)	(27,912)	(6,163)
British Pound (GBP)	(10,797)	-

A 10% weakening of the Singapore Dollar (S\$) against the above currencies would have the opposite effect on losses and accumulated losses by the amounts shown above, on the basis that all other variables remain constant.

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16. DETERMINATION OF FAIR VALUES

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

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 fair value:

Cash and cash equivalents, Deposit, Due from related party, Accruals and other payables and Due to director

The carrying amounts of these items approximate their respective fair values due to their relatively short-term nature.

Trade receivables and Trade payable

The carrying amounts of these items approximate their respective fair values as these are subject to normal trade terms.

17. CAPITAL MANAGEMENT

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

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial periods ended 31 March 2023 and 30 April 2022.

The Company is not subject to any externally imposed capital requirements for the financial periods ended 31 March 2023 and 30 April 2022. The Company's overall strategy remains unchanged from 30 April 2022.

XED INSTITUTE OF MANAGEMENT PTE. LTD.

(Incorporated in the Republic of Singapore)

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

18. CONTINGENT LIABILITIES AND COMMITMENTS

The Company has no contingent liabilities and commitments outstanding as at end of financial period (30 April 2022: Nil).

19. CONTRACT BALANCES

The following table provides information about trade receivables arising from contracts with customers.

	<u>31 March</u> <u>2023</u> S\$	<u>30 April</u> <u>2022</u> S\$	<u>1 May</u> <u>2021</u> S\$
Current assets			
Trade receivables (Note 5)	<u>352,734</u>	<u>155,693</u>	<u>-</u>
Current liabilities			
Contract liabilities (Note 10)	<u>1,168,863</u>	<u>-</u>	<u>-</u>

20. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

	<u>Beginning</u> <u>of financial</u> <u>year</u> S\$	<u>Net cash</u> <u>flows</u> S\$	<u>Non-cash</u> <u>changes</u> S\$	<u>End of</u> <u>financial</u> <u>year</u> S\$
<u>31 MAR 23</u>				
Due to director	<u>53,814</u>	<u>5,920</u>	<u>-</u>	<u>59,734</u>
<u>30 APR 22</u>				
Due to director	<u>53,814</u>	<u>-</u>	<u>-</u>	<u>53,814</u>

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NOTES TO THE FINANCIAL STATEMENTS - CONTINUED

21. COMPARATIVE INFORMATION

The current figures cover the financial period from 01 May 2022 to 31 March 2023.

The comparative figures cover the financial year ended 30 April 2022.

22. GOING CONCERN BASIS

The financial statements have been prepared on a going concern basis, notwithstanding the Company's net capital deficiency and net current liabilities of S\$478,315 and S\$478,477 as at 31 March 2023 respectively, on the premise that the shareholder will continue to provide the necessary financial support to the Company, so as to enable the Company to continue its operation and to meet its liabilities as and when they fall due.

23. IMPACT OF COVID-19

After more than two years since the first outbreak of COVID-19 globally and in Singapore, it has continued to cause disturbance and slowdown of economic activities. Whilst the COVID-19 pandemic has started to subside, management has undertaken a range of operational and financial adjustments in regards to effects of the pandemic. The management has evaluated the impact of this pandemic on its business operations and based on the review, there is no significant impact on the financial statements in the current financial year or in the foreseeable future. Management will continue to monitor the developments of this pandemic as part of its risk management activities.

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DETAILED INCOME STATEMENT**FOR THE FINANCIAL PERIOD FROM 01 MAY 2022 TO 31 MARCH 2023**

	01 MAY 22 TO 31 MAR 23 S\$	01 MAY 21 TO 30 APR 22 S\$
Revenue		
Program fees	<u>921,803</u>	<u>1,563,215</u>
Cost of services		
Computer and software costs	-	3,348
Consulting fee	-	1,502
Program costs	508,855	631,619
Service support fee	336,045	636,547
	<u>844,900</u>	<u>1,273,016</u>
Gross profit	<u>76,903</u>	<u>290,199</u>
Other income		
Interest income	<u>920</u>	<u>132</u>
Administrative expenses		
Accounting fees	13,200	4,600
Advertising and marketing expenses	451,357	104,004
Bank charges	6,152	2,124
Consulting fees	38,754	-
Depreciation expense	1,776	-
Exchange loss	28,933	27,784
FRS report fee	2,800	2,800
Printing and stationery	3,059	1,296
Professional fees	-	1,200
Secretarial and admin expenses	14,863	6,840
Stamp duty	120	-
Stripe fees	26,525	43,535
Subscription and membership	14,202	330
Tax compliance fee	2,700	2,700
Telephone and internet expenses	8,224	413
Transport and travelling expenses	3,534	15,788
	<u>616,199</u>	<u>213,414</u>
(LOSS)/PROFIT BEFORE TAX	<u>(538,376)</u>	<u>76,917</u>

This statement does not form part of the statutory financial statements.