ip academy

SINGAPORE

CREATING AN EDGE IN THE KNOWLEDGE ECONOMY

ANNUAL REPORT 2008/2009

CONTENT

ABOUT THE IP ACADEMY, OUR VISION AND MISSION

ABOUT THE IP ACADEMY:

The IP Academy (Singapore) was established in January 2003 as a national initiative dedicated to the deepening & broadening of Singapore's knowledge and capabilities in Intellectual Property(IP) protection, management & exploitation.

OUR VISION:

With the emergence of IP as a cornerstone of the knowledge economy, our vision is to be the leading centre of excellence for executive IP education and thought leadership development in Singapore and the region.

We aim to become a world-class resource in the region for the development of knowledge and capabilities in the protection, management & exploitation of IP.

OUR MISSION:

The IP Academy intends to achieve its vision through two key strategies:

- the development of practical IP training & educational courses for IP professionals, business managers & leaders, inventors & creators; and

- the development of various IP thought-leadership programmes including conducting cutting edge multi-disciplinary research into IP & related areas, and organising high- evel conferences & roundtables.

The IP Academy seeks to stay relevant by offering programmes that enable participants to keep abreast of the latest developments in the ever changing global IP landscape. Through its extensive international network with other leading IP institutions, professional bodies and industry partners, the IP Academy seeks to enhance the knowledge of IP professionals and businesses, helping them to maximise their human capital.

PARTICIPANTS’ QUOTES ON IP ACADEMY’S PROGRAMMES

“He teaches the lecture very clearly and makes us understand easily. He also shows us many examples and illustrations, so it is really useful.”
– Mr Kim Joon Young, Korean Invention Promotion Association
IP Engineers’ Course (November 2008)

“The balance between the legal eagle speakers and the generalist speakers was just right and succeeded in the GFIP appealing to both those with legal background as well as industry people who don’t necessary have a lot of knowledge about IP”
- Ms Sharon Snodgrass, IPR-X (Asia Pacific) Ltd
Global Forum on Intellectual Property (GFIP) 2009

Coming from a legal background, I find the GCIP programme a good opportunity to get updated on the latest development in Intellectual Property Law. IP is an extremely important asset in my organisation. Besides being a source of revenue generation, IP provides a platform for students and staff to showcase and commercialise their research projects.
- Mr Arthur Poh, Singapore Polytechnic
Masters in Intellectual Property Management (2007/2008)

OUR BOARD OF GOVERNORS

01 **Mr TAN Guong Ching** (Chairman, IP Academy),
Chairman, Singapore Technologies Telemedia Pte Ltd
Date of Appointment: 28 January 2007

02 **Professor David LLEWELYN** (Deputy Chairman, IP Academy),
External Director, IP Academy
Date of Appointment: 1 December 2004

03 **Mr Geoffrey YU** (Deputy Chairman, IP Academy),
Senior Specialist Advisor, Ministry of Foreign Affairs
Date of Appointment: 1 March 2007

04 **Professor ANG Peng Hwa**, Director,
Wee Kim Wee School of Communication and Information,
Nanyang Technological University
Date of Appointment: 28 January 2005

05 **Mr HO Cheng Huat**, Director, IP Academy
Date of Appointment: 1 September 2007

06 **Mr Michael HWANG**, President,
The Law Society of Singapore
Date of Appointment: 15 January 2008

07 **Dr Richard KWOK**, Executive Vice President & Chief Technology Officer, Singapore Technologies Kinetics Limited
Date of Appointment: 28 January 2007

08 **Dr Stanley LAI,** Partner and Head of Intellectual Property & Technology, Allen & Gledhill
Date of Appointment: 28 February 2003

09 **Ms LIEW Woon Yin,** Director-General,
Intellectual Property Office of Singapore
Date of Appointment: 28 January 2003

10 **BG Hugh LIM,** Deputy Secretary,
Ministry of Law
Date of Appointment: 1 February 2009

11 **Associate Professor LOY Wee Loon**,
Faculty of Law, National University of Singapore
Date of Appointment: 28 January 2007

12 **Mr PNG Cheong Boon,** Chief Executive, Standards, Productivity and Innovation Board (SPRING)
Date of Appointment: 28 January 2007

13 **Mr Suresh SACHI,** General Counsel, Legal Department,
Agency for Science, Technology and Research (A*STAR)
Date of Appointment: 28 January 2007

14 **Mr Jeffery TAN,** General Counsel (For Asia, Australia & Middle East), Siemens AG
Date of Appointment: 28 February 2003

15 **Dr TAN Sze Wee,** Managing Director & Chief Executive Officer,
Rockeby Biomed Corporation Ltd
Date of Appointment: 28 January 2007

16 **Mr S TIWARI**, Visiting Senior Research Fellow
Institute of Southeast Asian Studies
Date of Appointment: 1 February 2009

17 **Professor TSUI Kai Chong,**
Provost, SIM University
Date of Appointment: 28 February 2003

CHAIRMAN'S MESSAGE

"IT IS SUCH COLLABORATIVE EFFORTS THAT WOULD HELP SUPPORT THE IP ACADEMY'S GROWTH, AND SINGAPORE'S, AS IT FACES THE YEAR AHEAD."

In FY2008, we saw bastions of the world's economy falter and in some cases collapse. With this came widespread economic turbulence reaching all corners of the globe.

This is, indeed, a challenging scenario for any growing organisation to face.

As the IP Academy started to reach out to new areas and sectors in early 2008 to bring IP's relevance to a greater audience, the global economic situation made this an even more challenging task.

Understanding the constraints of the market, we had to rethink our strategies for the year ahead.

