Sustainable Energy Association of Singapore

(SEAS)

Annual Report 2013

CONTENTS

01

The Chairman's Message

Asia is growing at a rate never seen before, and governments across the region are striving to meet the high-energy demands of their growing population and industries. However, as energy demand increases, governments are challenged by the need to balance the need for base load for energy supply with the need for clean, efficient and cost effective renewable energy solutions to achieve sustainable economic growth. Asia is currently the world's leading market for such solutions to meet the needs of its energy hungry development path and to cater to the needs of consumers as a centre for goods production. Singapore aims to be the centre for sustainable energy and it is SEAS' mission to help develop Singapore towards that goal.

The sustainable energy outlook in Singapore is also changing to reflect this need for sustainable growth – during the Singapore International Energy Week 2013, the Singapore government announced that it aims to increase the capacity for intermittent sources of energy from 350MW to 600MW by 2020. The industry received this news positively as this brings more growth and will position Singapore as the leader in this space. SEAS also produced a white paper to explain how renewable energy can contribute up to 7% of Singapore's energy mix by 2025, which aligned well with another recent government announcement in April 2014 that more solar projects (350MW) will be implemented on government buildings through the SolarNOVA programme between now and 2020.

In 2013, SEAS focused on assisting our members through our business development services. It has been chosen to lead a few national government initiatives and this opened many opportunities for our members and other companies in clean energy sector. Programmes like the SME Energy Efficiency Initiative enabled SEAS members to help SMEs in industry, reduce energy costs, increase productivity and in the process reduce their emission reductions. The SEAS Cleantech Incubator & Accelerator also aims to cultivate cleantech innovations in the heart of CleanTech One, and SEAS in this respect SEAS has partnered with a few members who will contribute their expertise to help other start-ups. You will be able to read more about these projects in this annual report.

SEAS will continue with capacity building through our training programmes. Testimonials from participants of the highly successful Singapore Certified Energy Manager (SCEM) course showed that the training courses empowered them with relevant knowledge and content to boost their capabilities, and add value to their businesses. SEAS' training programmes cover a wide variety of topics and skill sets – from management training at the CEO level to technical skills. Thus, these training programmes will be able to empower professionals in this industry.

SEAS secretariat worked consistently to enhance member engagement through strong communication and PR. The Association received interest from national TV, newspapers as well as trade publications where a number of articles and interviews were made throughout the year. We also actively stepped into the social media arena with a Facebook page and a LinkedIn presence. There were many networking events organised with a strong member turnout.

Dear members, SEAS is your association and I look forward to your continued support and participation. We will continue to strive as an Association to support and help each member in your progress and expansion in the ASEAS and the greater Asian region.

Mr. Edwin T.F. Khew
SEAS Council, Chairman

02

Business Development

Helping SMEs save their energy bills and become energy efficient at the same time

Many manufacturing processes can be made more efficient, which will reduce energy costs for SMEs.

In August 2013, SEAS was appointed as the lead organisation to manage the national Small and Medium Size Enterprise Energy Efficiency Initiative (SME-EE) supported by SPRING Singapore, the National Environment Agency (NEA) and the Information and Development Authority of Singapore (IDA).

The SME-EE initiative is targeted at supporting Singapore based manufacturing sector SME's to improve their profitability and productivity through lowered operational expenses incurred by high energy needs. As much as 40% of operational costs can be attributed to energy consumption of many manufacturing based SME's in Singapore.

This S$17 million-dollar initiative brings together existing government grants to help SMEs reduce their energy costs, increase productivity, and promote energy efficiency. One such grant is the iSPRINT grant, where companies can get reimbursed for the M&V solutions that they implement, which will help them become more energy efficient, more productive, and it helps them to reduce costs as well.

SEAS role to lead this programme is to support SME's to connect to the right energy auditors, navigate the grant domain, connect to appropriate solutions that are relevant to their industrial processes and assist them with saving costs by realisation of energy efficiency gains in their operations. SEAS is also responsible for working with its Members to customize solutions for various industrial sectors, bundling the capabilities of various members together and offering holistic solutions to maximise savings for SME's in their manufacturing facilities. SEAS is also offering skills upgrading programmes for energy efficiency to SME's as well as capacity building CEO round tables to introduce the concept of energy efficiency and profitability to leaders in the SME sector.

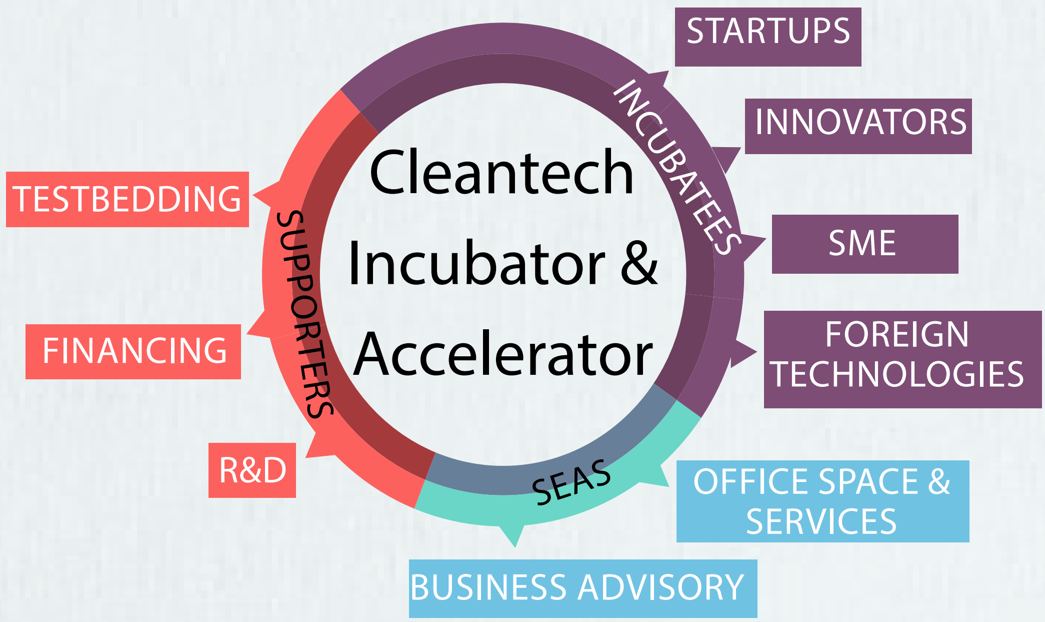
SEAS hopes to target several hundred SME's over the next 3 years with the support of its initiative partners while supporting the growth of its membership base by facilitating connectivity to new business ventures.

