**CCK GOURMET PTE. LTD.**

(Company Reg No:201814626N)

(Incorporated in Singapore)

**FINANCIAL STATEMENTS**

For the period from 1 May 2019

to 30 April 2020

FINANCIAL STATEMENTS

OF

CCK GOURMENT PTE. LTD.

(Incorporated in Singapore)

CORPORATE INFORMATION

**Company Reg No:** 201814626N

Directors: LUAN YANG

Company Secretary: TEOH TEIK TOE

Registered Office: 5000A MARINE PARADE ROAD

#19-04

LAGUNA PARK

SINGAPORE 449284

Place of Incorporation Singapore

Date of Incorporation 30th APRIL 2018

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DIRECTORS’ STATEMENT

For the period from 30 April 2018 (Date of incorporated) to 30 April 2019.

The directors are pleased to present their statement to the members together with the financial statements of CCK GOURMET PTE. LTD. (the “company’) for the financial period ended 30 April 2019.

1. **OPINION OF THE DIRECTORS**

In the opinion of the directors

1. The financial statements of the company are drawn up so as to give a true and fair view of the financial position of the company as at 30 April 2020 and the financial performance, change in equity and statement of cash flows of the company for the year then ended; and
2. 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.
3. **DIRECTORS**

The directors in office at the date of this report are:

LUAN YANG (Appointed on 30 April 2018)

1. **ARRANGEMENTS TO ENABLE DIRECTORS TO AQUIRE SHARE 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 subjects is, to enable the directors of the company to acquire benefits by means of the acquisition of share in, or debentures of the company or any other body corporate.

1. **Directors’ interests in shares and debentures**

The following directors, who held office at the end of the financial year, had, according to the register of directors’ shareholdings required to be kept under section 164 of the Singapore Companies Act, Chapter 50, an interest in shares of the Company and related corporations (other than wholly-owned subsidiaries) as stated below:

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | **Direct Interest** | |
|  |  | **At the beginning** | **At the end of** |
| **Name of director** |  | **of financial year** | **financial year** |
| **Ordinary shares of the company** |  |  |  |
|  |  |  |  |
| Luan Yang |  | 1 | 1 |

1. **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.

On behalf of the directors

.

