

**XED INSTITUTE OF MANAGEMENT PTE. LTD.**  
(Incorporated in the Republic of Singapore)  
(Registration No. 201816665G)  
**AND SUBSIDIARIES**

**Annual Report**  
**For the financial year ended 31 March 2024**

**XED INSTITUTE OF MANAGEMENT PTE. LTD.**  
(Incorporated in the Republic of Singapore)  
(Registration No. 201816665G)  
**AND SUBSIDIARIES**

**Annual Report**  
**For the financial year ended 31 March 2024**

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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") and its subsidiaries (collectively, the "Group") for the financial year ended 31 March 2024.

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 Group and of the Company as at 31 March 2024 and the financial performance, changes in equity and cash flows of the Group and of the Company for the financial year ended on that date; 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 year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of the Company or any other body corporate.

**3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES**

According to the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967 (the "Act"), the directors of the Company who held office at the end of the financial year had interests in the shares of the Company and its related corporations as follows:

Name of director and entity in which interests are held	<u>Number of ordinary shares</u>			
	<u>Shareholdings registered in the name of the director</u>		<u>Shareholdings in which director is deemed to have an interest</u>	
	<u>At beginning of financial year</u>	<u>At end of financial year</u>	<u>At beginning of financial year</u>	<u>At end of financial year</u>
<u>Ultimate holding company</u>				
XED Executive Development Private Limited				
JOHN KALLELIL JOHN	50,000	50,000	47,060 <sup>1</sup>	47,060 <sup>1</sup>

<sup>1</sup> This is deemed interest in 47,060 shares held by the spouse of John Kallelil John as at 31 March 2024 and 2023.

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**DIRECTORS' STATEMENT - continued**

**3. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES - continued**

By virtue of Section 7 of the Act, John Kallelil John is deemed to have an interest in the shares of the Company and all its related corporations at the beginning and end of the financial year.

**4. SHARE OPTIONS**

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

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

There were no unissued shares of the Company or of the subsidiaries under option at the end of the financial year.

Board of Directors



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(JOHN KALLELIL JOHN)  
Director



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(CHUA HOCK KEE)  
Director

**13 SEP 2024**

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**STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024**

		<u>Group</u>	<u>Company</u>	
	<u>NOTE</u>	<u>31 MAR 24</u>	<u>31 MAR 24</u>	<u>31 MAR 23</u>
		S\$	S\$	S\$
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>				
Plant and equipment	(4)	-	-	162
Investment in subsidiaries	(5)	-	48,839	-
Investment in associate	(6)	17,987	17,987	-
Total non-current assets		17,987	66,826	162
<b>CURRENT ASSETS</b>				
Trade receivables	(7)	381,192	381,192	352,734
Deferred costs	(8)	514,349	514,349	689,854
Other receivables	(9)	19,138	19,138	17,416
Due from related party	(15)	-	-	40,938
Cash and cash equivalents	(10)	822,100	808,732	535,403
Total current assets		1,736,779	1,723,411	1,636,345
<b>TOTAL ASSETS</b>		<b>1,754,766</b>	<b>1,790,237</b>	<b>1,636,507</b>
<b>CAPITAL DEFICIENCY AND LIABILITIES</b>				
<b>CAPITAL DEFICIENCY</b>				
Share capital	(11)	100	100	100
Accumulated losses		(677,178)	(642,443)	(478,415)
Translation reserve	(12)	156	-	-
Net capital deficiency		(676,922)	(642,343)	(478,315)
<b>CURRENT LIABILITIES</b>				
Trade payables	(13)	555,830	555,830	841,254
Contract liabilities	(14)	1,467,822	1,467,822	1,168,863
Accruals and other payables	(15)	348,302	335,163	44,971
Due to subsidiary	(16)	-	14,031	-
Due to director	(16)	59,734	59,734	59,734
Total current liabilities		2,431,688	2,432,580	2,114,822
Total liabilities		2,431,688	2,432,580	2,114,822
<b>LIABILITIES NET OF CAPITAL DEFICIENCY</b>		<b>1,754,766</b>	<b>1,790,237</b>	<b>1,636,507</b>

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

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**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

		<u>Group</u>	<u>Company</u>	
	<u>NOTE</u>	<u>01 APR 23 TO 31 MAR 24 S\$</u>	<u>01 APR 23 TO 31 MAR 24 S\$</u>	<u>01 MAY 22 TO 31 MAR 23 S\$</u>
<b><u>Continuing operations</u></b>				
Revenue	(17)	2,821,420	2,821,420	921,803
Cost of services	(17)	<u>(2,056,593)</u>	<u>(2,056,593)</u>	<u>(844,900)</u>
Gross profit		764,827	764,827	76,903
Other income	(17)	516	516	920
Administrative expenses	(17)	<u>(961,032)</u>	<u>(926,297)</u>	<u>(616,199)</u>
Loss before tax		<u>(195,689)</u>	<u>(160,954)</u>	<u>(538,376)</u>
Income tax expense	(18)	<u>(3,074)</u>	<u>(3,074)</u>	<u>(414)</u>
Loss for the financial year		<u>(198,763)</u>	<u>(164,028)</u>	<u>(538,790)</u>
Other comprehensive income ("OCI"):				
<i>Items that are or may be reclassified to profit or loss:</i>				
- Translation differences		<u>156</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the financial year		<u>(198,607)</u>	<u>(164,028)</u>	<u>(538,790)</u>