Nurturing the next generation of CleanTech entrepruneurs in Singapore and the region

October 2013 saw the launch of Singapore's first CleanTech Business Incubation and Acceleration centre located at the CleanTech Park. The centre is a joint effort lead by SEAS & JTC, and supported by the Institute of Engineers, Singapore, Red Dot Ventures, Energy Studies Research Institute @ NTU, Solar Energy Research Institute of Singapore (SERIS), Nanyang Environment and Water Research Institute (NEWRI).

The Cleantech Incubator is geared to assist local start-ups, innovators and entrepreneurs with business development, technology commercialisation, research and development as well as testbedding and business growth. The Cleantech Acceleration services offered by SEAS assist both local and international enterprises expand the reach of their technology and their business, using Singapore as a springboard into the region. The Cleantech Incubator cum Accelerator's mission is to provide local and foreign innovative Cleantech companies with a one-stop business support solution in Singapore as a bridge to Asia.

Some highlights of supportive offerings include access to grants and financing for technology deployment, local and regional industry and market intelligence, a managed low cost office space at the CleanTech One building and business advisory services by SEAS.



03

International Events

Asia Future Energy Forum 2013

A collaboration of technological, financial, innovation and entrepreneurial forces

The Asia Future Energy Forum (AFEF) is the common platform for technology providers, finance and research instiutions to collaborate together. As a supporting partner for this event, SEAS was also the catalyst in bringing all these various parties together.

During the opening ceremony, the first 6 partners of the Cleantech Incubator-cum-Accelerator signed their partnership with SEAS. The signing of this partnership at AFEF is significant, because the Cleantech Incubator-cum-Accelerator is the collective of finance, research, innovation and enterprise capabilities that will build sustainable clean technology solutions, which fits in with the goal of AFEF 2013.

Guests at the opening ceremony of the Asia Future Energy Forum 2013.

The official signing of SEAS' Cleantech Incubator & Accelerator partners.

Business Matching at AFEF

Bringing potential business opportunities to members

The AFEF attracted exhibitors from The Netherlands, Japan, Singapore, and the Ministry of Energy, Thailand. SEAS organised a business matching session between our members and these exhibitors, as a reverse business mission between the exhibiting companies and SEAS members. 10 SEAS member companies and13 of the exhibiting companies took part. The session lasted 3 hours and 33 matches were made.

Our members found a lot of synergy with the companies they chose to meet, and found the session very useful in getting business opportunities. They were also pleased at the opportunity to meet several policy makers including Dr Twarath Sutabutr, Deputy Director-General of the Department of Alternative Energy Development and Efficiency, Ministry of Energy, Thailand.

SEAS members from OPOWER in discussion with Dr Twarath.

SEAS Council member Mr. Oh Wee Khoon (left) and a representative from one of the Dutch companies.

Iota Omega Ventures Pte Ltd in a discussion during the business matching session.

Anacle Systems meeting one of the Dutch companies who were also exhibitors at AFEF.

SGS International Certification Services was one of the SEAS members that attended the event.

Members Networking Evening

José María Figueres, President, Carbon War Room & former President of Costa Rica, gave the opening address.

SEAS also organised a networking evening to provide a more informal setting for our members and exhibitors to interact with each other. It also provided our members the chance to interact with other exhibitors that they did not get a chance to speak with during the business matching sesstion. More than 80 other members and professionals from the sustainable energy industry also attended the networking evening.

Mr. José María Figueres with Ms. Kavita Gandhi, SEAS Executive Director, and Mr. Edwin Khew, SEAS Chairman.

More than 80 SEAS members and guests turned up at the networking evening which was held on the 2nd day of SIEW, and the first day of the AFEF.

Mr. José María Figueres giving the opening address.

PV Asia Pacific Conference

Honouring Solar Pioneers and Leaders

Photo Credits: PHOENIX SOLAR

The Asian Photovoltaic Industry Association (APVIA) Awards and Solar Leaders Awards were also held during the conference. We would like to congratulate SEAS members Sunseap and Phoenix Solar (pictured on the left) for winning at the APVIA Awards, and the Solar Leaders Awards.

We would also like to congratulate SEAS Chairman Mr. Edwin Khew, who was appointed as the Secretary-General of the APVIA.

Partners of the PV Asia Pacific Conference.

Renewable Energy Asia / ENTECH, Bangkok Thailand

4 – 8 June 2013

2013 saw the participation from Singapore based companies operating in Thailand grow though the Renewable Energy Asia / ENTECH supported by SEAS annually. With over 150 square meters of space hosting 9 Singapore based companies the show grew by 20% in floor space with over $13.5 million in deals under negation over the 4 day trade show. This was the third year the show has been supported by SEAS to generate value for Singapore based companies in various sectors of sustainable energy. Some highlights of the show included speaking slots for various exhibiting companies at technology sharing sessions on the trade floor, an exclusive business development networking lounge in the Singapore Pavilion and opportunities to connect with senior regional government officials keen to explore technology transfer.

Kuala Lumpur Business Mission

9 – 11 Oct 2013

SEAS conducted as study trip to Kuala Lumpur, Malaysia with an aim to find out the status of development within the solar, biomass and energy efficiency sectors, underlying investments, policy frameworks, projects and key market players. This mission was promoted as a business mission under SEAS LEAD programme but SEAS was unable to meet the minimum requirement of 6 Singapore companies to offer the grant reimbursements. However, there were still 4 Singapore-based companies who participated at full cost on this mission. Highlights of this mission included business meetings and a visit to the iGEM trade show.

