Independent auditor's report to the member of IIFL Capital Pte. Ltd.

Report on the financial statements

We have audited the accompanying financial statements of IIFL Capital Pte. Ltd. (the "Company") set out on pages 6 to 26, which comprise the balance sheet as at 31 March 2015, and the statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and 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 profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's 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 about 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 auditor's judgement, 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 auditor considers internal control relevant to the entity's preparation of the 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 auditor's report to the member of IIFL Capital Pte. Ltd.

Opinion

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company as at 31 March 2015 and the results, changes in equity and cash flows of the Company for the year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

27 April 2015

IIFL Capital Pte. Ltd.

Statement of comprehensive income
For the financial year ended 31 March 2015

	Note	2015 S$	2014 S$
Revenues			
Management fees	3	1,652,850	554,087
Performance fees	3	128,224	4,647
Upfront fees		1,562,819	785,419
Net foreign exchange gain		120,106	1,772
Other income		26,426	15,000
		3,490,425	1,360,925
Expenses			
Employees' compensation and related costs	4	1,391,489	780,790
Office rental expenses		77,761	55,470
Depreciation	7	96	2,833
Other operating expenses	5	1,190,097	396,012
		2,659,443	1,235,105
Profit before taxation		830,982	125,820
Taxation	6	–	–
Profit for the year		830,982	125,820
Other comprehensive income for the year		–	–
Total comprehensive income for the year		830,982	125,820

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Balance sheet
As at 31 March 2015

	Note	2015 S$	2014 S$
Non-current asset			
Property, plant and equipment	7	–	96
Current assets			
Trade and other receivables	8	1,194,004	537,210
Prepayments		12,443	2,819
Cash and cash equivalents	9	1,464,406	502,862
		2,670,853	1,042,891
Current liabilities			
Amounts due to a related company	10	586,000	114,782
Accrued expenses		427,434	101,768
		1,013,434	216,550
Net current assets		1,657,419	826,341
Net assets		1,657,419	826,437
Equity			
Share capital	11	5,300,000	5,300,000
Accumulated losses		(3,642,581)	(4,473,563)
Total equity		1,657,419	826,437

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

IIFL Capital Pte. Ltd.

Statement of changes in equity
For the financial year ended 31 March 2015

	Share Capital S$	Accumulated losses S$	Total equity S$
At 1 April 2013	5,300,000	(4,599,383)	700,617
Total comprehensive income for the year	–	125,820	125,820
At 31 March 2014 and at 1 April 2014	5,300,000	(4,473,563)	826,437
Total comprehensive income for the year	–	830,982	830,982
At 31 March 2015	5,300,000	(3,642,581)	1,657,419

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

Cash flow statement
For the financial year ended 31 March 2015

	2015 S$	2014 S$
Cash flows from operating activities		
Profit before taxation	830,982	125,820
Adjustments for:		
Depreciation	96	2,833
Operating cash flows before changes in working capital	831,078	128,653
Increase in trade and other receivables	(656,794)	(397,944)
(Increase)/decrease in prepayments	(9,624)	5,218
Increase in amounts due to a related company	471,218	55,470
Increase in accrued expenses	325,666	25,608
Net cash flows generated from/(used in) operating activities	961,544	(182,995)
Net increase/(decrease) in cash and cash equivalents	961,544	(182,995)
Cash and cash equivalents at beginning of year	502,862	685,857
Cash and cash equivalents at end of year	1,464,406	502,862

The accompanying accounting policies and explanatory information form an integral part of the financial statements.

1. Corporate information

IIFL Capital Pte. Ltd. (the "Company") is a private limited company incorporated in the Republic of Singapore whose registered office is at 6 Shenton Way, #18-08B OUE Downtown 2, Singapore 068809. It is a wholly-owned subsidiary of IIFL (Asia) Pte. Ltd., a company incorporated in Singapore. The ultimate holding company is IIFL Holdings Limited, a company incorporated in India, listed on the National Stock Exchange of India Limited and The Bombay Stock Exchange Limited.

The principal activity of the Company is to carry on its business in fund management and certain financial advisory services in Singapore.

