

KENSINGTON VENTURES PTE. LTD.
(Co. Reg. No. 200909101D)

Annual Report for the year ended
30 June 2012

Directors' Report

We are pleased to submit this annual report to the members together with the financial statements of the Company for the financial year ended 30 June 2012.

Directors

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

ONG CHANG JEH

Directors' Interests in Shares or Debentures

According to the register kept by the Company for the purposes of Section 164 of the Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial year in shares or debentures in the Company are as follows:-

	At beginning of the year	At end of the year
<u>Ordinary shares</u>		
ONG CHANG JEH	1	1

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares or debentures of the Company at the beginning of the financial year, or date of appointment, if later, or at the end of the financial year.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' Interests in Contracts

Since the end of last financial year, no director has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member or with a company in which he has a substantial financial interest.

Share Options

During the financial year, there were:-

- (i) no options granted by the Company to any person to take up unissued shares in the Company; and
- (ii) no shares issued by virtue of any exercise of option to take up unissued shares of the Company.

As at the end of the financial year, there were no unissued shares of the Company under option.

On behalf of the Board of Directors



ONG CHANG JEH
Director

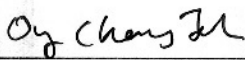
Singapore
Date 14 DEC 2012

I, being the sole director of KENSINGTON VENTURES PTE. LTD., do hereby state that in my opinion:-

- (a) the financial statements and notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Company as at 30 June 2012 and of the results of the business, cash flows and changes in equity of the Company for the year ended on that date; and
- (b) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The board of directors has, on the date of this statement, authorised these financial statements for issue.

On behalf of the Board of Directors



ONG CHANG JEH

Director

Singapore

Date 14 DEC 2012

KENSINGTON VENTURES PTE. LTD.**(Incorporated in Singapore)****BALANCE SHEET AS AT 30 JUNE 2012**

	Notes	2012 S\$	2011 S\$
CURRENT ASSETS			
Cash & cash equivalents		8,766	1
Total assets		8,766	1
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	4	1	1
Retained earnings		(22,005)	(5,610)
		(22,004)	(5,609)
Current liabilities			
Accruals		6,870	1,000
Amount due to a director	3	23,900	4,610
		30,770	5,610
Total equity and liabilities		8,766	1

KENSINGTON VENTURES PTE. LTD.**(Incorporated in Singapore)****STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2012**

	Notes	2012 S\$	2011 S\$
Revenue		-	-
Software development cost		(14,000)	-
Administrative expenses		(2,395)	(1,970)
Loss before tax		(16,395)	(1,970)
Taxation	5	-	-
Net loss for the year		(16,395)	(1,970)
Other comprehensive income		-	-
Total comprehensive loss for the year		(16,395)	(1,970)

KENSINGTON VENTURES PTE. LTD.
(Incorporated in Singapore)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2012**

	Notes	Share Capital S\$	Retained earnings S\$	Total S\$
Balance at 30 June 2010		1	(3,640)	(3,639)
Total comprehensive loss for the year		-	(1,970)	(1,970)
Balance at 30 June 2011		<u>1</u>	<u>(5,610)</u>	<u>(5,609)</u>
Total comprehensive loss for the year		-	(16,395)	(16,395)
Balance at 30 June 2012		<u>1</u>	<u>(22,005)</u>	<u>(22,004)</u>

KENSINGTON VENTURES PTE. LTD.
(Incorporated in Singapore)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012

	2012 S\$	2011 S\$
Cash Flows from Operating activities		
Net Loss before taxation	(16,395)	(1,970)
Adjustments for:		
Depreciation	-	-
Operating profit before working capital changes	(16,395)	(1,970)
Changes in trade and other debtors	-	(1,000)
Changes in trade and other creditors	5,870	1,000
Net Cash from operating activities	(10,525)	(1,970)
Cash Flows from Investing activities		
Purchase of fixed assets	-	-
Net Cash used in investing activities	-	-
Cash Flows from Financing activities		
Advances from a director	19,290	1,970
Net Cash from financing activities	19,290	1,970
Net Increase in cash and cash equivalents	8,765	-
Cash and Cash Equivalents at beginning of year	1	1
Cash and Cash Equivalents at end of year	8,766	1

These notes form an integral part of the financial statements:

1. Domicile and activities

KENSINGTON VENTURES PTE. LTD. (Co. Reg. No. 200909101D) (the "Company") is incorporated and domiciled in the Republic of Singapore with its registered office at 151 CHIN SWEE ROAD #06-01, MANHATTAN HOUSE, SINGAPORE 169876.