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

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**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	<u>Share capital</u> S\$	<u>Accumulated losses</u> S\$	<u>Translation reserve</u> S\$	<u>Total</u> S\$
<b><u>31 MAR 24</u></b>				
Beginning of financial year	100	(478,415)	-	(478,315)
Total comprehensive income for the financial year	-	(198,763)	156	(198,607)
<b>End of financial year</b>	<b>100</b>	<b>(677,178)</b>	<b>156</b>	<b>(676,922)</b>

31 MAR 23 - N/A

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

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**STATEMENT OF CHANGES IN EQUITY - COMPANY**  
**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	<u>Share capital</u> S\$	<u>Accumulated losses</u> S\$	<u>Total</u> S\$
<b><u>31 MAR 24</u></b>			
Beginning of financial year	100	(478,415)	(478,315)
Total comprehensive income for the financial year	-	(164,028)	(164,028)
<b>End of financial year</b>	<b>100</b>	<b>(642,443)</b>	<b>(642,343)</b>
	<u>Share capital</u> S\$	<u>Accumulated losses</u> S\$	<u>Total</u> S\$
<b><u>31 MAR 23</u></b>			
Beginning of financial year	100	60,375	60,475
Total comprehensive income for the financial year	-	(538,790)	(538,790)
<b>End of financial year</b>	<b>100</b>	<b>(478,415)</b>	<b>(478,315)</b>

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

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**STATEMENT OF CASH FLOWS**

**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	<u>Group</u>	<u>Company</u>		
	NOTE	01 APR 23 TO 31 MAR 24 S\$	01 APR 23 TO 31 MAR 24 S\$	01 MAY 22 TO 31 MAR 23 S\$
<b>Cash flows from operating activities</b>				
Loss before tax		(195,689)	(160,954)	(538,376)
Adjustments for:				
Depreciation		162	162	1,776
Translation differences		156	-	-
Operating cash flows before changes in working capital		(195,371)	(160,792)	(536,600)
<u>Changes in working capital:</u>				
Trade and other receivables		(30,180)	(30,180)	(208,457)
Deferred costs		175,505	175,505	(689,854)
Trade payables		(263,935)	(285,424)	481,547
Contract liabilities		298,959	298,959	1,168,863
Accruals and other payables		303,331	290,192	(8,536)
Cash generated from operating activities		288,309	288,260	206,963
Income tax paid		(3,074)	(3,074)	(6,458)
Net cash generated from operating activities		285,235	285,186	200,505
<b>Cash flows from investing activities</b>				
Acquisition of plant and equipment		-	-	(982)
Acquisition of investment in subsidiaries		-	(48,839)	-
Acquisition of investment in associate		(17,987)	(17,987)	-
Net cash used in investing activities		(17,987)	(66,826)	(982)
<b>Cash flows from financing activities</b>				
Due to director		-	-	5,920
Due from related party		5,418	40,938	(40,938)
Due to subsidiary		14,031	14,031	-
Net cash generated from/(used in) financing activities		19,449	54,969	(35,018)
Net increase in cash and cash equivalents		286,697	273,329	164,505
<b>Cash and cash equivalents at beginning of financial year</b>		535,403	535,403	370,898
<b>Cash and cash equivalents at end of financial year</b>	(10)	822,100	808,732	535,403

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

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**NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2024**

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 financial statements of the Group as at 31 March 2024 and for the financial year ended 31 March 2024 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities").

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

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

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

The financial statements of the Group and of the Company for the financial year ended 31 March 2024 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.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**2. BASIS OF PREPARATION - continued**

**c) Functional and presentation currency**

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

**d) Use of estimates and judgements**

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 Group'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 except as disclosed below.

*Income taxes*

Significant judgement is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

*Determination of functional currency*

In determining the respective functional currencies of the Group entities, judgement is used by the Group entities to determine the currency of the primary economic environment in which the Group entities operate. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**2. BASIS OF PREPARATION - continued**

**d) Use of estimates and judgements - continued**

*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.

*Impairment of non-financial assets*

The Group assesses whether at each reporting date there is any objective evidence that its non-financial assets are impaired. Where there is objective evidence of impairment, the recoverable amount is estimated based on the higher of an asset's or cash generating unit's fair value less costs of disposal and its value in use.

When value in use calculation is undertaken, management estimates the expected future cash flows to be generated from the asset or cash generating unit and applies a suitable discount rate to calculate the present value of those cash flows. These involve the use of estimates and judgements.

When fair value less costs of disposal is used, management engages services of professional valuers to determine the fair values using valuation techniques which involve the use of estimates and assumptions which are reflective of current market conditions.

The carrying amounts of the Group's and the Company's non-financial assets are disclosed in Notes 4, 5 and 6 of the financial statements respectively.

*Depreciation*

The Group 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 Group intends to derive future economic benefits from the use of the Group's plant and equipment.