However, ***"The pessimist sees the difficulty in every opportunity. The optimist sees the opportunity in every difficulty".***

Despite the crisis, the IP Academy found opportunities to bring its message across. This arose when we worked with various industry groups, professional associations, government agencies and assistance groups, to collectively build up Singapore's competencies and competitive edge. Furthermore, our partnerships with the Asian Patent Attorneys Association, the Association of Singapore Patent Agents, the IP Office of Singapore, SPRING Singapore, the Association of Small and Medium Sized Enterprises and others, had resulted in new programmes that broadened the education and training opportunities for many. It is such collaborative efforts that would help support the IP Academy's growth, and Singapore's, as it faces the year ahead.

FY2008 was also the year that the IP Academy's flagship conference – the Global Forum in IP (GFIP) was organised for the second time. The IP Academy hosted representatives from 25 countries. They included users, creators, managers, strategists, and the doers and thinkers in the IP field. The numbers drawn to the event and the level of discussion that resulted clearly showed the continued pervasive growth of IP, not as an esoteric subject matter but rather as a real, strategic tool at company and country levels.

The IP Academy's thought-leadership activities, such as the GFIP, have added ballast to its education and training programmes, by providing opportunities for new ideas to be discussed and developed. In doing so, we have also strengthened ties with the local and international IP community

These would stand the organisation in good stead as the IP Academy faces the changing landscape in the year to come.

Tan Guong Ching
Chairman

DIRECTOR'S MESSAGE

"WE SHALL CONTINUE OUR PRACTICAL AND RELEVANT APPROACH IN OFFERING MULTI-DISCIPLINARY IP PROGRAMMES THAT BRING VALUE TO OUR PARTICIPANTS AND THEIR RESPECTIVE ORGANISATIONS OR COMPANIES."

In the economic climate of this past year, as companies look at creative ways to sustain their businesses, intellectual property (IP) gets little or no attention. This treatment of IP is typical in such times for companies that are ignorant of the value of IP. At the IP Academy, we are mindful of this treatment and our programmes this past year highlighted that creating, owning, protecting, and exploiting IP does not mean taking up all the resources of a company. Our message is simple: don't ignore your future assets.

As detailed in the rest of this Annual Report, our programmes are practical and meant to bring IP into the real world. For example, our tie-ups with the IP Office of Singapore (IPOS), the Asian Patent Attorneys Association - Singapore Chapter (APAA-SG), the Agency for Science, Technology, and Research (A*STAR), SPRING Singapore, and the Association of Small and Medium Enterprises (ASME), enables us to leverage on the experiences of these organisations to benefit a multitude of different IP end-users within Singapore.

Besides the above institutions, our network of IP experts in the private sector, from small firms to multinational companies, provided an in-depth appreciation of IP issues that was much appreciated by participants in our regular and ad-hoc programmes. These programmes included our IP Fundamentals for the Technology and the Creative Sectors, the inaugural IP Administrators Course, the IP Business Basics Series, and the Technology Transfer Course for IP, Legal & Technology Transfer Professionals.

In addition to our practical programmes, our flagship Global Forum on Intellectual Property (GFIP), with IP experts gathered from throughout the world, reinforced Singapore's position as an IP Hub and the IP Academy's role in IP thought leadership for Singapore. Our high-level conferences & roundtables strengthens this thought leadership role.

My message for last year's report stated that the IP industry is not static. This continues to be so and, as we head into financial year 2009, we shall continue our practical and relevant approach in offering multi-disciplinary IP programmes that bring value to our participants and their respective organisations or companies.

We thank our supporters this past year, including our participants and the many IP experts who have, in their own special ways, helped us in delivering our programmes. Let us work together to make IP an engine of growth for Singapore and the rest of the world.

Ho Cheng Huat
Director

CORPORATE INFORMATION

MANAGEMENT

Ho Cheng Huat (Director)
Cheng Huat is responsible for the overall management of the Academy and building up a portfolio of quality IP education, training and research programmes to meet the needs of the Singapore economy as well as to tap the demand for IP education and training of markets elsewhere.

David Llewelyn (External Director)
David's core focus areas are in strategising, promoting and executing the Academy's key international conferences (such as its Global Forum on IP), and providing advice on the Academy's training programmes and research activities.

Rose Ramli (Deputy Director)
Rose oversees the day-to-day management of the Academy, the development of its education, training & research programmes, and strategic & international linkages.

COMPANY/CHARITY REGISTRATION

Company Registration No: 200300851Z
Charity Registration Number: 1691

COMPANY SECRETARY

Ms Ng Poh Keng Jocelyn (Resigned on 01 June 2009)

REGISTERED OFFICE

8 Wilkie Road
#03-01 Wilkie Edge
Singapore 228095

AUDITORS

Heng Lee Seng & Co
15 Hoe Chiang Road
#12-02 Tower Fifteen
Singapore 089316

MILESTONES APRIL 2008 - MARCH 2009

A NEW ENVIRONMENT

The IP Academy moved to its new premises in December 2008 at Annexe B of the Ministry of National Development (MND) Complex located along Maxwell Road.

ESTABLISHING HIGH STANDARDS IN IP CAPABILITIES

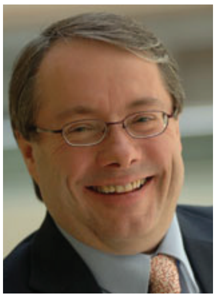
The inaugural ***IP Administrators Course*** was launched in August 2008. The first programme of its kind in Singapore, the Course was established to set standards for those dealing with the administration of registrable rights – patents, trademarks and designs. It was also the first formal collaboration in training undertaken with the Asian Patent Attorneys Association (Singapore Chapter) – APAA-SG – and the Intellectual Property Office of Singapore (IPOS). Both partners were instrumental in working out the standards for the examinations and in bringing together the tutors for the inaugural programme.