On 4 June 2013, the Company was issued a Capital Markets Services License by the Monetary Authority of Singapore ("MAS") and licensed under the Securities and Future Act (Chapter 289) to conduct fund management. There was no significant change in nature of these activities during the financial year.

2. Summary of significant accounting policies

2.1 *Basis of preparation*

The financial statements of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on a historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore dollar ("SGD" or "S$").

2.2 *Changes in accounting policies*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Company has adopted all the new and revised standards that are effective for annual periods beginning on or after 1 April 2014. The adoption of these standards did not have any effect on the financial performance or position of the Company except as discussed below.

FRS 112 Disclosure of Interests in Other Entities

FRS 112 includes the disclosure requirements for all forms of interests in other entities, including structured entities. The adoption of FRS 112 has resulted in additional disclosures in respect of these interests. The standard has been applied retrospectively, with disclosure for the comparative period (except for disclosure on interests in unconsolidated structured entities) in line with the transitional provision of the standard. There is no impact on the Company's profit or loss for the current or prior period or on the equity reported. The additional disclosures are included in Note 12.

2. Summary of significant accounting policies (cont'd)

2.3 *Standards issued but not yet effective*

The Company has not adopted the following standards that have been issued but not yet effective:

Descriptions	Effective for annual periods beginning on or after
Amendments to FRS 19 *Defined Benefit Plans: Employee Contributions*	1 July 2014
Improvements to FRSs (January 2014)	
(a) Amendments to FRS 102 *Share Based Payment*	1 July 2014
(b) Amendments to FRS 103 *Business Combinations*	1 July 2014
(c) Amendments to FRS 108 *Operating Segments*	1 July 2014
(d) Amendments to FRS 16 *Property, Plant and Equipment* and FRS 38 *Intangible Assets*	1 July 2014
(e) Amendments to FRS 24 *Related Party Disclosures*	1 July 2014
Improvements to FRSs (February 2014)	
(a) Amendments to FRS 103 *Business Combinations*	1 July 2014
(b) Amendments to FRS 113 *Fair Value Measurement*	1 July 2014
Amendments to FRS 27 *Equity Method in Separate Financial Statements*	1 January 2016
Amendments to FRS 16 and FRS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*	1 January 2016
Improvements to FRSs (November 2014)	
(a) Amendments to FRS 105 *Non-current Assets Held for Sale and Discontinued Operations*	1 January 2016
(b) Amendments to FRS 107 *Financial Instruments: Disclosures*	1 January 2016
(c) Amendments to FRS 19 *Employee Benefits*	1 January 2016
Amendments to FRS 110 and FRS 28 *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	1 January 2016
Amendments to FRS 1 *Disclosure Initiative*	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28 *Investment Entities: Applying the Consolidation Exception*	1 January 2016
FRS 115 *Revenue from Contracts with Customers*	1 January 2017
FRS 109 *Financial Instruments*	1 January 2018

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2. Summary of significant accounting policies (cont'd)

2.4 *Significant accounting judgements and estimates*

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

Key sources of estimation uncertainty

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

Depreciation of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over their useful lives. Management estimates the useful lives of these property, plant and equipment to be between 3 to 5 years. The carrying amount of the Company's property, plant and equipment at 31 March 2015 was S$Nil (2014: S$96). Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised.

2.5 *Functional and foreign currencies*

(a) *Functional currency*

The management has determined the currency of the primary economic environment in which the Company operates i.e., functional currency, to be SGD. Major costs of providing services including major operating expenses are primarily influenced by fluctuations in SGD.

(b) *Foreign currency transactions*

Transactions in foreign currencies are measured in the functional currency are recorded on the initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the closing rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.6 *Property, plant and equipment*

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

Computers	-	3 years
Furniture and fittings	-	5 years
Office equipment	-	5 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit is expected from its use or disposal. Any gains or losses on derecognition of the asset is included in profit or loss in the financial year the asset is derecognised.

2.7 *Impairment of non-financial assets*

The Company assesses at the end of each reporting period whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment assessment for an asset is required, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written-down to its recoverable amount.

An assessment is made at the end of each reporting period as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss be recognised previously. Such reversal is recognised in profit or loss unless the asset is measured at revalued amount, in which case the reversal is treated as revaluation increase.