LUAN YANG

Director

Singapore

Date:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **STATEMENT OF FINANCIAL POSITION** |  |  |  |  |
| **As at 30 April 2020** |  |  |  |  |
|  |  | **2020** |  | **2019** |
|  | **Note** | S$ |  | S$ |
| **ASSETS** |  |  |  |  |
|  |  |  |  |  |
| **Current assets** |  |  |  |  |
| Other receivables | **4** | 7,101 |  | 7,101 |
| Cash and cash equivalent | **5** | 39,431 |  | 9,595 |
| **Total current assets** |  | 46,532 |  | 16,696 |
|  |  |  |  |  |
| **Total assets** |  | 46,532 |  | 16,696 |
|  |  |  |  |  |
| **EQUITY AND LIABILITIES** |  |  |  |  |
|  |  |  |  |  |
| **Equity** |  |  |  |  |
| Share capital | **6** | 1 |  | 1 |
| Retained earnings/(losses) |  | 25,531 |  | 16,695 |
|  |  |  |  |  |
| **Total equity** |  | 25,532 |  | 16,696 |
|  |  |  |  |  |
| **Current Liabilities** |  |  |  |  |
| Other payables | **7** | 21,000 |  | - |
| **Total current liabilities** |  | 21,000 |  | - |
|  |  |  |  |  |
| **Total equity and liabilities** |  | 46,532 |  | 16,696 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **STATEMENT OF COMPREHENSIVE INCOME** |  |  |  |  |
| **For the period from 1 May 2019 to 30 April 2020** | | | | |
|  |  |  |  |  |
|  |  | **2020** |  | **2019** |
|  | **Note** | S$ |  | S$ |
| **Revenue** | **8** | 762,838 |  | 619,611 |
| Cost of sales |  | (315,167) |  | (350,770) |
| **Gross profit/(loss)** |  | 447,671 |  | 268,841 |
| **Other items of income** |  |  |  |  |
| Other Income | **9** | 44,868 |  | 2,794 |
| **Other items of expenses** |  |  |  |  |
| Administrative and other operating expenses |  | (259,519) |  | (124,417) |
| Employee benefits expense | **10** | (224,184) |  | (130,523) |
| **Loss before tax from continuing operations** |  | 8,836 |  | 16,695 |
| Income tax expense |  | - |  | - |
| **Loss from continuing operations, net of tax** |  | 8,836 |  | 16,695 |
| **Other comprehensive profit/(loss)** |  | - |  | - |
| **Total comprehensive profit for the period** |  | 8,836 |  | 16,695 |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **STATEMENT OF CHANGES IN EQUITY** | | |  |  |  |  |
| **For the period from 1 May 2019 to 30 April 2020** | | |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  | **Share Capital** |  | **Retained Earnings/(Losses)** |  | **Total Equity** |
|  | **NOTE** | S$ |  | S$ |  | S$ |
| **2019** |  |  |  |  |  |  |
| Balance at 30 April 2018 (Date of Incorporated) |  | - |  | - |  | - |
|  |  |  |  |  |  |  |
| Issued of share capital |  | 1 |  | - |  | 1 |
|  |  |  |  |  |  |  |
| Total comprehensive profit for the period |  | - |  | 16,695 |  | 16,695 |
|  |  |  |  |  |  |  |
| Balance at 30 April 2019 |  | 1 |  | 16,695 |  | 16,696 |
|  |  |  |  |  |  |  |
| **2020** |  |  |  |  |  |  |
| Balance at 1 May 2019 |  | 1 |  | 16,695.00 |  | 16,696 |
|  |  |  |  |  |  |  |
| Total comprehensive profit for the period |  | - |  | 8,836 |  | 8,836 |
|  |  |  |  |  |  |  |
| Balance at 30 April 2020 |  | 1 |  | 25,531 |  | 25,532 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **STATEMENT OF CASH FLOW** |  |  |  |  |
| **For the period from 1 May 2019 to 30 April 2020** | | |  |  |
|  |  | **2020** |  | **2019** |
|  | **NOTE** | S$ |  | S$ |
| **OPERATING ACTIVITIES** |  |  |  |  |
| Profit/(Loss) before tax from continuing operations |  | 8,836 |  | 16,695 |
|  |  |  |  |  |
| **Adjustments for:** |  |  |  |  |
| Interest received |  | - |  | (1,042) |
| Total adjustments |  | - |  | (1,042) |
|  |  |  |  |  |
| Operating cash flows before working capital changes |  | 8,836 |  | 15,653 |
|  |  |  |  |  |
| **Changes in working capitals:** |  |  |  |  |
| (Increase)/Decrease in other receivables |  | - |  | (7,101) |
| Increase/(Decrease) in other payables |  | 21000 |  | - |
|  |  |  |  |  |
| Total Changes in working capital |  | 21,000 |  | (7,101) |
|  |  |  |  |  |
| **Cash flows (used in)/from operations** |  | 29,836 |  | 8,552 |
|  |  |  |  |  |
| Interest received |  | - |  | 1,042 |
|  |  |  |  |  |
| **Net Cash flows (used in) / from operating activities** |  | 29,836 |  | 9,594 |
|  |  |  |  |  |
| **FINANCING ACTIVITIES** |  |  |  |  |
| Proceeds from share capital issued |  | - |  | 1 |
|  |  |  |  |  |
| **Net cash flows (used in)/from financing activities** |  | - |  | 1 |
|  |  |  |  |  |
| **Net increase/(decrease) in cash and cash equivalents** |  | 29,836 |  | 9,595 |
| **Cash and cash equivalents b/f** |  | 9,595 |  | - |
| **Cash and cash equivalents c/f** |  | 39,431 |  | 9,595 |

**ACCOUNTING POLICIES AND EXPLANATORY NOTE TO FINANCIAL STATEMENTS**

**For the period from 1 May 2019 to 30 April 2020**

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

1. GENERAL INFORMATION

The Company is a private limited liability company, incorporated and domiciled in Singapore.

The registered office and principal place of business of the Company is disclosed in the “contents” page at the introduction of this report.