Sectors of engagement for Singapore-based expertise:

- Bio-energy: biomass, biogas generation and waste to energy
- Solar building integrated PV systems and Solar PV farms
- Energy efficiency for manufacturing
- Energy efficiency for buildings such as malls

Companies visited during the mission:

1. Federation of Malaysian Manufacturers
2. Malaysian Debt Venture Berhad
3. Sime Darby Plantations Sdn Bhd
4. Malaysian Shopping Malls Association
5. Indah Water Konsortium
6. KUB-Berjaya Enviro
7. YTL Corporation Bhd
8. Additional Opportunities

04

Thought Leadership

White Paper: Renewable Energy can make up to 7% of S'pore's energy mix by 2025 without government subsidies

Some of the White Paper co-authors: (from left to right) Ms. Ragna Schmidt-Haupt, Mr. Low Kian Beng, Mr. Edwin Khew, Ms. Sandra Seah, Mr. Steve Peters, Mr. Christophe Inglin.

In its first white paper SEAS used the approach of crowd sourcing ideas from its very illustrious group of members in the solar & biomass sector armed with industry specific insights and the latest industry developments. The results were very encouraging indeed with the white paper group calculating roof space, biomass & organic feedstock, overriding it with parameters such as penetration rates, technologies available and coming up with the projection on electricity generated from renewable energy sources by 2025. The white paper also addressed the various barriers to adoption and suggestions on factors that would accelerate the adoption of Renewable energy.

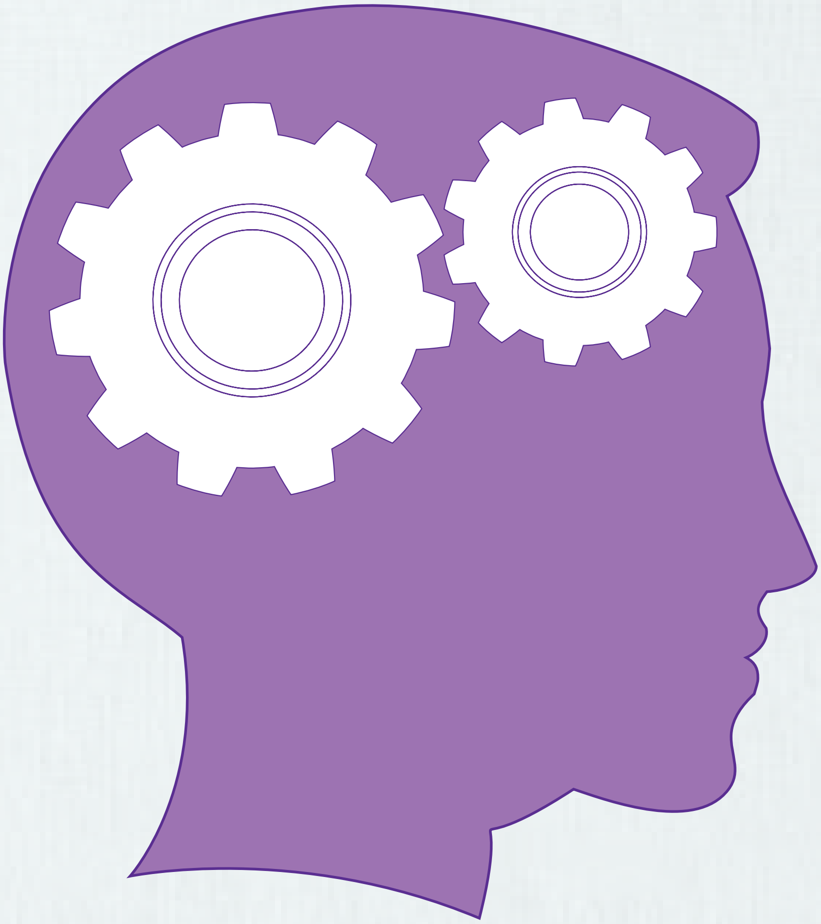
The white paper's purpose was to establish thought leadership in the area of sustainable energy. The members and industry experts that SEAS worked with came from different industry sectors – solar energy, biomass, biogas, wind, law and financing. They are industry leaders in their specific sector and thus very experienced and knowledgeable about what is needed in order to accelerate the take up rate of renewable energy in Singapore.

After the paper's publication, the White Paper was shared with the relevant ministries and their agencies – the Energy Market Authority, the National Environment Agency, the Ministry of Environment and Water Resources, National Climate Change Secretariat (Prime Minister's Office), JTC, EDB, IE Singapore, to name some. The government is actively working with the industry to further understand and address the recommendations highlighted in the white paper.

Most recently, the government announced its intention to increase solar power capacity to 600 MW by 2020 through the SolarNOVA programme, which was very optimistically received by the industry. This also meets with the goal of the SEAS White Paper, which is to accelerate renewable energy adoption in Singapore.

White Paper co-author Mr. Christophe Inglin showing that we can achieve 2GWp of solar power in SIngapore by 2025

About 50 guests from the public and private sector, as well as the press attended the launch. The half-day event concluded with a lively panel session after lunch between the guests and co-authors and industry experts.



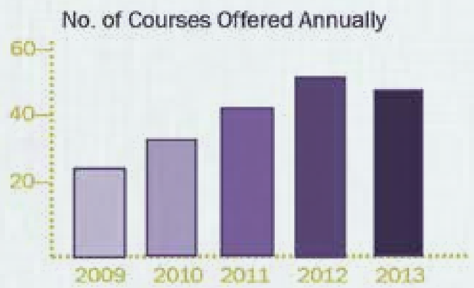
05

Knowledge Development

Taking Training Forward:

Training has been a pillar of the Association since its inception. In any new industry sector, there is always a need to provide high quality, practical education to build knowledge capacity, foster understanding and promote adoption. Courses on offer cover the spectrum from technical through to managerial topics, and we also offer industry recognised certifications. The number of courses and attendees has grown and we have trained more than 7,000 professionals to date. The course trainers are highly qualified academic professionals and acknowledged industry experts.