FLYING THE IP FLAG IN SINGAPORE

The ***2nd Global Forum on Intellectual Property (GFIP)*** was held in January 2009 in Singapore. This was a premier international multi-disciplinary IP event providing unparalleled opportunities and a platform to re-forge global ties across different disciplines and industries in IP. 425 participants from 25 countries converged in Singapore from 18 - 19 January 2009.




Associate Professor Ho Peng Kee, Senior Minister of State for Law and Home Affairs, graced the Opening. The theme of GFIP 2009 was “The Evolving Intellectual Property Ecosystem: Conflicts or Consensus?”, which provided a framework for a varied number of topics that resulted in stimulating and thorough discourses amongst the policy-makers, academics, professionals and industry representatives gathered.



“GFIP 2009 played a key role in re-forging global ties across different disciplines and industries in IP– by providing an unparalleled opportunity and platform for gathering together in one place at one time all the major IP global players to help navigate the vast, fluid and murky waters of the Asia-Pacific IP Ecosystem; hopefully turning obstacles into opportunities of mutual interest at the lightning-quick speed of this new information age”

Mr David Llewelyn, Chairman GFIP 2009 & External Director, IP Academy




REACHING OUT TO MEET DIVERSE NEEDS

- A new course, the ***IP Business Basics Series*** was launched to advocate the importance of good IP practices for Small & Medium Enterprises (SMEs). The course was supported by SPRING Singapore & the Association of Small and Medium Enterprises (ASME).

- A new foundation course for the Public Sector, the ***IP Primer***, was launched with the support of the Intellectual Property Office of Singapore (IPOS). The IP Primer was set out to provide a foundation of IP fundamentals to officers so that they would be better able to spot IP opportunities and identify issues that may arise in the course of their work. Officers wishing to delve into more specific aspects of IP application and management could attend the ***IP Practice*** modules offered separately which are taught by practitioners from the public and private sector.

BUILDING INTERNATIONAL LINKAGES

The IP Academy worked with the Ministry of Trade and Industry to conduct a week long training course on ***'Effective Management of IP and Tech Transfer'*** for a Russian delegation from the Russian Federal Agency of Special Economic Zones. The course was aimed at deepening their understanding of the role of IP management & technology transfer services from a policy perspective, and to provide a foundation of core IP-related skills required in ensuring the effective capture and exploitation of R&D output.

THE YEAR IN REVIEW

CAPABILITIES DEVELOPMENT

POST-GRADUATE CERTIFICATION PROGRAMMES

Graduate Certificate in IP Law

A foundation law course providing a grounding in the legal regime for protection of trade marks, copyright, designs & patents, as well as the application and interface of IP in specialised areas such as Biotechnology, IT and Competition.

Cohort admitted for 2008/2009 academic year: 8th intake

Master of Science in IP Management

This MSc in IP Management is a comprehensive inter-disciplinary postgraduate programme in IP that bridges law, technology, science, engineering and management.

Cohort admitted for 2007/2008 academic year: 3rd intake

EXECUTIVE TRAINING

The IP Academy's executive training courses reached beyond the law of IP to highlight and distil its practical and business perspectives.

In this past year, the IP Academy consolidated some its past core programmes into modules that would provide a more structured training framework for participants.

Two new Foundation programmes – the ***IP Business Basics*** and the ***IP Primer*** were developed to reach out to the specific interests of the local enterprises and the public sector respectively. The IP Primer provided an introduction to IP which was then followed by the IP Practice modules to give participants practical skills in using and managing IP assets.

Building on from a base of past programmes in the areas of management of research and technology transfer, a week long ***Technology Transfer Course for IP, Legal & Technology Transfer Professionals*** was held in February 2009. The Course combined expertise with varied experiences – a private practitioner, an academic with past experience in working for research agencies & companies, and an in-house counsel from a government agency – giving participants the opportunity to explore the business, legal and technical perspectives in research and technology transfer.

The IP Academy and Intellectual Property Office of Singapore (IPOS) continued to develop and conduct ***outreach programmes*** to broaden IP awareness within industry, government and the public. The outreach programmes conducted in 2008 included:

- Copyright for Educators
- Lock Your IP, Don't Get Robbed!
- Maintaining Manufacturing Competitiveness with IP Rights
- Discover Your Hidden Treasures: Stock-take Your IP

Courses conducted by IP Academy in 2008/2009 included:

1. Fundamentals of Valuation of IP and Intangible Assets
2. The Art of IP: An Insight to China's Patent System
3. The IP Administrators' Course
4. "Loony" Tunes? Dancing to the Copyright Beat
5. Technology Transfer Course for IP, Legal and Technology Transfer Professionals
6. Technology Agreements Drafting Series
7. Intermediate Technology Licensing Agreements Course
8. R&D Agreements Course
9. Managing Trade Secrets and Confidential Information: An Industry How-to Guide
10. Negotiating Wisely Series
11. Patents Practice Modules
12. IP Business Basics Series
13. IP Fundamentals: Applications for the Media Industry
14. IP Fundamentals: Applications for the Technology Industry
15. IP in Information Technology (Advanced Module)
16. IP Primer: IP & the Public Sector – The Right Mix?
17. IP Practice: Government Contracts & IP
18. IP Practice: Maximising Government's IP Assets

THOUGHT LEADERSHIP

RESEARCH PROJECT COMPLETED IN 2008

- A Study of IA Valuation in Singapore: Issues and Opportunities for Singapore's Businesses

The study examined different perspectives of the valuation of IP assets and the derivation of enterprise value from these assets. This research aimed to identify and analyse critical IA valuation issues of businesses from the various perspectives of:

(a) Importance and impact of IA valuation on daily business operations;
(b) Current IA valuation methods used across a representative spectrum of industries; and
(c) Impact of new accounting standards.