The principal activities of the Company in the course of the financial period are those of restaurants and food courts, coffee shops, and eating houses (with mainly food and beverage income).

The director has authorised the financial statements for issue in accordance with a resolution of the directors on the date of the statement by Directors.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
2. **Basis of financial statements preparation**

The financial statements of the Company have been prepared in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards (“FRS”). The financial statements are expressed in Singapore Dollars and prepared under the historical cost convention.

The accounting policies have been consistently applied throughout the financial period.

The preparation of financial statements in conformity with FRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. Although these estimates are based on management’s best knowledge of current events and actions, actual results may ultimately differ from those estimates. There were no significant judgements and estimates made during the financial period.

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 period affected.

The Company has not applied any new/revised FRS or interpretations that have been issued as of the end of the reporting period but are not yet effective. The initial application of these standards ad interpretations, where applicable, are not expected to have any material impact on the Company’s financial statements.

1. **Financial instruments**

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial instruments are initially recorded at cost or transaction price which is fair value of the consideration given or received. They are subsequently measured at fair value, amortised cost or cost based on their classifications as described in this note and accounted for in accordance with FRS 32 and FRS 39.

The financial instruments of the Company are primary instruments that arose from its operations. The Company does not enter into derivative contracts to manage its risks or trade in them or hold any held-to-maturity financial assets. Neither are there any financial assets nor financial liabilities that are held-for-trading. None of the financial instruments are designated as fair value through profit and loss at initial recognition. Thus , the financial instruments of the Company are classified as loans and receivables, available-for-sale financial assets and other liabilities.

Except for term loans, if any, all the other financial instruments are of short duration between origination and realisation, without contractual interest rate and with immaterial discount or premium, and in most of the trade transactions, are usually settled within the normal credit terms or on demand, thus, amortised cost approximates their costs for all the financial instruments of the Company.

**Trade and other receivables**

Trade and other receivables which are financial assets are accounted for as loans and receivables under FRS 39 and are initially measured at fair value which is either the original invoiced amount or the nominal value and subsequently measured at amortised cost.

An allowance is made for uncollectible amounts when there is objective evidence that the debts could not be recovered and the receivables have been impaired. Bad debts are recognised in statement of comprehensive income when it is established that they are irrecoverable.

**Trade and other payables**

Trade and other payables that are financial liabilities and bank overdrafts are classified as other liabilities and initially measured at fair value and subsequently at amortised cost.

**Cash and cash equivalents**

These comprise cash on hand, demand deposits, and short-term, highly liquid financial assets that are readily convertible to known amount of cash and cash equivalents with an insignificant risk of changes in value.

1. **Impairment of assets**

At the end of each reporting period an assessment is made whether if there is any indication of impairment of any tangible asset, other than those at fair value through profit and loss, or if an impairment loss recognised in previous periods have decreased or may no longer exist. Only when there is such an indication, the recoverable amount of the asset is estimated for the purpose of determining the impairment loss or whether there is a decline in impairment loss previously recognised which should be reversed.

**Non-financial assets other than inventories**

The recoverable amount of an assets or the cash generating unit which it belongs, is the higher of value in use and its fair value less costs to sell. If the carrying amount is more than its recoverable amount, an impairment loss is recognised in statement of comprehensive income except when the asset is carried at revalued amount, then the impairment loss is treated as a decrease in the relating revaluation reserve with any excess recognised in statement of comprehensive income. The carrying amount of the asset is reduced by the use of an allowance account.

An impairment loss is reversed to statement of comprehensive income if there has been a change in the estimates used to determine the recoverable amount since the last impartment was recognised. The reversal is recognised in statement of comprehensive income but it should not result in the carrying amount of the asset exceeding the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

**Financial assets**

A financial asset is impaired if the present value of its estimated future cash flows, discounted at the relevant rates, is less than its carrying amount. Impairment loss of financial assets carried at amortised cost or at cost is recognised in statement of comprehensive income. Any reversal of impairment loss is also recognised in statement of comprehensive income. However, for unquoted equity instruments which are carried at cost because their fair value cannot be reliably measured, investment loss is not reversed in subsequent period.