2. Summary of significant accounting policies (cont'd)

2.8 *Financial assets*

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instruments. When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the differences between the carrying amount and the sum of the consideration received and any cumulative gains or losses that have been recognised in other comprehensive income is recognised in profit or loss.

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method. Gains or losses are recognised in profit or loss when the loans and receivables are derecognised or impaired and through the amortisation process. The Company classifies cash and cash equivalents, trade and other receivables as loans and receivables.

2.9 *Impairment of financial assets*

The Company assesses at the end of each reporting period whether there is any objective evidence that a financial asset is impaired:

Financial assets carried at amortised cost

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the differences between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial assets is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written-off against the carrying values of the financial assets.

To determine whether there is objective evidence that an impairment loss on financial assets had been incurred, the Company considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

2. Summary of significant accounting policies (cont'd)

2.10 *Cash and cash equivalents*

Cash and cash equivalents comprise cash at bank.

2.11 *Provisions*

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and the amount of the obligation can be estimated reliably.

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 economic resources will be required to settle the obligation, the provisions are reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increases in the provisions due to the passage of time are recognised as a finance cost.

2.12 *Financial liabilities*

Financial liabilities include amounts due to a related company and accrued expenses. Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instruments. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value, and in the case of other financial liabilities, plus directly attributable transaction costs.

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method. For financial liabilities, gains or losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process. The liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

2.13 *Employee benefits*

As required by law, the Company makes contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to national pension schemes are recognised as an expense in the financial period in which the related service is performed.

2.14 *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

Revenue from the provision of fund management services is recognised based on pre-defined rates over the Net Asset Value ("NAV") of all managed funds as determined between the Company and its clients on an accrual basis. Performance fees are recognised when the quantum of fees can be reliably estimated. Upfront fees are recognised when the fees can be reliably measured.

2. Summary of significant accounting policies (cont'd)

2.15 *Operating leases*

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

2.16 *Taxes*

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the end of the reporting period, in the country where the Company operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity.

(b) *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are recognised for all temporary differences, except:

- Where the deferred tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction affects neither the accounting profit nor taxable profit or loss; and

- In respect of deductible temporary differences and carry-forward of unused tax credits and unused tax losses, if it is not probable that taxable profit will be available against which the deductible temporary differences and carry-forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the end of the reporting period.

2. Summary of significant accounting policies (cont'd)

2.17 *Share capital and share issue expenses*

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.18 *Related parties*

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:

- (i) Has control or joint control over the Company;
- (ii) Has significant influence over the Company; or
- (iii) Is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:

- (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
- (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
- (iii) Both entities are joint ventures of the same third party;
- (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
- (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;
- (vi) The entity is controlled or jointly controlled by a person identified in (a); or
- (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).

2. Summary of significant accounting policies (cont'd)

2.19 *Structured entities*

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only, and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities; (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors; (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support; and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Company has determined that all of the investment funds that it provides fund management services are unconsolidated structured entities.

Interests in unconsolidated structured entities

The Company's interests in unconsolidated structured entities refer to contractual and non-contractual involvement that exposes the Company to variability of returns from the performance of the structured entities. Interests in unconsolidated structured entities exclude instruments which introduce variability of returns into the structured entities.

3. Management and performance fees

The Company's revenues results from investment management services provided to its affiliated funds. The Company receives management and performance fees at rates determined between the Company and its affiliated funds.

4. Employees' compensation and related costs

	2015	**2014**
	S$	S$
Salaries and bonuses	1,366,043	747,972
CPF contributions	13,750	7,260
Other short-term benefits	11,696	25,558
	1,391,489	780,790

5. Other operating expenses

The following items have been included in arriving at other operating expenses:

	2015 S$	2014 S$
Referral fees	586,000	–
Fund management expenses	259,100	145,291
Professional fees	75,818	34,726
Office expenses	70,567	67,338
Manpower outsourcing fees	61,896	39,325
Travelling expenses	49,329	11,659
Communication expenses	35,181	–
Statutory charges	20,773	20,804
Advisory fees	9,933	34,808
Others	21,500	42,061
	1,190,097	396,012

6. Taxation

The reconciliation between income tax expense and the product of accounting profit multiplied by the applicable statutory tax rate for the financial years ended 31 March were as follows:

	2015 S$	2014 S$
Profit before taxation	830,982	125,820
Tax at statutory tax rate of 17% (2014: 17%)	141,267	21,389
Adjustments:		
Non-deductible expenses	16	482
Non-taxable income	–	(2,550)
Effect of enhanced tax allowances	(9)	(4,008)
Benefits from previously unrecognised tax losses	(141,274)	(15,313)
Income tax recognised in profit or loss	–	–

At the end of the reporting period, the Company has unutilised tax losses of approximately S$1,849,000 (2014: S$2,680,000) respectively that are available for offset against future chargeable income. The use of these tax losses is subject to agreement by the Comptroller of Income Tax and compliance with the certain provisions of the Singapore Income Tax Act and tax regulations. The related deferred tax benefit arising from these unutilised tax losses has not been recognised due to the uncertainty of its recoverability.

7. Property, plant and equipment

	Computers S$	Furniture and fittings S$	Office equipment S$	Total S$
Cost				
At 1 April 2013	43,372	21,934	17,324	82,630
Additions	–	–	–	–
At 31 March 2014 and at 1 April 2014	43,372	21,934	17,324	82,630
Additions	–	–	–	–
At 31 March 2015	43,372	21,934	17,324	82,630
Accumulated depreciation				
At 1 April 2013	42,706	20,474	16,521	79,701
Depreciation charge	570	1,460	803	2,833
At 31 March 2014 and at 1 April 2014	43,276	21,934	17,324	82,534
Depreciation charge	96	–	–	96
At 31 March 2015	43,372	21,934	17,324	82,630
Net carrying amount				
At 31 March 2014	96	–	–	96
At 31 March 2015	–	–	–	–

8. Trade and other receivables

	2015 S$	2014 S$
Trade receivables	1,193,116	536,580
Refundable deposit	888	630
	1,194,004	537,210

Trade receivables comprise management and performance fees.

Trade receivables are non-interest bearing and are generally on 30 days' terms. These are recognised at their original amounts which represent their fair value on initial recognition.

9. Cash and cash equivalents

Cash and cash equivalents were denominated in the following currencies:

	2015 S$	2014 S$
Singapore dollars	12,165	7,738
United States dollars	1,452,241	495,124
	1,464,406	502,862

Cash at bank is placed with a reputable financial institution and earns interest at floating rates based on daily bank deposits rates.

10. Amounts due to a related company

These amounts were trade related, unsecured and non-interest bearing.

11. Share capital

	2015		2014	
	No. of shares	S$	No. of shares	S$
Issued and fully paid:				
At beginning and end of year	5,300,000	5,300,000	5,300,000	5,300,000

The holder of ordinary shares is entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

There was no dividends declared or paid during the year (2014: S$Nil).

12. Related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions between the Company and related parties took place at terms agreed between the parties during the financial year:

(a) *Revenues*

	2015 S$	2014 S$
Management fees from:		
- Affiliated funds	1,652,850	554,087
Performance fees from:		
- Affiliated funds	128,224	4,647
Upfront fees from:		
- Affiliated funds	1,562,819	785,419

(b) *Expenses*

	2015 S$	2014 S$
Referral fees paid to a related company	586,000	–
Fund management expenses paid on behalf of an affiliated fund	259,100	145,291

(c) *Compensation of key management personnel*

	2015 S$	2014 S$
Salaries and bonuses	763,906	470,016
CPF contributions	13,750	7,260
Amounts paid to directors of the Company	777,656	477,276

12. Related party transactions (cont'd)

(d) ***Amounts due to a related company***

	2015 S$	2014 S$
IIFL Securities Pte. Ltd.	586,000	114,782

(e) ***Other interests in unconsolidated structured entities***

The Company received management and performance fees in respect of its fund management business. The Company does not sponsor any of the investment fund vehicles ("Funds") from which it received fees. Management fees, performance fees and upfront fees received for investments that the Company manages but does not have any holding also represent an interest in unconsolidated structured entities. As these investments are not held by the Company, the investment risk is borne by the external investors of the Funds and therefore the Company's maximum exposure to loss relates to future management fees, performance fees and upfront fees. The table below shows the net asset value of the Funds under management that the Company manages but does not have a holding in and the fees earned from those entities.