The residual values reflect the directors' estimated amount that the Group would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

The carrying amount of the Group's plant and equipment is disclosed in Note 4 of the financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**2. BASIS OF PREPARATION - continued**

**d) Use of estimates and judgements - continued**

*Provision for expected credit losses of trade receivables*

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

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group’s historical credit loss experience and forecast of economic conditions may also not be representative of customer’s actual default in the future. The information about the ECLs on the Group’s and the Company’s trade receivables is disclosed in Note 19.

The carrying amounts of the Group’s and the Company’s trade receivables are disclosed in Note 7 of the financial statements.

**e) Changes in accounting policies**

*Overview*

In the current financial year, the Group 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 year. The adoption of these new/revised FRS and INT FRS has not resulted in changes to the Group’s accounting policies and has also no material effect on the amounts reported for the current or prior year’s financial information.

The Group 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 year. The directors expect that the adoption of these other standards and interpretations will have no material impact on the financial statements in the financial year of initial application.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES**

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

**a) Foreign currency transactions and balances**

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities 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.

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) an equity investment designated as at fair value through other comprehensive income ("FVOCI");
- ii) a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- iii) qualifying cash flow hedges to the extent that the hedges are effective.

**b) Translation of Group entity's financial statements**

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- i) Assets and liabilities are translated at the closing exchange rates at the reporting date;
- ii) Income and expenses are translated at average exchange rates (unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated using the exchange rates at the dates of the transactions); and

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**b) Translation of Group entity's financial statements - continued**

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows: - continued

- iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the translation reserve within equity. These currency translation differences are reclassified to profit or loss on disposal or partial disposal of the entity giving rise to such reserve. If the foreign operation is not a wholly-owned subsidiary, the relevant proportionate share of the translation difference is allocated to the non-controlling interests.

**c) Basis of consolidation**

**i) *Subsidiary***

Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of the subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of the subsidiary have been changed when necessary to align them with the policies adopted by the Group.

There are no non-controlling interests as the subsidiary is wholly owned.

**ii) *Transactions eliminated on consolidation***

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

c) **Basis of consolidation - continued**

iii) *Associate*

Associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies of the entity. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Investment in associate is accounted for using the equity method (equity-accounted investees) and is recognised initially at cost. The cost of the investment includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the equity-accounted associate, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its investment in associate, the carrying amount of that investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the associate's operations or has made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

iv) *Subsidiary and associate in the separate financial statements*

Investments in subsidiaries and associate are stated in the Company's statement of financial position at cost less accumulated impairment losses, if any.

d) **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 is provided on a straight-line basis to write off the depreciable amount (cost less residual value) of plant and equipment over the estimated useful lives as follows:

Computers	1 year
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**d) Plant and equipment - continued**

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.

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 Group 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, estimated useful lives and depreciation method 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 until the date of disposal for the year 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.

**e) 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 Group 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. MATERIAL ACCOUNTING POLICIES - continued**

**e) 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 Group 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 Group only has financial assets 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 Group 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:

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 Group's continuing recognition of the assets.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**e) Financial instruments - continued**

(ii) Classification and subsequent measurement - continued

*Non-derivative financial assets - continued*

Financial assets: Business model assessment - continued

The business model of the Group is as follows:

*Held to collect*

The Group holds financial assets which arise from its operations. The objective of the business model for these financial instruments is to collect the amount due from the Group's receivables and to earn contractual interest income on the amounts collected.

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

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group 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 Group 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 Group's claim to cash flows from specified assets (e.g. non-recourse features).

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**e) 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 ("SPPI") - continued

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. The Group had no financial assets held outside trading business models that failed the SPPI assessment.

*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.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**e) Financial instruments - continued**

**(ii) Classification and subsequent measurement - continued**

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

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 Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group 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. In these cases, the transferred assets are not derecognised.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**e) Financial instruments - continued**

**(iii) Derecognition - continued**

*Financial liabilities*

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group 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.

*Interest rate benchmark reform*

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform, the Group updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. No immediate gain or loss was recognised. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis - i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Group first updated the effective interest rate of the financial asset or financial liability to reflect the change that was required by interest rate benchmark reform. After that, the Group applied the policies on accounting for modifications to the additional changes.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**e) Financial instruments - continued**

**(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 Group 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.

**(v) Cash and cash equivalents**

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

**f) Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

**g) Impairment**

*Non-derivative financial assets*

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

- financial assets measured at amortised cost.

Loss allowances of the Group 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.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**g) Impairment - continued**

*Non-derivative financial assets - continued*

*Simplified approach*

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

*General approach*

The Group 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.

At each reporting date, the Group 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 Group 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 Group's historical experience and informed credit assessment that 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 Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

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

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

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**3. MATERIAL ACCOUNTING POLICIES - continued**

**g) Impairment - continued**

*Non-derivative financial assets - continued*

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 Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

*Credit-impaired financial assets*

At each reporting date, the Group 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 Group on terms that the Group 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.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**g) Impairment - continued**

*Non-derivative financial assets - continued*

*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 Group 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 Group's procedures for recovery of amounts due.