Available-for-sale financial asset is carried at fair value with any decline in fair value recognised in equity. If such asset is impaired, the cumulative loss is then removed from equity and recognised in statement of comprehensive income. Reversal of impairment loss for available-for-sale debt instrument shall be through the statement of comprehensive income but not for equity instrument available-for-sale.

1. Derecognition of financial instruments

**Derecognition of financial assets**

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On derecognition of a financial asset, the difference between the carrying amount and the sales proceeds is recognised in the statement of comprehensive income. Any amount in the fair value reserve relating to the asset is transferred to the statement of comprehensive income.

**Derecognition of financial liabilities**

Financial liabilities are derecognised when the obligation under the liability is discharged, cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in statement of comprehensive income.

1. **Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. The cost of asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location and location for its intended use. Expenditure for additions, improvements and renewals is capitalised and expenditure for repair and maintenance is charged to the statement of comprehensive income in the period in which it is incurred.

Fully depreciated assets still in used are retained in the financial statements until they are no longer in use. Any gain or loss in disposal of property, plant and equipment is taken to statement of comprehensive income.

Where an indication of impairment exists, the carrying amount of the property, plant and equipment is assessed and written down to its recoverable amount.

The gain or loss arising from the retirement or disposal of an item of property, plant and equipment is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in the statement of comprehensive income.

1. **Provisions**

Provisions are recognised when the Company has a present obligation, legal or constructive, as a result of a past event and it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

1. **Related parties**

Related parties are companies, entities or individuals who are connected directly or indirectly with the directors or shareholders and to whom or from whom, are able to exact a significant influence on the operational and financial objectives of the parties.

1. **Income tax**

Income tax expense for the financial period comprises current and deferred tax. Income tax is recognised in the statement of comprehensive income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using rates enacted or substantially enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled based on tax rates enacted or substantially enacted by the end of the reporting period. Temporary differences are not recognised for those items spelt out in the Singapore Financial Reporting Standard on the subject.

Deferred tax liabilities are provided, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

1. **FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The company in its normal course of operations assumes and is exposed to financial risks relating to liquidity risk, credit risk. Foreign currency rate and interest rate risk. The Company does not hedge against any risks, nor does it enter into any derivative contracts of any form to managed or to transfer these financial risks. Except as discussed below, financial risks are not managed proactively. Any imminent adverse or threatening financial risks are reviewed and managed by the directors with the objective of minimising or reducing the exposure to financial risk.

Liquidity risk will arise if the Company encounters difficulty in raising funds to meet commitments associated with financial instruments or an inability to sell financial asset quickly at close to its fair value.

The Company has no concentration of credit risk due to the exposure to a single, significant debtor or group of debtors in the same geographical region or industry. The maximum exposure to credit risk is best represented by the carrying amount, net of any applicable allowance, of each financial asset as there is no legally enforceable netting arrangement. Where there is such a credit risk, it will be disclosed in the relevant notes of the financial assets concerned.

Any other significant financial risks, including price risk relating to any particular financial instruments are discussed, where applicable, in the notes to the relevant financial instruments together with other relevant information. Price risk encompasses market risk, foreign currency exchange risk, and interest rate risk relating to fair value and to cash flows.

The Company’s operational activities are carried out in Singapore dollars which is the functional currency. All transactions are paid mainly in local currency. Exposure to any risk arising from movements in foreign currencies exchange rate in minimal.

The Company exposure to interest rate risk arises primarily for finance lease liability. The Company monitors the interest rates on borrowing to ensure that the borrowings are maintained at favourable rates.

**Fair value of financial assets and liabilities**

The carrying amounts of the current financial instruments approximately their fair value due to relatively short duration between origination of the financial instruments and their realisation or settlement.