The government implemented the Energy Conservation Act (ECA) from 22 April 2013 to get large consumers of energy to manage their energy usage. SEAS has been assisting the companies to understand industrial energy efficiency and optimize costs by conducting training in this area on an on-going basis.



The ISO 50001 standard focusses on energy efficiency standards, thus in order to equip the companies with knowledge about this standard, SEAS runs several courses, from the ISO 50001 Energy Management System Lead Auditor Course (recognised by the world's original and largest international auditor certification body, International Register of Certificated Auditors (IRCA)), as well as courses for companies covering areas like implementation of ISO 50001. With this standard, the energy managers can use the management system to achieve continual improvement of energy performance.

Further capitalizing on trends in renewable energy, SEAS has developed a course on Financing Solar Power projects. Power plants that generate energy from renewable resources, particularly solar power, are an increasingly important investment opportunity in Asia. Therefore, the course SEAS developed discusses approaches to develop solar projects to ensure these projects are structurally sound and bankable.

Moving forward, SEAS aims to help conceptualize workshops to target policy–makers and administrators of national governments in the Asia-Pacific region, especially from the finance, environment and climate change related ministries. We aim to build the capacity of governments in the region to facilitate private sector

To date, we have:
Trained more than 7,000 professionals
&
Conducted more than 200 courses in total

Students of the Solar PV Design, Installation and Maintenance course are at ITE Simei to get a first hand look at the solar PV panels.

Students of the Combined Heat and Power course at a site visit.

Government officials from the Asia-Pacific region attending a SEAS-GIZ course on encouraging private financing in clean energy. Private investors were also present at the course to provide some insights to the officials.

06

The SEAS COUNCIL

The SEAS Council consists of 11 Members. These officials are elected from the SEAS Member companies. Currently the Council is chaired by Mr. Edwin T.F. Khew.

The patron of SEAS is Ms. Grace Fu,
Second Minister for the Environment and Water Resources,
Minister, Prime Minister's Office,
Second Minister for Foreign Affairs.

Mr. Edwin T.F. Khew,
Chairman, SEAS Council

Mr. Edwin T.F. Khew is the Managing Director of Anaergia Pte Ltd and is responsible for the SE Asian region and all R&D being done by the group in Asia. Singapore is also the financial centre for Anaergia's project development and financing for all projects undertaken by the group in Asia

Mr. Oh We Khoon,
Vice Chairman, SEAS Council

Mr. Oh We Khoon is the founder and Managing Director of Sobono Energy Private Limited; a Singapore based company that provides green and renewable energy products and solutions throughout the Asia Pacific region.

Mr. Christophe Inglin,
Chairman, Clean Energy Committee

Mr. Christophe Inglin is the Managing Director of Phoenix Solar Pte Ltd, which he co-founded in 2006. The company is now Singapore's leading contractor for design and installation of solar photovoltaic (PV) power systems.

Mr. Michael Heng,

Chairman, Sustainble Mobility Committee

Mr. Michael Heng is the President and CEO of Energycorp Global Pte Ltd. Energycorp promotes renewable energy from wind, solar and other natural sources, supporting unique value innovations to harness renewable natural energy.

Mr. Vincent Low,

Chairman, Energy Efficiency Committee

Mr. Vincent Low is the Vice President (Business Development) for G-Energy Global Pte Ltd. (Singapore). The company is recognized as an Energy and Sustainable Design consulting firm and also helps companies to achieve the Building Energy Efficiency Labelling Award.

Mr. Yanis Boudjoher,

Chairman, Finance Committee

Mr. Yanis Boudjoher is CEO of ReEx Capital Asia Pte Ltd. ReEx Capital Asia is a leading clean energy investment banking and consulting boutique specialized in Asia Pacific region.

Mr. Low Kian Beng

Mr. Low Kian Beng is the Group Deputy Chief Executive Officer and Executive Director of ecoWise Holdings Limited, a Singapore SGX listed environmental company.

Mr. Øvyind Haasas

Mr. Ovyind Haasas is President and CEO of REC Solar ASA. His key competencies include turning businesses around, restructuring projects as well as launching of new products and market segments.

Mr. Philip Doyle

Mr Philip Doyle joined KPMG's Research and Development Incentives team in April 2013 where he works with innovative companies across the Asia Pacific region to improve their knowledge of, and access to, research and development incentives and government support.

Ms. Sandra Seah

Ms. Sandra Seah is a Partner at ATMD Bird & Bird LLP, an international law firm. Sandra has extensive experience in energy and environmental regulatory work in Singapore.

Dr. Sanjay Kuttan

Dr. Sanjay Kuttan is the Director and Country Manager Clean Technology Centre, DNV GL. The company provides risk management and technical advisory services across the power and energy sectors.

07

SEAS Committee Structure

The following Government agencies act as advisors to the Council:

National Environment Agency

SPRING singapore
Enabling Enterprise

Patron

Ms. Grace Fu

Minister, Prime Minister's Office,
Second Minister for the MEWR,
Second Minister for Foreign Affairs

The following Government agencies act as advisors to the Council:

ie Singapore
Driving Singapore's External Economy

EDB singapore

Mr. Edwin Khew
Chairman, SEAS
Managing Director,
Anaergia Pte Ltd

Mr. Oh Wee Khoon
Vice Chairman, SEAS
Managing Director,
Sobono Energy Ltd

Mr. Yanis Boudjoher
Chairman of the Finance Committee, SEAS
CEO,
ReEx Capital Asia Pte Ltd

Mr. Christophe Inglin
Chairman of the Clean Energy Committee, SEAS
Managing Director,
Phoenix Solar Ltd

Mr. Michael Heng
Chairman of the Sustainable Mobility, SEAS
President & CEO,
Energycorp Global Pte Ltd

Mr. Vincent Low
Chairman of the Energy Efficiency Committee, SEAS
Vice President,
G-Energy Global Pte Ltd