*Non-financial assets*

The carrying amounts of the Group's non-financial assets, other than biological assets, investment property (fair value model), inventories, contract assets 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 Group'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.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**g) Impairment - continued**

*Non-financial assets - continued*

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.

**h) Revenue**

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

Revenue is recognised when the Group 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.

*Interest income*

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

**i) 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.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**i) Income tax - continued**

The Group 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, measured 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 at the time of the transaction (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**i) Income tax - continued**

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 Group. 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.

**j) Provisions**

Provisions are recognised when the Group 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 directors' 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.

**k) 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 Group and/or the Company if that person:
  - (i) Has control or joint control over the Group and/or the Company;
  - (ii) Has significant influence over the Group and/or the Company; or
  - (iii) Is a member of the key management personnel of the Group and/or the Company.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**3. MATERIAL ACCOUNTING POLICIES - continued**

**k) Related parties - continued**

A related party is defined as follows: - continued

- (b) An entity is related to the Group and/or the Company if any of the following conditions applies:
- (i) The entity and the Group and/or 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 Group and/or the Company or an entity related to the Group and/or the Company. If the Group and/or the Company is itself such a plan, the sponsoring employers are also related to the Group and/or 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 Group and/or the Company or to the parent of the Group and/or the Company.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**4. PLANT AND EQUIPMENT**

Group and Company

	<u>Computers</u> S\$	<u>Total</u> S\$
 <b><u>31 MAR 24</u></b>		
<b><u>Cost</u></b>		
Beginning and end of financial year	1,938	1,938
 <b><u>Accumulated depreciation</u></b>		
Beginning of financial year	1,776	1,776
Charge for the financial year	162	162
<b>End of financial year</b>	<b>1,938</b>	<b>1,938</b>
 <b><u>Carrying value</u></b>		
<b>End of financial year</b>	-	-
 <b><u>31 MAR 23</u></b>		
<b><u>Cost</u></b>		
Beginning of financial period	956	956
Additions during the financial period	982	982
<b>End of financial period</b>	<b>1,938</b>	<b>1,938</b>
 <b><u>Accumulated depreciation</u></b>		
Beginning of financial period	-	-
Charge for the financial period	1,776	1,776
<b>End of financial period</b>	<b>1,776</b>	<b>1,776</b>
 <b><u>Carrying value</u></b>		
<b>End of financial period</b>	<b>162</b>	<b>162</b>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**5. INVESTMENT IN SUBSIDIARIES**

	<u>31 MAR 24</u> S\$	<u>31 MAR 23</u> S\$
<b><u>Unquoted equity shares, at cost</u></b>		
Beginning of financial year	-	N/A
Additions during of financial year	<u>48,839</u>	<u>N/A</u>
End of financial year	<u>48,839</u>	<u>N/A</u>

Details of the Company's subsidiaries are as follows:

<b><u>Name of subsidiary and country of incorporation</u></b>	<b><u>Principal activities</u></b>	<b><u>Cost of investment</u></b>		<b><u>Direct interest</u></b>	
		<b><u>31 MAR 24</u></b>	<b><u>31 MAR 23</u></b>	<b><u>31 MAR 24</u></b>	<b><u>31 MAR 23</u></b>
		S\$	S\$	%	%
XED Inc. (USA)	Executive Education	<u>13,319</u>	N/A	<u>100</u>	N/A
XED Institute of Management Training Company (Kingdom of Saudi Arabia)	Training Institutes	<u>35,520</u>	N/A	<u>100</u>	N/A

The two subsidiaries remain dormant as at 31 March 2024.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**6. INVESTMENT IN ASSOCIATE**

	<b>Group and Company S\$</b>
<b><u>31 MAR 24</u></b>	
<b>Unquoted equity shares, at cost</b>	
Beginning of financial year	-
Additions during the financial year	17,987
End of financial year	17,987
<b>Share of profits</b>	
Beginning and end of financial year	-
<b>Share in other comprehensive income</b>	
Beginning and end of financial year	-
<b>Carrying value</b>	
End of financial year	17,987
<u>31 MAR 23</u> - N/A	

Details of associate held by the Group are as follows:

<b><u>31 MAR 24</u></b>		<b>Cost of investment S\$</b>	<b>Percentage of equity held %</b>
<b><u>Name and country of incorporation</u></b>	<b><u>Principal activities</u></b>		
XED Executive Education Consultancy LLC (UAE)	Educational Facilities Management	17,987	48
<u>31 MAR 23</u> - N/A			

The associate, XED Executive Education Consultancy LLC was incorporated in UAE on 18 May 2023. The associate has not commenced operations and financial statements for the financial year ended 31 March 2024 has not been prepared.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**7. TRADE RECEIVABLES**

	<u>Group</u>	<u>Company</u>	
	<u>31 MAR 24</u> S\$	<u>31 MAR 24</u> S\$	<u>31 MAR 23</u> S\$
Third parties	<u>381,192</u>	<u>381,192</u>	<u>352,734</u>

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

	<u>Group</u>	<u>Company</u>	
	<u>31 MAR 24</u> S\$	<u>31 MAR 24</u> S\$	<u>31 MAR 23</u> S\$
Not past due	4,029	4,029	-
Past due:			
1 - 30 days	303,422	303,422	115,702
31 - 60 days	19,092	19,092	174,348
Over 60 days	54,649	54,649	62,684
	<u>381,192</u>	<u>381,192</u>	<u>352,734</u>

The trade receivables are unsecured, non-interest bearing and are generally settled on 0 to 30 (31 March 2023: 0 to 30) days terms subject to normal trade terms.