ROUNDTABLES

- IP Valuation: Challenges and Opportunities for Singaporean Enterprises
  Speakers: Mr Gordon Smith & Mr Robert Sanders
  Date: 3rd April 2008

- The Role of CIPA and Latest Development in the UK
  (Jointly organised with the Association of Singapore Patent Agents)
  Speaker: Mr Robert Weston
  Date: 18th April 2008

- Intellectual Property and Competition
  Speaker: Professor Valentine Korah
  Date: 23rd May 2008

- The Optimal Intellectual Property Law for a Small Market Economy
  Speaker: Professor Susy Frankel
  Date: 11th July 2008

- Pre-Grant and Post-Grant Amendments under European, UK and US Patent Laws
  Speaker: Dr Noel Byrne
  Date: 23rd July 2008

- IP's Value Proposition
  Speaker: Mr Ian Harvey
  Date: 11th November 2008

- Conflicts in Intellectual Property – Implications to your Investment in Technology
  (Organised in conjunction with the Technology Commercialisation Forum 2008)
  Speakers: Professor Casey Chan, Mr Suresh Sachi & Mr Tan Tee Jim, SC
  Moderator: Mr Ho Cheng Huat
  Date: 22nd November 2008

- Practical No-Nonsense IP (Organised in conjunction with GFIP2009)
  Speakers: Professor David Llewelyn, Mr John Hull & Ms Audrey Yap
  Date: 7th January 2009

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

CONTENT

IP Academy

(Incorporated in the Republic of Singapore
as a company limited by guarantee)
Reg. No. 200300851Z

Corporate Information

Directors	:	Mr Tan Guong Ching	
		Mr Gordon Ionwy David Llewelyn	
		Mr Yu Sau Kuk Geoffrey	
		Assoc Prof Ang Peng Hwa	
		Mr Ho Cheng Huat	
		Mr Hwang Sydney Michael	
		Dr Kwok Wai Onn	
		Dr Stanley Lai Tze Chang	
		Ms Liew Woon Yin	
		Assoc Prof Loy Wee Loon	
		Mr Png Cheong Boon	
		Mr Suresan Sachithananthan	
		Mr Tan Eng Heong Jeffery	
		Dr Tan Sze Wee	
		Prof Tsui Kai Chong	
		Mr Sivakant Tiwari	(Appointed on 01.02.09)
		BG Hugh Lim	(Appointed on 01.02.09)
Company Secretary	:	Ms Ng Poh Keng Jocelyn	(Resigned on 01.06.09)
Registered Office	:	8 Wilkie Road #03-01 Wilkie Edge Singapore 228095	
Independent Auditors	:	Heng Lee Seng & Co 15 Hoe Chiang Road #12-02 Tower Fifteen Singapore 089316	
Banker	:	DBS Bank	

IP Academy
(Incorporated in the Republic of Singapore
as a company limited by guarantee)

Directors' Report

The directors present their report to the members together with the audited financial statements of the company for the financial year ended 31 March 2009.

1. Directors

The directors of the company in office at the date of this report are as follows:-
Mr Tan Guong Ching
Mr Gordon lonwy David Llewelyn
Mr Yu Sau Kuk Geoffrey
Assoc Prof Ang Peng Hwa
Mr Ho Cheng Huat
Mr Hwang Sydney Michael
Dr Kwok Wai Onn
Dr Stanley Lai Tze Chang
Ms Liew Woon Yin
Assoc Prof Loy Wee Loon
Mr Png Cheong Boon
Mr Suresan Sachithananthan
Mr Tan Eng Heong Jeffery
Dr Tan Sze Wee
Prof Tsui Kai Chong
Mr Sivakant Tiwari (Appointed on 01.02.09)
BG Hugh Lim (Appointed on 01.02.09)

2. Arrangements to enable directors to acquire shares and debentures

The company is a company limited by guarantee. Accordingly, Section 201 (6) (g) is not applicable.

3. Directors' interests in shares and debentures

The company is a company limited by guarantee. Accordingly, Section 201 (6) (h) is not applicable.

4. Directors' receipt and entitlement to contractual benefits

Since the beginning of the financial year no director has received or become entitled to receive a benefit which is required to be disclosed under Section 201(8) of the Singapore Companies Act by reason of a contract made by the company 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 except as disclosed in the financial statements.

IP Academy

Directors' Report (cont'd)

5. Share options

The company is a company limited by guarantee. Accordingly, Section 201 (12) is not applicable.

6. Independent Auditors

Heng Lee Seng & Co have expressed their willingness to accept re-appointment.

On behalf of the directors

Director

Director

Singapore: 24 July 2009

IP Academy

Statement by Directors
pursuant to Section 201 (15) of the Companies Act, Cap. 50

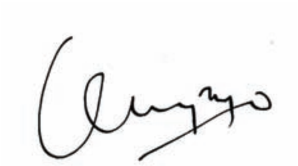
We, the undersigned, being two of the directors of IP Academy ("the company") hereby state that, in the opinion of the directors:-

(a) the accompanying balance sheet, income statement, statement of changes in equity and cash flow statement together with notes thereto are drawn up so as to give a true and fair view of the state of affairs of the company as at 31 March 2009 and of the results of the business, changes in equity and cash flows of the company for the financial year then ended; 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.

On behalf of the directors

Director



Director

Singapore: 24 July 2009

IP Academy

Independent Auditors' Report
to the members of IP Academy

We have audited the accompanying financial statements of IP Academy ("the company") which comprise the balance sheet as at 31 March 2009 and the income statement, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements
Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act, Cap. 50 ("the Act") and Singapore Financial Reporting Standards. This responsibility includes:-

(a) 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 income statement and balance sheet and to maintain accountability of assets;

(b) selecting and applying appropriate accounting policies; and

(c) making accounting estimates that are reasonable in the circumstances.

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 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 and fair presentation of the financial statements 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.