08

Financial Data

RSM Chio Lim
Audit · Tax · Advisory

SUSTAINABLE ENERGY ASSOCIATION OF SINGAPORE

(Registration No: T06SS0142H)

Statement by Council and Financial Statements

Year Ended 31 December 2013

RSM Chio Lim LLP
8 Wilkie Road, #03-08, Wilkie Edge, Singapore 228095
T +65 6533 7600 F +65 6594 7811
info@rsmchiolim.com.sg www.RSMChioLim.com.sg
UEN: T09LL0008J

SUSTAINABLE ENERGY ASSOCIATION OF SINGAPORE
(Registration No: T06SS0142H)

Statement by Council and Financial Statements

Contents **Page**

5360-13

SUSTAINABLE ENERGY ASSOCIATION OF SINGAPORE
(Registration No: T06SS0142H)

Statement by Council

In the opinion of the council,

(a) the accompanying statement of profit or loss and other comprehensive income, statement of financial position, statement of changes in accumulated fund, statement of cash flows, and notes thereto are drawn up so as to give a true and fair view of the state of affairs of Sustainable Energy Association of Singapore (the "Association") as at 31 December 2013 and of the results, changes in accumulated fund and cash flows of the Association for the reporting year then ended; and

(b) at the date of this statement there are reasonable grounds to believe that the Association will be able to pay its debts as and when they fall due.

The council members approved and authorised these financial statements for issue.

On Behalf of The Council,

Edwin Khew Chairman	Low Loke Kiong Hon-General Secretary	Christophe Inglin Hon-Treasurer

6 MAY 2014

RSM Chio Lim
Audit · Tax · Advisory

RSM Chio Lim LLP
8 Wilkie Road, #03-08, Wilkie Edge, Singapore 228095
T +65 6533 7600
www.RSMChioLim.com.sg

Independent Auditors' Report to the Members of
SUSTAINABLE ENERGY ASSOCIATION OF SINGAPORE
(Registered under the Societies Act, Chapter 311)
(Registration No: T06SS0142H)

Report on the Financial Statements

We have audited the accompanying financial statements of Sustainable Energy Association of Singapore (the "Association"), which comprise the statement of financial position as at 31 December 2013, and the statement of profit or loss and other comprehensive income, statement of changes in accumulated fund and statement of cash flows for the reporting year then ended, and a summary of significant accounting policies and other explanatory information.

Council's Responsibility for the Financial Statements

The council members are responsible for the preparation of financial statements that give a true and fair view in accordance with the Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair statement of comprehensive income and statement of financial position and to maintain accountability of assets.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independent Auditors' Report to the Members of
SUSTAINABLE ENERGY ASSOCIATION OF SINGAPORE
(Registered under the Societies Act, Chapter 311)
(Registration No: T06SS0142H)

– 2 –

Opinion

In our opinion, the accompanying financial statements are properly drawn up in accordance with the Singapore Financial Reporting Standards so as to present fairly, in all material respects, the state of affairs of the Association as at 31 December 2013 and the results, changes in accumulated fund and cash flows of the Association for the reporting year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the regulations enacted under the Societies Act to be kept by the Association have been properly kept in accordance with those regulations.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

6 May 2014

Partner in charge of audit: Chan Sek Wai
Effective from year ended 31 December 2012

SUSTAINABLE ENERGY ASSOCIATION OF SINGAPORE
(Registration No: T06SS0142H)

Statement of Profit or Loss and Other Comprehensive Income
Year Ended 31 December 2013

	Notes	2013 $	2012 $
Revenue	4	1,448,697	1,461,124
Other Item of Income			
Other Credits	5	19,664	14,341
Other Items of Expense			
Seminar Expenses		(54,551)	(69,696)
Training Expenses		(568,448)	(453,780)
Business Development Expenses		(11,440)	(37,333)
Employee Benefits Expense	7	(565,174)	(515,952)
Depreciation Expenses	9	(48,703)	(38,611)
Other Expenses	6	(199,183)	(196,439)
Other Charges	5	(139)	(134)
Surplus Before Tax from Continuing Operations		20,723	163,520
Income Tax Expense	8	–	(5,500)
Surplus from Continuing Operations and Total Comprehensive Income, Net of Tax		20,723	158,020

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

SUSTAINABLE ENERGY ASSOCIATION OF SINGAPORE
(Registration No: T06SS0142H)

Statement of Financial Position
As at 31 December 2013

	Notes	2013 $	2012 $
ASSETS			
Non-Current Asset			
Plant and Equipment	9	178,892	151,758
Total Non-Current Asset		178,892	151,758
Current Assets			
Trade and Other Receivables	10	591,526	415,733
Other Assets	11	55,806	58,877
Cash and Cash Equivalents	12	669,236	945,318
Total Current Assets		1,316,568	1,419,928
Total Assets		1,495,460	1,571,686
FUND AND LIABILITIES			
Fund			
Accumulated Fund		1,339,021	1,318,298
Total Fund		1,339,021	1,318,298
Current Liabilities			
Income Tax Payable		1,441	9,147
Trade Payables	13	142,855	191,201
Other Liabilities	14	12,143	53,040
Total Current Liabilities		156,439	253,388
Total Liabilities		156,439	253,388
Total Equity and Liabilities		1,495,460	1,571,686

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

SUSTAINABLE ENERGY ASSOCIATION OF SINGAPORE
(Registration No: T06SS0142H)

Statement of Changes in Accumulated Fund
Year Ended 31 December 2013

	2013	2012
	$	$
Balance at Beginning of the Year	1,318,298	1,160,278
Movement in Accumulated Fund:		
Total Surplus for the Year	20,723	158,020
Balance at End of the Year	1,339,021	1,318,298

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

SUSTAINABLE ENERGY ASSOCIATION OF SINGAPORE
(Registration No: T06SS0142H)