Expected credit losses ("ECLs")

The expected credit losses as at 31 March 2024 and 31 March 2023 are not significant and are not provided for in these financial statements (see Note 19).

**8. DEFERRED COSTS**

	<u>Group</u>	<u>Company</u>	
	<u>31 MAR 24</u> S\$	<u>31 MAR 24</u> S\$	<u>31 MAR 23</u> S\$
Third parties	<u>514,349</u>	<u>514,349</u>	<u>689,854</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**

**9. OTHER RECEIVABLES**

	<u>Group</u>	<u>Company</u>	
	<u>31 MAR 24</u> S\$	<u>31 MAR 24</u> S\$	<u>31 MAR 23</u> S\$
Deposits	6,000	6,000	6,000
Financial assets at amortised cost	6,000	6,000	6,000
Prepayments	13,138	13,138	11,416
	<u>19,138</u>	<u>19,138</u>	<u>17,416</u>

**10. CASH AND CASH EQUIVALENTS**

	<u>Group</u>	<u>Company</u>	
	<u>31 MAR 24</u> S\$	<u>31 MAR 24</u> S\$	<u>31 MAR 23</u> S\$
Cash at bank	688,115	674,747	483,252
Cash in digital wallet - Stripe	133,985	133,985	52,151
	<u>822,100</u>	<u>808,732</u>	<u>535,403</u>

**11. SHARE CAPITAL**

	<u>31 MAR 24</u>		<u>31 MAR 23</u>	
	<u>No. of ordinary shares</u>	<u>S\$</u>	<u>No. of ordinary shares</u>	<u>S\$</u>
<b>Issued and fully paid-up</b>				
Beginning and end of financial year	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

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**11. SHARE CAPITAL - continued**

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.

**12. TRANSLATION RESERVE - GROUP**

Translation reserve comprises foreign exchange difference arising from the translation of the consolidated financial statements of the Company's foreign subsidiaries whose functional currency is different from the presentation currency of the Group.

**13. TRADE PAYABLES**

	<u>Group</u>	<u>Company</u>	
	<u>31 MAR 24</u>	<u>31 MAR 24</u>	<u>31 MAR 23</u>
	S\$	S\$	S\$
Third parties	161,596	161,596	430,766
Related parties	394,234	394,234	410,488
	555,830	555,830	841,254

**14. CONTRACT LIABILITIES**

	<u>Group</u>	<u>Company</u>	
	<u>31 MAR 24</u>	<u>31 MAR 24</u>	<u>31 MAR 23</u>
	S\$	S\$	S\$
Third parties	1,467,822	1,467,822	1,168,863
	1,467,822	1,467,822	1,168,863

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

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**15. ACCRUALS AND OTHER PAYABLES**

	<u>Group</u>	<u>Company</u>	
	<u>31 MAR 24</u> S\$	<u>31 MAR 24</u> S\$	<u>31 MAR 23</u> S\$
Accruals and other payables	39,762	26,623	44,971
Accrued service support fees	308,540	308,540	-
	<u>348,302</u>	<u>335,163</u>	<u>44,971</u>

**16. 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 subsidiary 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 Group 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>Group</u>	<u>Company</u>	
		<u>31 MAR 24</u> S\$	<u>31 MAR 24</u> S\$	<u>31 MAR 23</u> S\$
Trade payables	Common director	394,234	394,234	410,488
Service support fee	Common director	397,259	397,259	336,045
		<u>394,234</u>	<u>397,259</u>	<u>410,488</u>

**Key management personnel compensation:**

The directors are the key management personnel of the Group. There was no remuneration paid to the directors during the year. (31 March 2023: Nil)

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**17. REVENUE, COST OF SERVICES, OTHER INCOME AND ADMINISTRATIVE EXPENSES**

	<u>Group</u>	<u>Company</u>	
	01 APR 23 TO 31 MAR 24 S\$	01 APR 23 TO 31 MAR 24 S\$	01 MAY 22 TO 31 MAR 23 S\$
<b>Revenue:</b>			
Program fees	2,821,420	2,821,420	921,803
Revenue is recognised over time.			
<b>Cost of services includes:</b>			
Program costs	1,583,221	1,583,221	508,855
<b>Other income:</b>			
Miscellaneous income	516	516	920
<b>Administrative expenses include:</b>			
Advertising and marketing expenses	632,371	632,371	451,357
Consulting fees	122,870	122,870	38,754
Depreciation	162	162	1,776
Exchange loss	7,499	7,499	28,933
Incorporation fees	34,628	-	-
Stamp duty	-	-	120
Stripe fees	73,675	73,675	26,525
Transport and travelling expenses	7,794	7,794	3,534