	Net asset value of the Funds under management as of 31 March 2015 S$	Management fees S$	Performance fees S$	Upfront fees S$
Affiliated funds	1,530,931,538	1,652,850	128,224	1,562,819

13. Financial assets and liabilities by categories

The carrying amounts of the following categories of financial instruments were as follows:

	2015 S$	2014 S$
Financial assets		
Loans and receivables	2,658,410	1,040,072
Financial liabilities		
Financial liabilities measured at amortised cost	1,013,434	216,550

14. Financial risk management objectives and policies

The Company's principal financial instruments comprise cash and cash equivalents for the Company's daily operations. The Company has various financial assets and liabilities such as trade and other receivables, amounts due from/(to) related parties and accrued expenses, which arise directly from its operations.

The financial risks arising from the Company's operations are credit risk, foreign currency risk and liquidity risk. The board of director reviews and agrees policies for managing each of these risks and they are summarised below:

(a) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial assets should a counterparty default on its obligations. The Company's exposure to credit risk arises primarily from cash and cash equivalents, trade and other receivables. The cash and cash equivalents are placed with a financial institution with good credit rating.

The Company attempts to minimise its credit risk by evaluating and monitoring the credit exposure to its affiliated funds. The Company adopted the policy of only dealing with credit worthy counterparties to mitigate the risk of financial loss from default.

The Company derives its main source of revenue from providing fund management services to its affiliated funds. Exposure to credit risk arising from related party transactions is minimal as these companies are of high credit quality and loans are of short duration. The carrying amount of receivables and cash and cash equivalents represent the Company's maximum exposure to credit risk. No other financial asset carries a significant exposure to credit risk.

As at the end of each reporting period, the Company has no financial asset that is past due or impaired.

14. Financial risk management objectives and policies (cont'd)

(b) ***Foreign currency risk***

Foreign currency risk is the risk that arises from the change in price of one currency against another because of changes in foreign currency exchange rates.

The Company is exposed to movements in the foreign currency exchange rates other than in its functional currency, the SGD. The Company reviews its exposure to foreign currency risk on a regular basis.

As at 31 March 2015, the Company's cash and cash equivalents, trade and other receivables are exposed to approximately S$2,645,357 (2014: S$571,922) of United States dollars ("USD" or "US$").

The following table demonstrates the sensitivity of the Company's equity to changes in the value of the trade and other receivables resulting from a reasonable possible change in USD against SGD, with all other variables held constant:

	2015	**2014**
	S$	S$
USD - Strengthened by 5% (2014: 5%)	132,268	28,596
USD - Weakened by 5% (2014: 5%)	(132,268)	(28,596)

(c) ***Liquidity risk***

Liquidity risk is the risk that funds will not be available to meet liabilities as they fall due and it results from amounts and maturity mismatches of assets and liabilities.

To ensure continuity of funding, the immediate holding company has agreed to provide continuing financial support to the Company to enable it to meet its liabilities as and when they fall due to the extent necessary.

(d) ***Maturity analysis of financial liabilities***

Financial liabilities of the Company comprise of amounts due to a related company and accrued expenses. Amounts due to a related company are repayable on demand while accrued expenses are typically settled within 30 days.

15. Financial instruments

Fair value

The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale.

Financial instruments whose carrying amount approximates fair value

Management has determined that the fair value of financial assets and liabilities of the Company approximates their carrying values due to their short-term nature.

16. Capital management

The Company maintains a capital base to cover risk inherent in the business. The primary objectives of the Company's capital management are to ensure that it maintains sufficient capital to safeguard its ability to continue as a going concern.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. No change was made in the objectives, policies or processes during the financial year ended 31 March 2015.

The Company is subject to the base capital and financial resources requirements pursuant to the Securities and Futures (Financial and Margin Requirements for Holders of Capital Markets Services Licenses) Regulations. The Company has complied with the base capital and financial resources requirement throughout the year.

17. Authorisation of financial statements

The financial statements of the Company for the financial year ended 31 March 2015 were authorised for issue in accordance with a resolution of the directors on 27 April 2015.

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