IP Academy

Independent Auditors' Report (cont'd)
to the members of IP Academy

Opinion
In our opinion:-

(a) the financial statements 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 2009 and of the results, changes in equity and cash flows of the company for the financial year ended on that date; and

(b) 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.

Heng Lee Seng & Co
Public Accountants
Certified Public Accountants

Singapore: 24 July 2009

IP Academy

Balance Sheet
as at 31 March 2009

	Note	31/03/09 $	31/03/08 $
Non-current assets			
Property, plant and equipment	5	176,414	31,790
Current assets			
Trade receivables	6	167,171	159,837
Other receivables	7	142,700	101,671
Prepayments		6,980	11,035
Cash and cash equivalents	8	290,120	791,785
		606,971	1,064,328
Total assets		783,385	1,096,118
Current liabilities			
Trade payables	9	167,835	205,813
Other payables	10	111,506	115,596
Provisions for other liabilities and charges	11	-	15,000
		279,341	336,409
Total liabilities		279,341	336,409
Net assets		504,044	759,709
Government grants	4	504,044	759,709

IP Academy

Income Statement
for the financial year ended 31 March 2009

	Note	01/04/08 to 31/03/09 $	01/04/07 to 31/03/08 $
Revenue	12	999,230	855,045
Programme expenditure		(1,666,391)	(825,702)
(Deficit)/surplus of revenue over programme expenditure		(667,161)	29,343
Other income	13	4,583	1,364
Expenses:-			
Administrative expenses		(1,729,109)	(1,520,555)
Excess of expenditure over income before government grants	14	(2,391,687)	(1,489,848)
Amount transferred from government grants	4	2,391,687	1,489,848
Surplus/(deficit) for the year		-	-

IP Academy

Cash Flow Statement
for the financial year ended 31 March 2009

	Note	**01/04/08 to 31/03/09** $	**01/04/07 to 31/03/08** $
Excess of expenditure over income before government grants		(2,391,687)	(1,489,848)
Adjustments for:-			
Depreciation of property, plant and equipment	5	57,162	138,850
Allowance for impairment loss arising from trade receivables	6	-	5,350
Interest income	13	(2,583)	(1,364)
Operating cash flows before changes in working capital		(2,337,108)	(1,347,012)
Changes in working capital:			
(Increase)/decrease in:			
- trade receivables		(7,334)	(125,371)
- other receivables		(41,029)	(33,498)
- prepayments		4,055	84,036
(Decrease)/increase in:			
- trade payables		(37,978)	(43,484)
- other payables		(4,090)	41,746
- provisions and other liabilities		(15,000)	-
Net cash flows used in operating activities		(2,438,484)	(1,423,583)
Investing activities			
Interest received		2,583	1,364
Purchases of property, plant and equipment	5	(201,786)	(47,011)
Net cash flows used in investing activities		(199,203)	(45,647)
Financing activities			
Grant received from government	4	2,136,022	1,850,492
Net cash flows from financing activities		2,136,022	1,850,492
Net (decrease)/increase in cash and cash equivalents		(501,665)	381,262
Cash and cash equivalents at beginning of financial year		791,785	410,523
Cash and cash equivalents at end of financial year	8	290,120	791,785

IP Academy

Notes to the Financial Statements

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

1. **General**

IP Academy, Registration No. 200300851Z ("the company") which is a company limited by guarantee, is incorporated and domiciled in the Republic of Singapore with its registered office at 7 Maxwell road #05-01A MND Complex Annexe B Singapore 069111.

The principal activities of the company during the financial year are to promote education, research and scholarship in the field of intellectual property.

These financial statements were authorised for issue in accordance with a resolution of the directors on 24 July 2009.

2. **Summary of significant accounting policies**

(a) ***Basis of preparation of financial statements***

The financial statements of the company are prepared in accordance with the Singapore Financial Reporting Standards ("FRS"). They are prepared on the historical cost basis except as disclosed in the accounting policies below. Unless stated otherwise, amounts are presented in Singapore dollar (presentation currency) which is also the functional currency of the company.

The preparation of financial statements in conformity with FRS requires management to exercise its judgement in the process of applying the company's accounting policies. It also requires the use of certain critical accounting assumptions and estimates. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

The accounting policies have been consistently applied by the company and are consistent with those used in the previous financial year.

New or revised FRS and Interpretations to FRS (INT FRS) effective in 2008

On 1 April 2008, the company adopted the new or revised FRS and INT FRS that are relevant to the company and mandatory for application from that date. Changes to the company's accounting policies have been made as required in accordance with the transitional provisions in the respective FRS and INT FRS.

IP Academy

Notes to the Financial Statements (cont'd)

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

(a) ***Basis of preparation of financial statements (cont'd)***
New or revised FRS and Interpretations to FRS (INT FRS) effective in 2008

The following are the new or amended FRS that are relevant to the company:-

Amendments to FRS 1	Presentation of Financial Statements - Capital Disclosures
FRS 107	Financial instruments:- Disclosures

The adoption of the above new and amended FRS did not result in any substantial changes to the company's accounting policies nor any significant impact on these financial statements. FRS 107 and the complementary amended FRS 1 introduce new disclosures relating to financial instruments and capital respectively.

(b) ***Property, plant and equipment***
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.

All items of property, plant and equipment are initially recognised at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and impairment loss, if any.

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

	% per annum
Leasehold improvements	50
Furniture and fittings	33
Office equipment	33
Computers	50

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

The residual value, useful life and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

IP Academy

Notes to the Financial Statements (cont'd)

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

(b) ***Property, plant and equipment (cont'd)***

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use Any gain or loss on derecognition of the asset is included in the income statement in the year the asset is derecognised.

(c) ***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 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.

Impairment losses are recognised in the income statement except for assets that are previously revalued where the revaluation was taken to equity. In this case the impairment is also recognised in equity up to the amount of any previous revaluation.