Statement of Cash Flows
Year Ended 31 December 2013

	2013 $	2012 $
Cash Flows From Operating Activities		
Surplus before Tax	20,723	163,520
Depreciation for Plant and Equipment	48,703	38,611
Operating Cash Flows before Changes in Working Capital	69,426	202,131
Trade and Other Receivables	(175,793)	(157,498)
Other Assets	3,071	(9,394)
Trade Payables	(48,346)	46,449
Other Liabilities	(40,897)	(43,402)
Net Cash Flows (Used in) From Operations	(192,539)	38,286
Income Taxes Paid	(7,706)	(36,353)
Net Cash Flows (Used in) From Operating Activities	(200,245)	1,933
Cash Flow from Investing Activities		
Purchase of Plant and Equipment (Note 9)	(75,837)	(136,205)
Net Cash Flows Used in Investing Activities	(75,837)	(136,205)
Net Decrease in Cash and Cash Equivalents	(276,082)	(134,272)
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance	945,318	1,079,590
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance (Note 12)	669,236	945,318

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

Notes to the Financial Statements
31 December 2013

1. General

Sustainable Energy Association of Singapore (the "Association") is registered in Singapore under the Societies Act, Chapter 311. The financial statements are presented in Singapore dollars.

The council approved and authorised these financial statements for issue on date of Statement by Council.

The principal activities of the Association are to promote environmental companies and environmental technology in Singapore.

The registered office address of the Association is: 1 Cleantech Loop #02-16 Cleantech One Singapore 637141. The Association is situated in Singapore.

2. Summary of Significant Accounting Policies

Accounting Convention

The financial statements have been prepared in accordance with the Singapore Financial Reporting Standards ("FRS") and the related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council and the Companies Act, Chapter 50. The financial statements are prepared on a going concern basis under the historical cost convention except where an FRS requires an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in FRSs need not be applied when the effect of applying them is immaterial. The disclosures required by FRSs need not be made if the information is immaterial. Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in the income statement, as required or permitted by FRS. Reclassification adjustments are amounts reclassified to profit or loss in the income statement in the current period that were recognised in other comprehensive income in the current or previous periods.

Basis of Preparation of the Financial Statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the council to make 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 reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, council has made judgements in the process of applying the entity's accounting policies. The areas requiring council's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

2. **Summary of Significant Accounting Policies (Cont'd)**

Revenue Recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the reporting year arising from the course of the activities of the entity and it is shown net of any related sales taxes, estimated returns and rebates. Revenue from rendering of services that are of short duration is recognised when the services are completed. Revenue from membership fees are recognised on a straight-line basis over the term of membership. Revenue from entrance fees are recognised when the members joined the Association. Revenue from seminar and other related operations is recognises as and when the seminar are held.

Employee Benefits

Contributions to defined contribution retirement benefit plans are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it agrees to contribute to an independently administered fund which is the Central Provident Fund in Singapore (a government managed retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice.

Income Tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred income taxes are recognised as income or as an expense in surplus or deficit unless the tax relates to items that are recognised in the same or a different period outside surplus or deficit. For such items recognised outside surplus or deficit the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

2. Summary of Significant Accounting Policies (Cont'd)

Foreign Currency Transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in surplus or deficit except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

Plant and Equipment

Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Plant and equipment – 20%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

Plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. The gain or loss arising from the derecognition of an item of 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 surplus or deficit. The residual value and the useful life of an asset is reviewed at least at each end of the reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense.

2. Summary of Significant Accounting Policies (Cont'd)

Impairment of Non-Financial Assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through surplus or deficit to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in surplus or deficit. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs to sell and its value in use. When the fair value less costs to sell method is used, any available recent market transactions are taken into consideration. When the value in use method is adopted, 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. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. 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.

Financial Assets

Initial recognition, measurement and derecognition:

A financial asset is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through surplus or deficit includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through surplus or deficit are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based on the derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control. Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following four categories under FRS 39 is as follows:

1. Financial assets at fair value through surplus or deficit: As at end of the reporting year date, there were no financial assets classified in this category.

2. **Summary of Significant Accounting Policies (Cont'd)**

Financial Assets (Cont'd)

2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in surplus or deficit. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.

3. Held-to-maturity financial assets: As at end of the reporting year date, there were no financial assets classified in this category.

4. Available-for-sale financial assets: As at end of the reporting year date, there were no financial assets classified in this category.

Cash and Cash Equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

2. Summary of Significant Accounting Policies (Cont'd)

Financial Liabilities

Initial recognition, measurement and derecognition:

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expires. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through surplus or deficit includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit are expensed immediately. The transactions are recorded at the trade date. Financial liabilities including bank and other borrowings are classified as current liabilities unless there is an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting year.

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

1. Liabilities at fair value through profit or loss: Liabilities are classified in this category when they are incurred principally for the purpose of selling or repurchasing in the near term (trading liabilities) or are derivatives (except for a derivative that is a designated and effective hedging instrument) or have been classified in this category because the conditions are met to use the "fair value option" and it is used. Financial guarantee contracts if significant are initially recognised at fair value and are subsequently measured at the greater of (a) the amount determined in accordance with FRS 37 and (b) the amount initially recognised less, where appropriate, cumulative amortisation recognised in accordance with FRS 18. All changes in fair value relating to liabilities at fair value through profit or loss are charged to profit or loss as incurred. As at end of the reporting year date, there were no financial liabilities in this category.

2. Other financial liabilities: All liabilities, which have not been classified as in the previous category fall into this residual category. These liabilities are carried at amortised cost using the effective interest method. Trade and other payables and borrowings are usually classified in this category. Items classified within current trade and other payables are not usually re-measured, as the obligation is usually known with a high degree of certainty and settlement is short-term.

2. Summary of Significant Accounting Policies (Cont'd)

Fair Value Measurement

Fair value is taken to be the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (that is, an exit price). It is a market-based measurement, not an entity-specific measurement. When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value. In making the fair value measurement, management determines the following: (a) the particular asset or liability being measured (these are identified and disclosed in the relevant notes below); (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis; (c) the market in which an orderly transaction would take place for the asset or liability; and (d) the appropriate valuation techniques to use when measuring fair value. The valuation techniques used maximise the use of relevant observable inputs and minimise unobservable inputs. These inputs are consistent with the inputs a market participant may use when pricing the asset or liability.