The company has not commenced trading since the date of incorporation.

2. Significant accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (FRS) as required by the Companies Act.

The financial statements are prepared under the historical cost convention except where an FRS requires certain investment properties, fixed assets and financial assets to be measured at their fair values

At the beginning of the year, the Group adopted all new/revised FRSs and Interpretations to FRS (INT FRS) that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the relevant transitional provision in the respective FRS and INT FRS.

The adoption of the new/revised FRSs during the year did not result in any adjustments to the opening balances of accumulated profits of the prior and current periods.

2.2 Critical accounting estimates, assumptions and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future period affected.

2.3 Functional currency

The functional currency of the Company is the Singapore dollar. As expenditures are denominated primarily in Singapore dollars and receipts from operations are expected to be retained in Singapore dollars, the directors are of the opinion that the Singapore dollar reflects the economic substance of the underlying events and circumstances relevant to the Company.

The financial statements are presented in Singapore dollars, unless stated otherwise.

2.4 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing 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 or groups of assets. 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. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the profit and loss account.

2.5 Financial assets

Financial assets are classified as either financial assets at fair value through profit or loss, loans and receivables, held to maturity investments or available-for-sale financial assets, as appropriate. Financial assets are recognised on the balance sheet when, and only when, the company becomes a party to the contractual provisions of the financial instrument.

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. The Company determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial year-end.

(a) 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. Such assets are carried at amortised cost using the effective interest method, less impairment losses. Gains and losses are recognised in profit and loss account when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

The Company classifies the following financial assets as loans and receivables:

- Cash and cash equivalents.

The Company assesses at each balance sheet date whether there is any objective evidence that a financial asset carried at amortised cost is impaired.

If there is objective evidence (such as significant financial difficulties of the debtor and default or significant delay in payments) that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference 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 the income statement.

As at year end, no assets were classified as held-to-maturity financial assets, available-for-sale financial assets or financial assets at fair value through profit or loss.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and bank deposits.

2.7 Financial liabilities

Financial liabilities are recognised on the balance sheet when, and only when, the company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognised at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Gains and losses are recognised in the profit and loss account when the liabilities are derecognised as well as through the amortisation process. The liabilities are derecognised when the obligation under the liability is discharged or cancelled or expired.

2.8 Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Current taxation is provided based on the tax payable on the income for the financial year that is chargeable to tax.

Deferred taxation is provided in full, using the liability method, on all material temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates, enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

3. Amount due to a director

These represent director's current balances with the company which is unsecured, interest free and repayable on demand.

4. Share capital

	2012 Shares	2012 S\$	2011 Shares	2011 S\$
Issued ordinary share capital				
At the beginning of financial year	1	1	1	1
Issue during financial year	-	-	-	-
At end of financial year	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

The ordinary shares of no par value carry no right to fixed income and are fully paid. The company is not subject to any externally imposed capital requirements.

The primary objective of the company's capital management is to ensure that it maintains an appropriate capital structure in order to support its business and maximize equity holders' value.

5. Taxation

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2011: 17%) to loss before income tax as a result of the following differences:

	2012 S\$	2011 S\$
Loss before tax	(16,395)	(1,970)
Income tax at 17% (2011: 17%)	(2,787)	(335)
Deferred tax asset not recognised	<u>2,787</u>	<u>335</u>
Total income tax expenses	<u>-</u>	<u>-</u>

Deferred tax assets have not been recognized because it is not probable that future taxable profit will be available against which the company can utilize the benefits.

6. Financial risk management

The Company is not subject to significant exposure to credit, interest rate and foreign currency risks.

Liquidity risk

The Company monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

Fair value

The fair values of the cash & cash equivalents, other debtors and other creditors as at the balance sheet date approximate to their carrying amount as shown in the balance sheet.

It is not practical to determine with sufficient reliability the fair value of amount due to directors as the timing of the expected cash flows cannot be reasonably determined.

KENSINGTON VENTURES PTE. LTD.**(Incorporated in Singapore)****DETAILED PROFIT & LOSS STATEMENT
FOR THE YEAR ENDED 30 JUNE 2012**

	2012 S\$	2011 S\$
Revenue	-	-
Less:		
Operating expenses		
Accounting fee	1,000	1,000
Bank charges	685	-
Secretarial & filing fee	710	970
Software development	14,000	-
	<u>16,395</u>	<u>1,970</u>
Loss before tax	(16,395)	(1,970)
Taxation	-	-
Net Loss for the year	<u>(16,395)</u>	<u>(1,970)</u>