

KTC Pte. Ltd.
Year of Assessment: 2020
198800000D
Basis Period: 01/07/2018 to 30/06/2019

Main Computation

	\$	\$	Sch
Adjusted profit		43,904,384	
Less:			
Current year capital allowances		(1,324,166)	H
		<u>42,580,218</u>	
Add:			
Bank interest income		500,000	P&L
Rental income		1,250,000	P&L
Less:			
Unabsorbed losses carried forward (YA 2019)		(1,513,719)	
Less:			
Current year approved donations		(16,250)	13
Chargable income before exempt amount		<u>42,800,249</u>	
Less: <u>Exempt amount</u>			
75% on first \$10,000	(7,500)		
50% on next \$190,000	<u>(95,000)</u>		
		(102,500)	
Chargeable income after exempt amount		<u><u>42,697,749</u></u>	
Tax payable @ 17%		7,258,617.33	
Less: Corporate income tax rebate (25% of tax payable, capped at \$15,000)		(15,000.00)	
Net tax payable		<u><u><u>7,243,617.33</u></u></u>	

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Adjusted Profit / (Loss)

	\$	Sch
Net profit before tax	44,906,000	P&L
Add/(Less):		
Bank interest income	(500,000)	P&L
Rental income	(1,250,000)	P&L
Quieter construction fund scheme - capital grant	(100,000)	P&L
Mechanisation credit scheme - capital grant	(50,000)	P&L
Amortisation of intangible asset	10,000	P&L
Depreciation	400,000	P&L
Exchange loss re: non-trade	500	P&L
Gain on disposal of fixed assets	(30,000)	P&L
General expenses re: non-trade	20,000	P&L
Private car expenses	30,000	P&L
Cost of sales	780,000	1
Insurance	25,000	2
Legal and professional fees	2,500	4
Provision for unutilised leave	(20,100)	5
Provision for temporary occupation licence fees	(80,000)	6
Minor assets expensed off	104,000	7
Provision for dumping fees	(1,500,000)	8
Provision for bonus	(650,000)	9
Interest expense restriction	9,201	10
Medical expenses restriction	315,250	11
Provision for project and administrative expenses	(10,000)	12
Gifts and donations	5,500	13
Property tax and stamp duty	1,500	14
Section 14Q deduction	(800)	15
Upward adjustment to opening retained earnings arising from the adoption of FRS 115 (Statement of changes in equity)	1,485,833	
Adjusted profit / (loss)	<u><u>43,904,384</u></u>	

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Profit and Loss Statement

	\$	\$	Sch
Revenue		200,000,000	
Less:			
Cost of sales		(150,000,000)	1
Gross Profit		<u>50,000,000</u>	
Add:			
Management fee income	2,000,000		
Bank interest income	500,000		Deducted
Other income	3,000,000		
Rental income	1,250,000		Deducted
Training grants	250,000		
Quieter construction fund scheme - capital grant	100,000		Deducted
Mechanisation credit scheme - capital grant	50,000		Deducted
Wage credit scheme, special and temporary employment credit and child care and paternity leave	300,000		
		<u>7,450,000</u>	
Less:			
Advertising and promotion	(10,000)		Note 1
Amortisation of intangible asset	(10,000)		Added Back
Audit fees	(100,000)		
Bank charges	(50,000)		Note 1
Bursary and scholarship expense	(1,000)		Note 1
Business entertainment	(20,000)		Note 1
Depreciation	(400,000)		Added Back
Diesel expenses	(3,000,000)		Note 1
Directors' remuneration	(1,000,000)		11
Dormitory expenses	(1,500,000)		Note 1
Exchange loss re: non-trade	(500)		Added Back
Foreign workers' levy	(5,000,000)		
Gain on disposal of fixed assets	30,000		Deducted D
General expenses re: non-trade	(20,000)		Added Back
Gifts and condolences	(10,000)		13
Hire purchase interest	(5,000)		
Impairment loss on trade receivables (credit-impaired)	(2,000)		3
Imputed interest expense re: retention sum payables	(500)		
Insurance	(500,000)		2
Insurance re: machineries and trucks	(5,000)		Note 4
Interest expense on bank loan	(250,000)		10
Legal and professional fees	(50,000)		4
Management fee expenses	(1,000,000)		Note 5
Medical expenses	(400,000)		11
Minor assets expensed off	(5,000)		7
Newspaper, periodicals and subscription fees	(15,000)		Note 3
Penalties, fines and summons	1,000		
Printing and stationery	(3,000)		Note 1
Private car expenses	(30,000)		Added Back
Property tax and stamp duty	(150,000)		14