The fair value measurements and related disclosures categorise the inputs to valuation techniques used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless state otherwise in the relevant notes to the financial statements. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The level is measured on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. If a financial instrument measured at fair value has a bid price and an ask price, the price within the bid-ask spread or mid-market pricing that is most representative of fair value in the circumstances is used to measure fair value regardless of where the input is categorised within the fair value hierarchy. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

2. Summary of Significant Accounting Policies (Cont'd)

Government Grants

A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. A grant in recognition of specific expenses is recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis. A grant related to depreciable assets is allocated to income over the period in which such assets are used in the project subsidised by the grant. A government grant related to assets, including non-monetary grants at fair value, is presented in the statement of financial position by setting up the grant as deferred income.

Critical Judgements, Assumptions and Estimation Uncertainties

There were no critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting year.

3. Related Party Relationships and Transactions

FRS 24 defines a related party as a person or entity that is related to the reporting entity and it includes (a) A person or a close member of that person's family if that person: (i) has control or joint control over the reporting entity; (ii) has significant influence over the reporting entity; or (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity. (b) An entity is related to the reporting entity if any of the following conditions apply: (i) The entity and the reporting entity are members of the same group. (ii) One entity is an associate or joint venture of the other entity. (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 reporting entity or an entity related to the reporting entity. (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).

3.1. Key management compensation:

	2013 $	2012 $
Remuneration of executive director of the Association	136,449	124,974

The above amounts are included under employee benefits expense (Note 7).

Key management personnel is the executive director who have the authority and responsibility for planning, directing and controlling the activities of the Association, directly and indirectly. The above amounts for key management compensation is for the executive director of the Association. The council members do not receive any remuneration from the Association during the reporting year.

4. Revenue

	2013 $	2012 $
Seminar income	83,662	93,367
Entrance fees	15,150	25,750
Government grant	347,887	46,889
Membership fees	60,515	73,158
Services income	12,750	121,905
Training income	904,685	1,085,819
Business development income	24,048	14,236
	1,448,697	1,461,124

5. Other Credits and (Other Charges)

	2013 $	2012 $
Foreign exchange transaction losses	(139)	(134)
Government grant income	19,664	14,341
	19,525	14,207
Presented in profit or loss as:		
Other Credits	19,664	14,341
Other Charges	(139)	(134)
Net	19,525	14,207

6. Other Expense

The major components include the following:

	2013 $	2012 $
LEAD program expense	62,390	77,521
Rental expenses	45,381	51,644
Withholding tax expense	17,799	10,625

7. Employee Benefits Expense

	2013 $	2012 $
Short term employee benefits expense	506,607	464,352
Contribution to defined contribution plan	58,567	51,600
Total employee benefits expense	565,174	515,952

8. Income Tax

8A. Components of tax expense recognised in profit or loss include:

	2013 $	2012 $
Current tax expense:		
Current tax expense	–	5,500
Total income tax expenses	–	5,500

The income tax in surplus varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17.0% (2012: 17.0 %) to surplus before income tax as a result of the following differences:

	2013 $	2012 $
Surplus Before Tax	20,723	163,520
Income tax expense at the above rate	3,523	27,798
Not liable to tax items	–	(2,235)
Tax exemption and credits	(38,677)	(16,419)
Deferred tax asset (liabilities) not recognised	35,154	(3,542)
Other minor items less than 3% each	–	(102)
Total income tax expense	–	5,500

8B. Deferred tax balance in the statement of financial position:

	2013 $	2012 $
Deferred tax assets (liabilities) recognised in the statement of financial position:		
Excess of net book value of plant and equipment over tax values	–	(12,031)
Excess of tax value over net book value of plant and equipment	15,998	–
Deferred tax (assets) liabilities not recognised	(15,998)	12,031
Total	–	–

The above deferred tax assets of $15,998 in 2013 and deferred tax liabilities of $12,031 in 2012 are not recognised as the amount is not material. The realisation of the future income tax benefits from tax loss carryforwards and temporary differences from capital allowances is available for an unlimited future period subject to the conditions imposed by law including the agreement by tax authority.

9. Plant and Equipment

	Plant and equipment $
Cost:	
At 1 January 2012	117,955
Additions	136,205
At 31 December 2012	254,160
Additions	75,837
At 31 December 2013	329,997
Accumulated depreciation:	
At 1 January 2012	63,791
Depreciation for the year	38,611
At 31 December 2012	102,402
Depreciation for the year	48,703
At 31 December 2013	151,105
Net book value:	
At 1 January 2012	54,164
At 31 December 2012	151,758
At 31 December 2013	178,892

10. Trade and Other Receivables

	2013 $	2012 $
Trade receivables:		
Outside parties	588,936	403,366
Subtotal	588,936	403,366
Other receivables:		
Outside parties	2,590	12,367
Subtotal	2,590	12,367
Total trade and other receivables	591,526	415,733

11. Other Assets

	2013 $	2012 $
Prepayments	48,238	50,768
Deposits to secure services	7,568	8,109
	55,806	58,877

12. Cash and Cash Equivalents

	2013 $	2012 $
Not restricted in use	669,236	945,318

13. Trade Payables

	2013 $	2012 $
Outside parties and accrued liabilities	142,855	191,201

14. Other Liabilities

	2013 $	2012 $
Deferred revenue	12,143	53,040

	2013 $	2012 $
Revenue relating to fees received in advance:		
Balance of beginning of year	53,040	96,442
Revenue deferred during the year	12,143	53,040
Revenue recognised during the year	(53,040)	(96,442)
Balance at end of the year	12,143	53,040

15. Financial Instruments: Information on Financial Risks

15A. Classification of Financial Assets and Liabilities

The following table summarises the carrying amount of financial assets and financial liabilities recorded at the end of the reporting year by FRS 39 categories:

	2013 $	2012 $
Financial assets:		
Cash and cash equivalents	669,236	945,318
Loans and receivables	591,526	415,733
At end of the year	1,260,762	1,361,051
Financial liabilities:		
Trade payables measured at amortised cost	142,855	191,201
At end of the year	142,855	191,201

Further quantitative disclosures are included throughout these financial statements.