An assessment is made at each reporting date 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 the income statement unless the asset is measured at valuation, in which case the reversal is treated as a revaluation increase.

(d) ***Financial assets***

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 the 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.

IP Academy

Notes to the Financial Statements (cont'd)

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

(d) ***Financial assets (cont'd)***

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 difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that has been recognised directly in equity is transferred to the income statement.

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.

(i) *Financial assets at fair value through profit or loss*

Financial assets held for trading are classified as financial assets at fair value through profit or loss. Financial assets held for trading are acquired principally for the purpose of selling in the near term or are derivatives.

Subsequent to initial recognition, financial assets at fair value through profit or loss are measured at fair value. Any gains or losses arising from changes in fair value of the financial assets are recognised in the income statement. Net gains or net losses on financial assets at fair value through profit or loss include exchange differences, interest and dividend income.

(ii) *Loans and receivables*

Loans and receivables are non-derivatives with fixed or determinable payments and are not quoted in an active market. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method and through the amortisation process. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired.

Loans and receivables are presented as "trade and other receivables" and "cash and cash equivalents".

(iii) *Held-to-maturity investments*

Held-to-maturity investments are non-derivatives with fixed or determinable payments and fixed maturity when the company has the positive intention and ability to hold the investment to maturity. Subsequent to initial recognition, held-to-maturity investments are measured at amortised cost using the effective interest method and through the amortisation process. Gains and losses are recognised in the income statement when the held-to-maturity investments are derecognised or impaired.

IP Academy

Notes to the Financial Statements (cont'd)

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

(d) ***Financial assets (cont'd)***

(iv) *Available-for-sale financial assets*

Available-for-sale financial assets are financial assets that are not classified in any of the other categories. Subsequent to initial recognition, available-for-sale financial assets are measured at fair value. Any gains or losses from changes in fair value of the financial asset are recognised directly in the fair value reserve in equity, except that impairment loss, foreign exchange gains and losses on monetary instruments and interest calculated using the effective interest method are recognised in the income statement. The cumulative gain or loss previously recognised in equity is recognised in the income statement when the financial asset is derecognised.

Investments in equity instruments whose fair value cannot be reliably measured are measured at cost less impairment loss.

(e) ***Impairment of financial assets***

The company assesses at each balance sheet date whether there is any objective evidence that a financial asset is impaired.

(i) *Assets carried at amortised cost*

To determine whether there is objective evidence that an impairment loss on financial assets has 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 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 difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial assets' 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.

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 amount of the financial asset.

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 the income statement.

IP Academy

Notes to the Financial Statements (cont'd)

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

(e) *Impairment of financial assets (cont'd)*

(ii) *Assets carried at cost*

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at 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 current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

(iii) *Available-for-sale financial assets*

Significant or prolonged decline in fair value below cost, significant financial difficulties of the issuer or obligor, and the disappearance of an active trading market are considerations to determine whether there is objective evidence that investment securities classified as available-for-sale financial assets are impaired.

If an available-for-sale financial asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. Reversal of impairment losses in respect of equity instruments are not recognised in the income statement. Reversals of impairment losses on debt instruments are recognised in the income statement if the increase in fair value of the debt instrument can be objectively related to an event occurring after the impairment loss were recognised in the income statement.

(f) *Cash and cash equivalents*

For the purpose of presentation in the cash flow statement, cash and cash equivalents include cash on hand, cash at banks, deposits with financial institutions and bank overdrafts. Bank overdrafts are presented as current borrowings on the balance sheet.

(g) *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 recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method except for derivatives, which are measured at fair value

IP Academy

Notes to the Financial Statements (cont'd)

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

(g) ***Financial liabilities (cont'd)***

A financial liability is derecognised when the obligation under the liability is extinguished. For financial liabilities other than derivatives, gains and losses are recognised in the income statement when the liabilities are derecognised, and through the amortisation process. Any gains or losses arising from changes in fair value of derivatives are recognised in the income statement. Net gains or losses on derivatives include exchange differences.

Financial liabilities are presented as "trade and other payables" and "borrowings".

(h) ***Trade and other payables***

Trade and other payables are initially recognised at fair value are subsequently carried at amortised cost using the effective interest method.

(i) ***Borrowings***

Borrowings are presented as current liabilities unless the company has an unconditional right to defer settlement for at least 12 months after the balance sheet date.

Borrowings are initially recognised at fair value (net of transaction costs) and subsequently carried at amortised cost. Any difference between the proceeds (net by the transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

(j) ***Fair value estimation of financial assets and liabilities***

The fair values of financial instruments traded in active markets (such as exchange-traded and over-the-counter securities and derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets are the current bid prices; the appropriate quoted market prices for financial liabilities are the current asking prices.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques. The company uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Where appropriate, quoted market prices or dealer quotes for similar instruments are used. Valuation techniques, such as discounted cash flow analyses, are also used to determine the fair values of the financial instruments.

The fair values of current financial assets and financial liabilities carried at amortised cost approximate their carrying amounts due to the relatively short-term maturity of these financial instruments.

IP Academy

Notes to the Financial Statements (cont'd)

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

(k) ***Leases***

As lessee

Finance leases, which transfer to the company substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(l) ***Provisions***

Provisions are recognised when the company has a present (legal or constructive) obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised recognised for future operating losses.

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

(m) ***Related parties***

Parties are considered to be related if one party has the ability, directly or indirectly, to control or exercise significant influence over the other party in making financial and operating decisions or where both parties are subject to common control or common significant influence. Related parties include related corporations, associates, joint control entities, joint ventures and individuals who are key management personnel or close members of their families.

IP Academy

Notes to the Financial Statements (cont'd)

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

(n) ***Key management personnel***

Key management personnel of the company are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. The directors are considered as key management personnel of the company.