1. **OTHER RECEIVABLES**

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2020 |  | 2019 |
|  | S$ |  | S$ |
| Deposits | 7100 |  | 7,100 |
| Director accounts | 1 |  | 1 |
|  |  |  |  |
|  | 7101 |  | 7,101 |

1. **CASH & CASH EQUIVALENT**

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2020 |  | 2019 |
|  | S$ |  | S$ |
| Cash at Bank | 39,431 |  | 9,595 |
|  | 39,431 |  | 9,595 |

1. **SHARE CAPITAL**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **2020** | |  | **2019** | |
|  | No. of shares | S$ |  | No. of shares | S$ |
| **Issued and fully paid** |  |  |  |  |  |
| **Ordinary shares** |  |  |  |  |  |
| At date of incorporation | - | - |  | - | - |
| Issuance of ordinary shares | 1 | 1 |  | 1 | 1 |
|  |  |  |  |  |  |
| At 30 April | 1 | 1 |  | 1 | 1 |

At the date of incorporation, 1 ordinary shares were issued and fully paid for cash as subscriber’s share and working capital to the Company.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction.

**Capital management**

Being an owner-managed SME, the objectives of the Company’s capital management are to safeguard the Company’s ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. The management manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce borrowings.

1. **OTHER PAYABLES**

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2020 |  | 2019 |
|  | S$ |  | S$ |
| Loan from Jian En | 21,000 |  | - |
|  |  |  |  |
|  | 21,000 |  | - |

1. **REVENUE**

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2020 |  | 2019 |
|  | S$ |  | S$ |
| Revenue | 762,838 |  | 619,611 |
|  |  |  |  |
|  | 762,838 |  | 619,611 |

1. **OTHER INCOME**

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2020 |  | 2019 |
|  | S$ |  | S$ |
| Interest Received | - |  | 1,042 |
| Government Grant | 44,868 |  | 1,752 |
|  |  |  |  |
|  | 44,868 |  | 2,794 |

1. **EMPLOYEE BENEFITS EXPENSE**

|  |  |  |  |
| --- | --- | --- | --- |
|  | 2020 |  | 2019 |
|  | S$ |  | S$ |
| CPF | 83,523 |  | 55,417 |
| Salary | 140,661 |  | 75,106 |
|  |  |  |  |
|  | 224,184 |  | 130,523 |

1. **COMPARATIVE FIGURES**

The current financial period comprises 12 months from 1 May 2019 to 30 April 2020 as the Company changed its financial year end from 30 April 2018 to 30 April 2019.

|  |  |  |  |
| --- | --- | --- | --- |
| **DETAILED STATEMENT OF COMPREHENSIVE INCOME** | |  |  |
| **FOR THE PERIOD FROM 30 APRIL 2018 TO 31 MAY 2019** | |  |  |
|  | 2020 |  | 2019 |
|  | S$ |  | S$ |
| **Sales** | 762,838 |  | 619,611 |
| Less: Cost of sales | 315,167 |  | 350,770 |
| **Gross profit / (loss)** | 447,671 |  | 268,841 |
|  |  |  |  |
| **Add: Other income** |  |  |  |
| Interest Received | - |  | 1,042 |
| Government Grant | 44,868 |  | 1,752 |
|  |  |  |  |
| Total Other Income | 44,868 |  | 2,794 |
|  |  |  |  |
| **Less: Administrative and other operating expenses** | |  |  |
| Advertisement | - |  | 95 |
| Agency Fee | - |  | 1,910 |
| Bank Charges | 476 |  | 529 |
| Insurance | - |  | 409 |
| License Fee | 259 |  | - |
| Levy | 51,813 |  | 36,290 |
| Professional Fee | 1,575 |  | - |
| Penalty | - |  | 500 |
| Training Fee | 949 |  | - |
| Rental | 155,862 |  | 77,572 |
| Rental for staffs | 25,200 |  | - |
| Staff Subsidy | 18,000 |  | - |
| Staff Welfare | 675 |  | 566 |
| Stalls Expenses | 4,710 |  |  |
| Upkeep of equipment | - |  | 6,546 |
|  | 259,519 |  | 124,417 |
|  |  |  |  |
| **Less: Employee Benefits Expenses** |  |  |  |
| CPF Expenses | 83,523 |  | 55,417 |
| Salary | 140,661 |  | 75,106 |
|  | 224,184 |  | 130,523 |
|  |  |  |  |
| Total Expenses | 483,703 |  | 254,940 |
|  |  |  |  |
| Profit / (loss) from operations | 8,836 |  | 16,695 |