There are no significant fair value measurements recognised in the statement of financial position.

15. Financial Instruments: Information on Financial Risks (Cont'd)

15B. Financial Risk Management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate, currency risk and price risk exposures. The management has certain practices for the management of financial risks and actions to be taken in order to manage the financial risks. However, these are not formally documented in written form. The guidelines include the following:

1. Minimise interest rate, currency, credit and market risks for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural offsetting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance. The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff.
4. All financial risk management activities are carried out following the good market practices.

15C. Credit Risk on Financial Assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial instruments; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any loan payable commitment at the end of the reporting year. Credit risk on cash balances with banks and any derivative financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed of the financial condition of the debtors and a loss from impairment is recognised in profit or loss. The exposure to credit risk is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management.

As part of the process of setting customer credit limits, different credit terms are used. The average credit period generally granted to trade receivable customers is about 30 days (2012: 30 days). But some customers take a longer period to settle the amounts.

1. Aging analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

	2013 $	2012 $
Trade receivables		
31 – 60 days	28,641	53,285
61 – 90 days	251,405	57,341
Over 90 days	163,350	144,960
Total	443,396	255,586

As at end of the reporting year, there were no amounts that were impaired.

Other receivables are normally with no fixed terms and therefore there is no maturity.

Concentration of trade receivables customers as at the end of the reporting year:

15. Financial Instruments: Information on Financial Risks (Cont'd)

15C. Credit Risk on Financial Assets (Cont'd)

	2013 $	2012 $
Top 1 customer	343,015	141,561
Top 2 customers	441,492	200,697
Top 3 customers	479,922	250,573

15D. Liquidity Risk – Financial Liability Maturity Analysis

The following table analyses the non-derivative financial liabilities by remaining contractual maturity:

	Less than 1 year $
Non-derivative financial liabilities:	
2013:	
Trade payables	142,855
2012:	
Trade payables	191,201

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is about 30 days (2012: 30 days). In order to meet such cash commitments the operating activity is expected to generate sufficient cash inflows.

15E. Foreign Currency Risk

Analysis of amounts denominated in non-functional currencies:

	United States Dollars $	Euro $	Total $
2013:			
Financial assets:			
Loans and receivables	6,350	–	6,350
Total financial assets	6,350	–	6,350
Net financial assets at end of the year	6,350	–	6,350
2012:			
Financial liabilities:	11,179	40,862	52,041
Total financial liabilities	11,179	40,862	52,041
Net financial liabilities at end of the year	11,179	40,862	52,041

There is exposure to foreign currency risk as part of its normal business. The effect on post tax surplus is not significant.

Sensitivity analysis: The effect on post tax surplus is not significant.

16. Operating Lease Payment Commitments

At the end of the reporting year the total of future minimum lease payments under non-cancellable operating leases are as follows:

	2013 $	2012 $
Not later than one year	103,197	44,859
Later than one year and not later than 5 years	18,691	18,691
Rental expense for the year	45,381	51,644

Operating lease payments are for rentals payable for its office premises. The lease rental terms are negotiated for an average term of two years.

17. Changes and Adoption of Financial Reporting Standards

For the current reporting year, the following new or revised Singapore Financial Reporting Standards were adopted. The new or revised standards did not require any material modification of the measurement methods or the presentation in the financial statements.

FRS No.	Title
FRS 1	Amendments to FRS 1 Presentation of Items of Other Comprehensive Income
FRS 1	Amendment to FRS 1 Presentation of Financial Statements (Annual Improvements)
FRS 16	Amendment to FRS 16 Property, Plant and Equipment (Annual Improvements)
FRS 19	Employee Benefits (Revised)
FRS 32	Amendment to FRS 32 Financial instruments: Presentation (Annual Improvements)
FRS 36	Amendments to FRS 36: Recoverable Amount Disclosures for Non-Financial Assets (relating to goodwill) (early adoption) (*)
FRS 107	Amendments to FRS 32 and FRS 107 titled Offsetting Financial Assets and Financial Liabilities (*)
FRS 113	Fair Value Measurements
INT FRS 120	Stripping Costs in the Production Phase of a Surface Mine (*)

(*) Not relevant to the entity.

18. Future Changes in Financial Reporting Standards

The following new or revised Singapore Financial Reporting Standards that have been issued will be effective in future. The transfer to the new or revised standards from the effective dates is not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year.

FRS No.	Title	Effective date for periods beginning on or after
FRS 27	Consolidated and Separate Financial Statements (Amendments) (*)	1 Jul 2013
FRS 27	Separate Financial Statements (Revised) (*)	1 Jan 2014
FRS 28	Investments in Associates and Joint Ventures (Revised) (*)	1 Jan 2014
FRS 36	Amendments to FRS 36: Recoverable Amount Disclosures for Non-Financial Assets (relating to goodwill) (*)	1 Jan 2014
FRS 32	Amendments to FRS 39: Novation of Derivatives and Continuation of Hedge Accounting (*)	1 Jan 2014
FRS 110	Consolidated Financial Statements (*)	1 Jan 2014
FRS 111	Joint Arrangements (*)	1 Jan 2014
FRS 112	Disclosure of Interests in Other Entities (*)	1 Jan 2014
FRS 110	Amendments to FRS 110, FRS 111 and FRS 112 (*)	1 Jan 2014
INT FRS 121	Levies (*)	1 Jan 2014

(*) Not relevant to the entity.

Headquarters

1 Cleantech Loop
#02-16 Cleantech One,
Singapore 637141

Tel : +65 63388578
Fax: +65 66942178

info@seas.org.sg

Training Centre

9 Penang Road,
#08-02 Park Mall,
Singapore 238459

Tel : +65 63379886
Fax: +65 63376658

training@seas.org.sg

Sustainable Energy
Association of Singapore
www.seas.org.sg