(o) ***Revenue recognition***

Revenue is measured at the fair value of the consideration received and receivable and is presented net of rebates and discounts and sales related taxes. 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 from training course

Revenue from training course fees is recognised at the time when services are rendered. Accordingly, revenue from courses that run over a longer duration is recognised over the period of such courses. Advance billings made to customers are included in "deferred income" in Notes to the financial statements.

Income from organising of seminars and conferences

Income generated from the organising of seminars and conferences is recognised at the time when services are rendered.

Interest income

Interest income is recognised using the effective interest method.

(p) ***Borrowing costs***

Borrowing costs are recognised in the income statement as incurred using the effective interest method.

(q) ***Employee benefits***

(i) *Defined contribution plan*

Defined contribution plans are post-employment benefit plans under which the company pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The company has no further payment obligations once the contributions have been paid. The company's contributions are recognised as employee compensation expense when they are due, unless they can be capitalised as an asset.

(ii) *Short-term benefits*

All short-term employee benefits including accumulating compensated absences are recognised in the income statement in the period in which the employees rendered their services to the company.

IP Academy

Notes to the Financial Statements (cont'd)

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

(r) ***Government grants***

Government grants are accounted for on an actual basis. The grants are amortised to the in come statement to match the related expenditure when incurred. Interest income earned from placement of funds from grants received is credited to the income statement.

(s) ***Foreign currency transactions***

- The management has determined the currency of the primary economic environment in which the company operates to be Singapore dollar ("functional currency").

- Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

- Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into the functional currency at the exchange rate at the balance sheet date.

- Currency translation gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the balance sheet date are recognised in the income statement, unless they arise from borrowings in foreign currencies, other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations. Those currency translation differences are recognised in the currency translation reserve in the financial statements and transferred to the income statement as part of the gain or loss on disposal of foreign operation.

(t) ***Contingencies***

A contingent liability or asset is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events not wholly within the control of the company.

Contingent liabilities and assets are not recognised on the balance sheet of the company.

3. **Critical accounting assumptions, estimates and judgements**

Assumptions, estimates and judgements are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The company does not make any critical accounting assumptions, estimates and judgements.

IP Academy

Notes to the Financial Statements (cont'd)

4. **Government grants**

	31/03/09	31/03/08
	$	$
At beginning of financial year	759,709	399,065
Grants received during the year	2,136,022	1,850,492
Grants amortised	(2,391,687)	(1,489,848)
At end of financial year	504,044	759,709

5. **Property, plant and equipment**

Details are set out on pages 21 and 22

6. **Trade receivables**

	31/03/09	31/03/08
	$	$
Outside parties	172,421	170,437
Less: Allowance for impairment losses	(5,250)	(10,600)
	167,171	159,837

(a) Trade receivables are non-interest bearing and are generally on 30 to 90 days' terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

(b) The maximum exposure to risk on trade receivables is limited to the amount due from out side parties.

(c) The company's most significant customer accounts for $74,931 (2008: $7,415) of the trade receivables carrying amount at the reporting date.

(d) *Impairment loss*

	31/03/09		31/03/08	
	Gross	Impairment loss	Gross	Impairment loss
	$	$	$	$
Not past due	134,796	-	-	-
Past due 91 - 120 days	7,297	-	88,704	-
Past due 121 - 150 days	25,078	-	73,540	(5,350)
Past due more than 150 days	5,250	(5,250)	8,193	(5,250)
	172,421	(5,250)	170,437	(10,600)

IP Academy

Notes to the Financial Statements (cont'd)

6. Trade receivables (cont'd)

(e) Analysis of allowance for impairment losses:-

	Note	31/03/09 $	31/03/08 $
At beginning of financial year		10,600	5,250
Allowance made during the year	14	-	5,350
Written off against allowance		(5,350)	-
At end of financial year		5,250	10,600

7. Other receivables

	31/03/09 $	31/03/08 $
Deposits	67,046	21,045
Deferred expenses	66,808	72,152
Due from outside parties	8,846	8,474
	142,700	101,671

8. Cash and cash equivalents

	31/03/09 $	31/03/08 $
Cash and bank balances	290,120	744,912
Fixed deposits with financial institutions	-	46,873
	290,120	791,785

9. Trade payables

	31/03/09 $	31/03/08 $
Outside parties	12,210	135,088
Accrued operating expenses	155,625	70,725
	167,835	205,813

Trade payables to outside parties are non-interest bearing. They are normally settled on 60-day terms.

IP Academy

Notes to the Financial Statements (cont'd)

5. **Property, plant and equipment (cont'd)**

	Note	Furniture and fittings $	Renovations $	Office equipment $	Computers $	Total $
31/03/09						
Cost						
At beginning of financial year		30,109	262,789	103,024	218,151	614,073
Additions		769	118,435	21,891	60,691	201,786
Disposals		(6,063)	(262,789)	(40,836)	-	(309,688)
At end of financial year		24,815	118,435	84,079	278,842	506,171
Accumulated depreciation						
At beginning of financial year		23,907	262,789	88,697	206,890	582,283
Charge for the year	14	6,320	19,739	7,035	24,068	57,162
Disposals		(6,063)	(262,783)	(40,836)	-	(309,688)
At end of financial year		24,164	19,739	54,896	230,958	329,757
Carrying amount						
At end of financial year		651	98,696	29,183	47,884	176,414

IP Academy

Notes to the Financial Statements (cont'd)

5. **Property, plant and equipment (cont'd)**

	Note	Furniture and fittings $	Renovations $	Office equipment $	Computers $	Total $
31/03/08						
Cost						
At beginning of financial year		30,109	246,218	88,480	202,255	567,062
Additions		-	16,571	14,544	15,896	47,011
At end of financial year		30,109	262,789	103,024	218,151	614,073
Accumulated depreciation						
At beginning of financial year		14,605	161,645	71,829	195,354	443,433
Charge for the year	14	9,302	101,144	16,868	11,536	138,162
At end of financial year		24,164	19,739	54,896	230,958	329,850
Carrying amount						
At end of financial year		6,202	-	14,327	11,261	31,790