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**18. INCOME TAX EXPENSE**

	<u>Group</u>	<u>Company</u>	
	01 APR 23 TO 31 MAR 24 S\$	01 APR 23 TO 31 MAR 24 S\$	01 MAY 22 TO 31 MAR 23 S\$
Current tax expense	-	-	-
Foreign tax paid	3,155	3,155	454
Over provision in prior years	(81)	(81)	(40)
	<u>3,074</u>	<u>3,074</u>	<u>414</u>

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

	<u>Group</u>	<u>Company</u>	
	01 APR 23 TO 31 MAR 24 S\$	01 MAY 22 TO 31 MAR 23 S\$	01 MAY 22 TO 31 MAR 23 S\$
Loss before tax	<u>(195,689)</u>	<u>(160,954)</u>	<u>(538,376)</u>
Tax thereon at 17%	(33,267)	(27,362)	(91,524)
Effects of the following:			
- disallowed expenses	27	27	4,730
- exempt income	(306)	(306)	-
- tax benefit not recognised	27,641	27,641	86,794
- different tax rates in foreign jurisdiction	5,905	-	-
Foreign tax paid	3,155	3,155	454
Over provision in prior years	(81)	(81)	(40)
	<u>3,074</u>	<u>3,074</u>	<u>414</u>

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**19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT**

*Accounting classifications and fair values*

**Fair values versus carrying amounts**

<u>Group</u>	<u>Note</u>	Financial assets at amortised <u>cost</u> S\$	Other financial <u>liabilities</u> S\$	Total carrying <u>amount</u> S\$	Fair <u>value*</u> S\$
<b><u>31 MAR 24</u></b>					
Trade receivables	(7)	381,192	-	381,192	381,192
Deposit	(9)	6,000	-	6,000	6,000
Cash and cash equivalents	(10)	822,100	-	822,100	822,100
		<u>1,209,292</u>	<u>-</u>	<u>1,209,292</u>	<u>1,209,292</u>
Trade payables	(13)	-	555,830	555,830	555,830
Accruals and other payables	(15)	-	348,302	348,302	348,302
Due to director		-	59,734	59,734	59,734
		<u>-</u>	<u>963,866</u>	<u>963,866</u>	<u>963,866</u>

31 MAR 23 - N/A

<u>Company</u>	<u>Note</u>	Financial assets at amortised <u>cost</u> S\$	Other financial <u>liabilities</u> S\$	Total carrying <u>amount</u> S\$	Fair <u>value*</u> S\$
<b><u>31 MAR 24</u></b>					
Trade receivables	(7)	381,192	-	381,192	381,192
Deposit	(9)	6,000	-	6,000	6,000
Cash and cash equivalents	(10)	808,732	-	808,732	808,732
		<u>1,195,924</u>	<u>-</u>	<u>1,195,924</u>	<u>1,195,924</u>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued**

*Accounting classifications and fair values - continued*

**Fair values versus carrying amounts - continued**

<u>Company - continued</u>	<u>Note</u>	Financial assets at amortised <u>cost</u> S\$	Other financial <u>liabilities</u> S\$	Total carrying <u>amount</u> S\$	Fair <u>value*</u> S\$
<b><u>31 MAR 24 - continued</u></b>					
Trade payables	(13)	-	555,830	569,861	569,861
Accruals and other payables	(15)	-	335,163	335,163	335,163
Due to subsidiary			14,031	14,031	14,031
Due to director		-	59,734	59,734	59,734
		-	<b>964,758</b>	<b>964,758</b>	<b>964,758</b>

<u>Company</u>	<u>Note</u>	Financial assets at amortised <u>cost</u> S\$	Other financial <u>liabilities</u> S\$	Total carrying <u>amount</u> S\$	Fair <u>value*</u> S\$
<b><u>31 MAR 23</u></b>					
Trade receivables	(7)	352,734	-	352,734	352,734
Deposit	(9)	6,000	-	6,000	6,000
Due from related party		40,938	-	40,938	40,938
Cash and cash equivalents	(10)	535,403	-	535,403	535,403
		<b>935,075</b>	<b>-</b>	<b>935,075</b>	<b>935,075</b>
Trade payables	(13)	-	841,254	841,254	841,254
Accruals and other payables	(15)	-	44,971	44,971	44,971
Due to director		-	59,734	59,734	59,734
		-	<b>945,959</b>	<b>945,959</b>	<b>945,959</b>

\* Refer to Note 20 as to how fair values have been determined.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued**

*Risk management policies*

Exposure to credit, liquidity, interest rate and foreign currency risks arises in the normal course of the Group's business. The Group'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 Group does not hold or issue derivative financial instruments for speculative purpose.

**Credit risk**

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

The Group has adopted a policy of only dealing with creditworthy counterparties. The Group performs ongoing credit evaluation of its counterparties' financial condition. The ageing analysis of trade receivables is disclosed in Note 7.