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Profit and Loss Statement

	\$	\$	Sch
Provision for bonus	400,000		9
Provision for unutilised leave	20,000		5
Recharge of staff costs	42,000,000		11
Recruitment	(20,000)		
Rental of land and office	(700,000)		
Salaries, bonuses and CPF	(40,000,000)		11
Skills development levy	(100,000)		
Staff permit	(50,000)		
Staff welfare	(80,000)		
Telecommunication expenses	(10,000)		Note 1
TOL, licence fee, factory, etc	(3,000)		Note 1
Training expenses	(400,000)		Note 1
Travelling expenses	(10,000)		Note 2
Upkeep of building	(20,000)		Note 1
Upkeep of equipment	(5,000)		Note 1
Utilities	(60,000)		
	<u>(12,544,000)</u>		
Net Profit Before Tax		<u><u>44,906,000</u></u>	

Notes:

1. Our client confirmed that there are no capital / disallowable items included therein.
2. Our client confirmed that there are no private car expenses included therein.
3. Our client confirmed that there are no club entrance or transfer fees included therein.
4. Our client confirmed that there is no medical / private car insurance included therein.
5. Paid to KTCA Pte. Ltd. and KTCB Pte. Ltd. for administrative fee and SAP system maintenance.

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Cost of sales

Schedule 1

	\$		Sch
Business entertainment	10,000	Note 1	
Depreciation	250,000	Added Back / Note 4	
Diesel expenses	1,969,000	Note 1 / Note 6	
Dormitory expenses	3,000,000	Note 1	
Dumping fees	2,500,000		8
Foreign workers' levy	7,000,000		
Freight charges	1,000		
Hiring of lorries	55,000,000	Note 2	
Hiring of machineries	40,000,000		
Insurance	100,000	Note 3	
Legal and professional fees	20,000		4
Materials	4,500,000	Note 1	
Medical expenses	30,000		11
Minor assets expensed off	120,000		7
Penalties, fines and summons	500,000	Added Back	
Printing and stationery	60,000	Note 1	
Private car expenses	30,000	Added Back	
Provision for bonus	(250,000)		9
Provision for project and administrative expenses	(10,000)		12
Provision for unutilised leave	(100)		5
Rental of equipment	20,000		
Salaries, bonuses and CPF	25,000,000		11
Settlement expenses	250,000	Note 5	
Skills development levy	50,000		
Site expenses	1,000,000	Note 1	
Subcontractor fees (paid to Singapore tax residents)	6,000,000		
Telecommunication expenses	200,000	Note 1	
Tender and drawing fees	100	Note 1	
TOL, license, factory fees, etc	2,000,000	Note 1	
Transportation expenses	500,000	Note 2	
Upkeep of tools and equipment	40,000	Note 1	
Upkeep of trucks and motor vehicles	50,000	Note 2	
Utilities	60,000		
Per Profit and Loss Statement	<u>150,000,000</u>		
Sum of Added Back / (Deducted) items	<u>780,000</u>		

Notes:

1. Our client confirmed that there are no capital / disallowable items included therein.
2. Our client confirmed that there are no private car expenses included therein.
3. Our client confirmed that there is no medical / private car insurance included therein.
4. **Depreciation**

	\$
As above	250,000
As per Profit and Loss Statement	400,000
Per Note 4 to Accounts	<u>650,000</u>
5. Our client informed that the above relates to (i) settlement with an employee for incident at project site during work and (ii) settlement with contractor for road damages at project site. A tax deduction was claimed on the basis that the abovementioned was trade-related.
6. Our client informed that the above was billed together with the hiring of machineries of \$40,000,000 (as above).