IP Academy

Notes to the Financial Statements (cont'd)

10. Other payables

	31/03/09 $	31/03/08 $
Deferred income	101,306	115,596
MDA grant	10,200	-
	111,506	115,596

11. Provisions for other liabilities and charges

	Dismantlement removal or restoration of property, plant and equipment	
	31/03/09 **$**	**31/03/08** **$**
At beginning of financial year	15,000	15,000
Amounts used	(15,000)	-
At end of financial year	-	15,000

12. Revenue

	01/04/08 to 31/03/09 $	01/04/07 to 31/03/08 $
Training course income	847,279	829,750
Research project funding	-	541
Conference income	128,972	-
Service fee income	13,100	22,869
Miscellaneous income	9,879	1,885
	999,230	855,045

IP Academy

Notes to the Financial Statements (cont'd)

13. Other income

	01/04/08 to 31/03/09 $	01/04/07 to 31/03/08 $
Interest income on bank accounts	2,583	1,364
Other income	2,000	-
	4,583	1,364

14. Excess of expenditure over income before government grants

The following items have been included in arriving at excess of expenditure over income before government grants:-

	Note	01/04/08 to 31/03/09 $	01/04/07 to 31/03/08 $
Charging:			
Allowance for impairment loss arising from trade receivables	6	-	5,350
Depreciation of property, plant and equipment	5	57,162	138,850
Foreign currency exchange loss		3	924
Property, plant and equipment expensed off		-	1,823
Rental on operating leases - property premises		278,781	189,677
Research expenses		28,963	150,909
Staff costs (including those of working directors)			
- salaries and other short-term employee benefits		1,026,683	894,151
- employer's contribution to defined contribution plans		74,404	73,695

15. Income tax expense

The company has been registered as a charity under the Charities Act, 1994 with effect from 10 May 2004. Under the Income Tax Act charities are exempted from income tax.

IP Academy

Notes to the Financial Statements (cont'd)

16. Lease commitments

Operating lease commitments - where the company is the lessee

The company leases property premises under non-cancellable operating lease agreements. The leases have varying terms and renewal rights.

The future aggregate minimum lease payable under non-cancellable operating leases contracted for at the balance sheet date but not recognised as liabilities, are analysed as follows:

	31/03/09 $	**31/03/08** $
Not later than one-year	265,663	140,617
Between two and five years	464,911	-
	730,574	140,617

17. Significant related party transactions

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

	01/04/08 to 31/03/09 $	**01/04/07 to 31/03/08** $
With related parties		
Expenditure		
Key management personnel compensation		
- salaries and other short-term employee benefits	366,236	284,658

IP Academy

Notes to the Financial Statements (cont'd)

18. Financial risks and management

(a) Categories of financial instruments

The following table sets out the financial instruments as at the balance sheet date:

	31/03/09	**31/03/08**
	$	$
Financial assets		
Trade and other receivables	309,871	261,508
Cash and cash equivalents	290,120	791,785
	599,991	1,053,293
Financial liabilities		
Trade and other payables	279,341	321,409

(b) Financial risk and management

General risk management principles

Risk management is integral to the whole business of the company. The company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the company's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

The main risks arising from the company's financial instruments are credit risk and liquidity risk. The management reviews and agrees policies for managing each of these risks and they are summarised below:

(i) Credit risk

The company has a credit policy in place which establishes credit limits for customers and monitors their balances on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The credit quality is assessed after taking into account its financial position and past experience with the customer.

IP Academy

Notes to the Financial Statements (cont'd)

18. **Financial risks and management (cont'd)**

(b) ***Financial risk and management (cont'd)***

(i) Credit risk (cont'd)

The company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The allowance is a specific loss that relates to individually significant exposures.

The allowance account is used to record impairment losses unless the company is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and fixed deposits are placed with banks and financial institutions which are regulated.

(ii) Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting financial obligations due to shortage of funds. The company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The table below summarises the maturity profile of the company's financial liabilities at the balance sheet date based on contractual undiscounted payments.

	One year or less	
	31/03/09	**31/03/08**
	$	$
Trade and other payables	279,341	321,409

At balance sheet date the company has a cash and cash equivalents of $288,848 (2008: $791,785).

IP Academy

Notes to the Financial Statements (cont'd)

19. FRS and INT FRS issued but not yet effective

The company has not adopted the following FRS and INT FRS that have been issued but not yet effective:

			Effective date (annual periods beginning on or after)
FRS 1	:	Presentation of Financial Statements - Revised Presentation	1 January 2009
FRS 23	:	Amendment to FRS 23 Borrowing costs	1 January 2009
FRS 27	:	Consolidated and Separate Financial Statements - Amendments relating to Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2009
FRS 32	:	Financial Instruments - Amendments relating to Puttable Financial Instruments and Obligations Arising on Liquidation	1 January 2009
FRS 39	:	Financial Instruments: Recognition and Measurement - Amendments relating to Eligible Hedged Items	1 July 2009
FRS 101	:	First-time Adoption of Financial Reporting Standards - Amendments relating to Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2009
FRS 108	:	Operating Segments 1 January 2009	1 January 2009
INT FRS 116	:	Hedges of a Net Investment in a Foreign Operations	1 October 2009
INT FRS 117	:	Distributions of Non-cash Assets to Owners	1 July 2009
FRS	:	Improvement in FRS	1 January 2009 unless otherwise stated

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

IP academy SINGAPORE
CREATING AN EDGE IN
THE KNOWLEDGE ECONOMY

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