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

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

	<u>Group</u>	<u>Company</u>	
	<u>31 MAR 24</u>	<u>31 MAR 24</u>	<u>31 MAR 23</u>
	S\$	S\$	S\$
Trade receivables	381,192	381,192	352,734
Deposit	6,000	6,000	6,000
Due from related party	-	-	40,938
Cash at bank	688,115	674,747	483,252
Cash in digital wallet - Stripe	133,985	133,985	52,151
	<u>1,209,292</u>	<u>1,195,924</u>	<u>935,075</u>

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**19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued**

*Risk management policies - continued*

**Credit risk - continued**

*Deposits*

The Group assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Group measured the impairment loss allowance using the 12-month ECL and determined that the ECL is not material.

*Trade receivables*

For trade receivables, the Group has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Group 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.

<u>Group</u>	← Days past due →				<u>Total</u> US\$
	<u>Not past</u> <u>due</u> US\$	<u>1 to 30</u> <u>days</u> US\$	<u>31 to 60</u> <u>days</u> US\$	<u>Over</u> <u>60 days</u> US\$	
<b>31 MAR 24</b>					
<b>Trade receivables, gross carrying amounts</b>	4,029	303,422	19,092	54,649	381,192
<b>Trade receivables subject to ECL</b>	4,029	303,422	19,092	54,649	381,192
<b>ECL rate</b>	1%	3%	5%	10%	
<b>ECL</b>	40	9,103	955	5,465	15,562*

31 MAR 23 - N/A

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued**

*Risk management policies - continued*

**Credit risk - continued**

*Trade receivables - continued*

	← Days past due →				
<u>Company</u>	<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\$
<b><u>31 MAR 24</u></b>					
Trade receivables, gross carrying amounts	4,029	303,422	19,092	54,649	381,192
Trade receivables subject to ECL	4,029	303,422	19,092	54,649	381,192
ECL rate	1%	3%	5%	10%	
ECL	40	9,103	955	5,465	15,562*
<b><u>31 MAR 23</u></b>					
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*

\* The Group and Company have not provided loss allowance for expected credit losses as the amounts are not material.

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**19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued**

*Risk management policies - continued*

**Liquidity risk**

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

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

<u>Group</u>	<u>Carrying amount</u> S\$	<u>Contractual cash flows</u> S\$	<u>Due within 1 year</u> S\$	<u>Total</u> S\$
<b><u>31 MAR 24</u></b>				
Trade payables	555,830	555,830	555,830	555,830
Accruals and other payables	348,302	348,302	348,302	348,302
Due to director	59,734	59,734	59,734	59,734
	<b>963,866</b>	<b>963,866</b>	<b>963,866</b>	<b>963,866</b>

31 MAR 23 - N/A

<u>Company</u>	<u>Carrying amount</u> S\$	<u>Contractual cash flows</u> S\$	<u>Due within 1 year</u> S\$	<u>Total</u> S\$
<b><u>31 MAR 24</u></b>				
Trade payables	555,830	569,861	569,861	569,861
Accruals and other payables	335,163	335,163	335,163	335,163
Due to subsidiary	14,031	14,031	14,031	14,031
Due to director	59,734	59,734	59,734	59,734
	<b>964,758</b>	<b>964,758</b>	<b>964,758</b>	<b>964,758</b>

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued**

*Risk management policies - continued*

**Liquidity risk - continued**

<u>Company - continued</u>	<u>Carrying amount</u> S\$	<u>Contractual cash flows</u> S\$	<u>Due within 1 year</u> S\$	<u>Total</u> 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>

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 Group'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 Group is exposed to fluctuations in foreign currency exchange rates for balances denominated in a currency other than the respective functional currencies of the Group entities. The currencies in which these balances are mainly denominated are US Dollars ("USD"), Indian Rupees ("INR") and British Pound ("GBP"). The exposure to foreign currency exchange risk is monitored on an ongoing basis.

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued**

*Risk management policies - continued*

**Market risk**

*Foreign currency exchange risk - continued*

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

<u>Group</u>	<u>USD</u> (Converted to S\$)	<u>INR</u> (Converted to S\$)	<u>S\$</u>	<u>Total</u> S\$
<b><u>31 MAR 24</u></b>				
<b><u>Financial assets</u></b>				
Cash and cash equivalents	812,279	-	9,821	822,100
Trade receivables	381,192	-	-	381,192
	1,193,471	-	9,821	1,203,292
<b><u>Financial liabilities</u></b>				
Trade payables	(153,648)	(367,912)	(34,270)	(555,830)
<b>Net exposure</b>	1,039,823	(367,912)	N/A	N/A

31 MAR 23 - N/A

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued**

*Risk management policies - continued*

**Market risk - continued**

*Foreign currency exchange risk – continued*

<u>Company</u>	<u>USD</u> (Converted to S\$)	<u>INR</u> (Converted to S\$)	<u>S\$</u>	<u>Total</u> S\$
<b>31 MAR 24</b>				
<b><u>Financial assets</u></b>				
Cash and cash equivalents	798,911	-	9,821	808,732
Trade receivables	381,192	-	-	381,192
	<u>1,180,103</u>	<u>-</u>	<u>9,821</u>	<u>1,189,924</u>
<b><u>Financial liabilities</u></b>				
Trade payables	(153,648)	(367,912)	(34,270)	(555,830)
<b>Net exposure</b>	<u>1,026,455</u>	<u>(367,912)</u>	<u>N/A</u>	<u>N/A</u>

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

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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**19. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT - continued**

*Risk management policies - continued*

**Market risk - continued**

*Foreign currency exchange risk – continued*

*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>Group</u>	<u>Company</u>	
	<u>31 MAR 24</u> S\$	<u>31 MAR 24</u> S\$	<u>31 MAR 23</u> S\$
US Dollar (USD)	103,982	102,646	42,018
Indian Rupees (INR)	(36,791)	(36,791)	(27,912)
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.

**20. DETERMINATION OF FAIR VALUES**

A number of the Group's accounting policies and disclosures require the determination of fair value for both 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, 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.

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**20. DETERMINATION OF FAIR VALUES - continued**

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: - continued

**Trade receivables and Trade payables**

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

**21. CAPITAL MANAGEMENT**

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

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the financial years ended 31 March 2024 and 31 March 2023.

The Group is not subject to any externally imposed capital requirements for the financial years ended 31 March 2024 and 31 March 2023. The Group's overall strategy remains unchanged from 2023.

**22. CONTINGENT LIABILITIES AND COMMITMENTS**

The Company has no contingent liabilities and commitments outstanding as at end of financial period (31 March 2023: Nil).

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**23. CONTRACT BALANCES**

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

	<u>2024</u> S\$	<u>31 March</u> <u>2023</u> S\$	<u>1 April</u> <u>2022</u> S\$
<b><u>Group</u></b>			
<b>Current assets</b>			
Trade receivables (Note 7)	381,192	N/A	N/A
<b>Current liabilities</b>			
Contract liabilities (Note 13)	1,467,822	N/A	N/A
<b><u>Company</u></b>			
<b>Current assets</b>			
Trade receivables (Note 7)	381,192	352,734	155,693
<b>Current liabilities</b>			
Contract liabilities (Note 13)	1,467,822	1,168,863	-

**24. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

<b><u>Group</u></b>	<b><u>Beginning</u> <u>of financial</u> <u>year</u> S\$</b>	<b><u>Net cash</u> <u>flows</u> S\$</b>	<b><u>Non-cash</u> <u>changes</u> S\$</b>	<b><u>End of</u> <u>financial</u> <u>year</u> S\$</b>
<b><u>31 MAR 24</u></b>				
Due to director	-	59,734	-	59,734
<b><u>31 MAR 23 - N/A</u></b>				

**XED INSTITUTE OF MANAGEMENT PTE. LTD.**  
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(Registration No. 201816665G)  
**AND SUBSIDIARIES**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**

**24. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES - continued**

<u>Company</u>	<u>Beginning of financial year</u> S\$	<u>Net cash flows</u> S\$	<u>Non-cash changes</u> S\$	<u>End of financial year</u> S\$
<b><u>31 MAR 24</u></b>				
Due to director	59,734	-	-	59,734
Due to subsidiary	-	14,031	-	14,031
<b><u>31 MAR 23</u></b>				
Due to director	53,814	5,920	-	59,734

**25. COMPARATIVE INFORMATION**

The current figures cover the financial year ended 31 March 2024.

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

**26. GOING CONCERN BASIS**

The financial statements have been prepared on a going concern basis, notwithstanding the Group's and Company's net current liabilities of S\$681,770 and S\$709,169 as at 31 March 2024 (31 March 2023: Nil and S\$478,477) respectively, on the premise that the shareholder will continue to provide the necessary financial support to the Group and Company, so as to enable the Group and Company to continue their operations and to meet their liabilities as and when they fall due.

**XED INSTITUTE OF MANAGEMENT PTE. LTD.**  
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**DETAILED INCOME STATEMENT**

**FOR THE FINANCIAL YEAR ENDED 31 MARCH 2024**

	<b>01 APR 23 TO 31 MAR 24 S\$</b>	<b>01 MAY 22 TO 31 MAR 23 S\$</b>
<b>Revenue</b>		
Program fees	<u>2,821,420</u>	<u>921,803</u>
<b>Cost of services</b>		
Program costs	1,583,221	508,855
Service support fee	<u>473,372</u>	<u>336,045</u>
	<u>2,056,593</u>	<u>844,900</u>
<b>Gross profit</b>	<u>764,827</u>	<u>76,903</u>
<b>Other income</b>		
Miscellaneous income	<u>516</u>	<u>920</u>
<b>Administrative expenses</b>		
Accounting fees	14,400	13,200
Advertising and marketing expenses	632,371	451,357
Bank charges	11,271	6,152
Consulting fees	122,870	38,754
Depreciation expense	162	1,776
Exchange loss	7,499	28,933
FRS report fee	6,500	2,800
Printing and stationery	1,907	3,059
Secretarial and admin expenses	10,700	14,863
Stamp duty	-	120
Stripe fees	73,675	26,525
Subscription and membership	19,974	14,202
Tax compliance fee	3,700	2,700
Telephone and internet expenses	13,474	8,224
Transport and travelling expenses	7,794	3,534
	<u>926,297</u>	<u>616,199</u>
<b>LOSS BEFORE TAX</b>	<u>(160,954)</u>	<u>(538,376)</u>

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